

FRANCHISE DISCLOSURE DOCUMENT



SFCECUS, LLC
(a Wisconsin limited liability company)
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A **SFC ESTATE COACHING®** franchise provides coaching to clients in estate planning, which is the process of anticipating and arranging for the management and disposition of clients' estates during life in preparation for future incapacity or death.

The total investment necessary to begin the operation of an **SFC ESTATE COACHING®** franchise is from \$38,950 to \$49,000. This includes \$25,000 that must be paid to us.

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement or make any payment 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 your disclosures in different formats, contact our contracts administrator, Craig Mellendorf at 627 Grand Avenue, Thiensville, WI 53092; Email: franchising@sfcestatecoaching.com; Phone: (414) 885-4587.

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

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this Disclosure Document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 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: **April 1, 2026**

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:

	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 Exhibits C and D.
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?	Exhibit B 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 SFC ESTATE COACHING® 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 SFC ESTATE COACHING® franchisee?	Exhibits C and D list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this Disclosure Document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The Franchise Agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in Wisconsin. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Wisconsin than in your own state.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in the termination of your franchise and loss of your investment.
4. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.
5. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

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 PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE
MICHIGAN FRANCHISE INVESTMENT LAW**

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a Franchise Agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision

that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the Franchise Agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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

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

Any questions regarding the notice of this offering on file with the attorney general should be directed to:

**Department of Attorney General
Consumer Protection Division
670 Law Building
525 West Ottawa Street
Lansing, Michigan 48933
(517) 373-7117.**

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Exhibits

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- B – Financial Statements
- C – Franchisee List
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ITEM 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Disclosure Document, the words “we,” “our,” “us,” and “**Franchisor**” refer to **SFCECUS, LLC**, the franchisor. “You,” “your,” and “**Franchisee**” means the person or entity who buys a franchise, including the individual owners of an entity owned franchise.

Franchisor and Parents, Predecessors, and Affiliates

We are a Wisconsin limited liability company organized on July 7, 2025. Our principal place of business is 627 Grand Avenue, Thiensville, WI 53092. We do business under our corporate name and under the trade name “**SFC ESTATE COACHING®**.” We do not have any parent or predecessor companies. Our agent for service of process in Wisconsin is Craig Mellendorf with the same address as us. Our agents for service of process in other states are disclosed in Exhibit A. We have been offering **SFC ESTATE COACHING®** franchises since August 15, 2025. We do not conduct business under any other name or in any other line of business and we have never and do not currently offer franchises in any other line of business.

Our affiliate, Mellendorf, LLC, a Wisconsin limited liability company (“**Mellendorf**”) was organized on October 22, 2013. Mellendorf owns our trademarks and operates one **SFC ESTATE COACHING®** branded business located at our principal address. Mellendorf does not conduct business under any other name or in any other line of business and has never and does not currently offer franchises in any line of business. You will not be required to purchase or lease anything from Mellendorf.

The Business We Offer

We offer qualified candidates the right to operate a business under the name **SFC ESTATE COACHING®** (the “**Franchised Business**”). Your Franchised Business will provide coaching to clients in estate planning, which is the process of anticipating and arranging for the management and disposition of clients’ estates during life in preparation for future incapacity or death. The planning includes the bequest of assets to heirs, loved ones, and/or charity, and may include minimizing gift, estate, and generation-skipping transfer taxes. You will coach your clients in identifying and clarifying their giving potential in a simple, value-driven process at no cost to them, with services funded by sponsoring organizations such as churches, schools, and affiliated groups that engage our franchisees to provide our services to their members, including parishioners, congregants, members, parents of current or former students, and alumni. Franchisees may also generate income by providing services directly to businesses for their employees or for individuals who are seeking to get their estate plan completed. Once completed, the estate plan is then turned over to legal counsel to review and draft the necessary documents.

You will operate your Franchised Business under our unique system relating to the establishment, development, and operation of a **SFC ESTATE COACHING®** Franchised Business using our trademarks (“**Proprietary Marks**”) and other intellectual property (the “**System**”). The System includes the Proprietary Marks, recognized designs, decor and color schemes, and FF&E; know-how; training techniques; trade secrets; uniform specifications of products and services; sales techniques; merchandising; marketing; advertising; quality control procedures; and procedures for operation and management of Franchised Businesses. We may periodically make changes to the System standards for your Franchised Business. All Franchised Businesses must be developed and operated in accordance with our specifications, standards, policies, and procedures, which will be communicated to you via our confidential System Standards Manual (“**System Standards Manual**”) for Franchised Businesses or other written communications and directions from us. A copy of the table of contents of our System Standards Manual is attached as Exhibit F to this Disclosure Document.

Market and Competition

The market for your services is primarily the general public and specifically that segment that seeks to purchase estate planning assistance. The business is year-round and not seasonal. You will compete with other estate planning and coaching businesses locally, regionally and nationally in generally well-developed markets. You may operate in close proximity to major competitors that offer goods and services that are the same as or similar to those you offer.

Laws and Regulations

As a **SFC ESTATE COACHING®** franchisee, you will be subject to numerous federal, state, and local laws and regulations that apply to businesses in general and may be subject to laws and regulations that apply to estate planning and coaching services in particular. You will be responsible for investigating and complying with any laws or regulations that may apply to estate planning and coaching services. You will also be responsible for complying with employment, workers' compensation, insurance, corporate, tax, and similar laws and regulations, as well as any federal, state, or local laws of a more general nature that may affect the operation of your Franchised Business. Additionally, unless you have an active law license in the state where your Franchised Business is located you may not participate in the unauthorized practice of law by doing such things as (i) performing legal services or providing legal advice, (ii) drafting legal documents, or (iii) representing clients in legal proceedings. You should thoroughly investigate all of these laws before purchasing an **SFC ESTATE COACHING®** Franchised Business.

ITEM 2. BUSINESS EXPERIENCE

Founder and Chief Executive Officer:

Mr. Mellendorf has served as our Chief Executive Officer since July 7, 2025. Mr. Mellendorf has also served as the Chief Executive Officer for Mellendorf, LLC in Thiensville, WI since October 2013.

ITEM 3. LITIGATION

No litigation information 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

You must pay an initial franchise fee of \$25,000 if this is your **SFC ESTATE COACHING®** Franchised Business. If granted the right to develop an additional Franchised Business, the initial franchise fee will be reduced by \$5,000 of our then-current initial franchise fee.

The initial franchise fee is uniform to all franchisees and must be paid in full when you sign the Franchise Agreement. The initial franchise fee is fully earned and not refundable under any circumstances.

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ITEM 6. OTHER FEES

<i>Name of Fee¹</i>	<i>Amount</i>	<i>Due Date</i>	<i>Remarks</i>
Royalty Fee	The greater of (i) 5% of Gross Revenues ² or (ii) Minimum Royalty Fee ³ per month	Payable the 10 th day of each month via ACH for the preceding month	Paid on Gross Revenues for preceding calendar month. The Minimum Royalty Fee will not be assessed until the 7 th month after you begin operation of your Franchised Business.
Brand Marketing Fee	Currently \$25 per month	Payable the 10 th day of each month via ACH for the preceding month	We may increase this fee at any time to up to \$200 per month in our discretion. Any increase in the Brand Marketing Fee will be effective thirty (30) days after your receipt of written notice from us.
Special Promotions	Your pro-rata share of the cost of the promotion which may be up to \$300 per promotion which is currently not assessed.	As incurred	If we establish a promotional campaign, we may require you to participate. You will be required to pay your pro-rata share of development, purchase, lease, installation, and/or erection of all materials necessary to such promotional campaigns, including but not limited to posters, banners, signs, photography, or give-away items.
Transfer Fee	New Franchisee: 50% of the then-existing Initial Franchise Fee Existing Franchisee: 25% of the then-existing Initial Franchise Fee Transfer of Shares (non-controlling): \$1,500 Involuntary Transfers: Our actual costs and expenses up to \$5,000.	Prior to transfer.	Applies to any transfer of the Franchise Agreement, the Franchised Business, a controlling interest in the Franchised Business, or a transfer of a non-controlling interest in the Franchised Business.

<i>Name of Fee¹</i>	<i>Amount</i>	<i>Due Date</i>	<i>Remarks</i>
Advertising Advisory Council	Dues up to \$500 per year plus all travel, accommodation, food, and other costs for your attendance, which is currently not assessed	Upon demand	We have the right to establish an Advertising Advisory Council. If you participate you will be required to pay any dues assessed for the administration of the council plus all travel, accommodation, food, and other costs for your attendance.
Successor Fee	\$2,500	Prior to execution of the Successor Franchise Agreement.	We may increase this fee at any time by up to 10% of our then-current Initial Franchise Fee.
Proprietary Technology Fee	Currently not assessed. If developed, an initial one-time licensing fee of \$2,500 and \$240 per month	Payable the 10 th day of each month via ACH for the preceding month	If we develop our own proprietary software, you will incur this fee. We may increase the Proprietary Technology Fee by up to 10% annually. Any increase in the Technology Fee will be effective thirty (30) days after your receipt of written notice from us.
Technology Fee (Non-Proprietary)	Currently \$20 per month	Payable the 10 th day of each month via ACH for the preceding month	We may increase this fee at any time to up to \$200 per month in our discretion. Any increase in the Technology Fee will be effective thirty (30) days after your receipt of written notice from us.
Software and Ongoing Computer Updates (Third-Party Vendors)	Between \$100 and \$240 per year plus an initial one-time licensing fee of up to \$2,500	As incurred	You are responsible for software fees and ongoing updates to the computer system.
Supplier Assessment Fee	Up to \$1,000	Upon demand	Due to us for our investigation if you request to use a supplier that is not one of our approved suppliers.
Additional Training, National and/or Regional Meetings (including Franchise System Conference)	Currently \$300 per trainer, per day for additional training and \$500 per person for our Franchise System Conference, plus travel, lodging, meal, transportation,	Upon demand	You are required to participate in up to 3 days of refresher/supplemental training per year as well as our Franchise System Conference if we host one. In addition, if you request additional training above our normal training offerings, or if we require additional training in the event your location is operating below required standards you will be required to pay

<i>Name of Fee¹</i>	<i>Amount</i>	<i>Due Date</i>	<i>Remarks</i>
	and personal expenses incurred by all of your personnel		this fee. We reserve the right to increase this fee to up to \$500 per trainer, per day and the fee for our Franchise System Conference to up to \$1,000 per person.
On-Site Visits	\$500 per day, per trainer plus our actual costs of and expenses for transportation, lodging and meals up to \$5,000.	Upon demand	We may, in our discretion or at your request, visit your office from time to time to provide additional operational support.
Late Fee ⁴	\$100 per violation	Upon demand	
Interest ⁵	18% per annum or the highest rate allowable by law	Upon demand	
Insufficient Funds Fee	\$250 per occurrence plus our actual costs incurred for bank charges.	Upon demand	An insufficient funds fee is due any time an EFT withdrawal or any check or other means of payment used is returned not paid or otherwise rejected or denied.
Audit Fee ⁶	Reasonable cost of audit not to exceed \$10,000 plus 18% interest on underpayment and late fees	Upon demand	Payable only if audit shows an understatement of Gross Revenues of at least 3% for any month.
Client Surveys	Our actual costs and expenses not to exceed \$500 per survey.	Upon demand.	Payable if we conduct client satisfaction surveys.
Sales/Use Taxes ⁷	Our actual costs and expenses not to exceed \$3,000 per occurrence.	Payable with your Royalty Fee or Brand Marketing Fee payments	You must pay any state or local sales or use tax that may be assessed on the royalties, Brand Marketing Fees, or other fees you pay us.
Indemnification ⁸	Between \$1,000 and \$5,000,000	As incurred	You must fully reimburse us if we are held liable for claims arising from your business

<i>Name of Fee¹</i>	<i>Amount</i>	<i>Due Date</i>	<i>Remarks</i>
Estate Planning Booklet	\$25 per booklet. We have the right to increase this fee to up to \$50 per booklet.	As incurred	You may at your discretion purchase estate planning booklets (typically you may need 100 to 200 booklets annually). 100 booklets is not a minimum requirement. You are free to determine the amount of booklets you require based on your assessment of your client base. You will have the option after the first year of operation to attend and complete certification training from Crescendo, the software used to develop the booklets. With this certification, you can develop your own booklet without fees to us
Management Fee	\$500 per day plus our actual costs of travel, food, and lodging expenses up to \$5,000.	Upon demand	If you fail to cure a default, we may step-in and operate your Franchised Business until such time as the default is cured.
Contract Referral Fee ⁹	15% for sold contracts; 5% for contracts signed following the referral	Upfront or monthly to referral source	Payable to us or the referral source (which may be another franchisee) if you accept a referral for an existing contract or finalize a contract with an organization that was referred to you.
Liquidated ¹⁰ Damages	Varies based on formula disclosed in Note 10 below	Upon demand	If your Franchise Agreement terminates prior to the end of the Term, you must pay us liquidated damages.

Notes to Table

- All fees are non-refundable. We currently intend to impose all fees uniformly except as otherwise stated in this Item 6. We may, after providing thirty (30) days' notice, alter the payment period for the Royalty, Brand Marketing Fee, and any other required payments from monthly to weekly, biweekly, or such other period as we designate.
- The term “**Gross Revenues**” means all income (cash, credit, and all other consideration) on a cash basis by you or any spouse or child of yours or your principal or guarantor:
 - in connection in any way with the operation of the Franchised Business or any competing business anywhere;
 - from the sale of any Permitted Products or Services (as defined in Section 7.3 of the Franchise Agreement); or
 - from the sale of any goods or services (whether or not permitted) under, using, or in connection with the Proprietary Marks.

“Gross Revenues” does not include value-added, sales, use, excise, or other taxes that are separately stated and that you are required by law to collect and collect from clients and pay to any governmental taxing authority. We reserve the right to require accrual accounting in determining Gross Revenues.

3. A minimum royalty fee shall be assessed beginning after the Franchised Business has been open for 7 months and is as follows (“**Minimum Royalty Fee**”):

7 Months following Opening Date to First Anniversary of Opening Date	\$200 per month
First Anniversary of Opening Date to Second Anniversary of Opening Date	\$250 per month
Second Anniversary of Opening Date to Third Anniversary of Opening Date	\$300 per month
Third Anniversary of Opening Date to Fourth Anniversary of Opening Date	\$350 per month
Fourth Anniversary of Opening Date and for the remainder of the term of the Franchise Agreement	\$400 per month

4. You must pay to us a late fee on each payment due that is not received by us within 5 days after the due date or for each Revenue Report or other Business Record that is not received by us within 5 days after the due date.
5. Interest on past due payments to us will accrue.
6. You must maintain accurate business records, reports, accounts, books, and we, or our designated agents, have the right to inspect and/or audit your business records during normal business hours or at any time if the records can be accessed electronically.
7. The Royalty Fee, Brand Marketing Fee, and other fees you pay to us may be entirely or partially subject to state and/or local sales tax, depending upon the law in your state. If we are required to pay these taxes in your state, then you must add the tax to your monthly Royalty Fee and Brand Marketing Fee payment.
8. You shall defend, indemnify and hold us and our parent, predecessor, subsidiaries, and affiliate, and their respective officers, directors, managers, members, partners, shareholders, independent contractors and employees harmless from all fines, suits, proceedings, claims, demands, liabilities, injuries, damages, expenses, obligations or actions of any kind (including costs and reasonable attorneys’ fees) arising in whole or in part from your ownership, operation or occupation of the Franchised Business, performance or breach of its obligations under the Franchise Agreement, breach of any warranty or representation in the Franchise Agreement or from your or your employees or agents, acts or omissions. You must also indemnify, defend, and hold us harmless from and against claims made by your employees against us and your breach of any data protection laws. The high end of this range assumes vicarious liability for personal injury/death or economic failures due to your acts or omissions.
9. If you receive a referral to an organization that has either already contracted with us or another franchisee or is interested in contracting with us or another franchisee and you accept the referral, you will pay a commission to the source referring the organization to you (which may be another franchisee): (i) 15% of the contract price if the contract has already been signed with the organization or (ii) 5% of the contract price if no contract is signed and you eventually negotiate and finalize the contract with the organization.
10. Liquidated damages are equal to the (i) the product of 24 multiplied by the average monthly Royalty Fees and Brand Marketing Fee accrued during the 24-month period before the month of termination (or, if your Franchised Business has been open less than 24-months, during the period during which the Franchised Business has been open), (ii) if your Franchised Business has not yet opened for business, \$100,000, or (iii) if your Franchised Business has less than 24-months in the term, the product of the number of months remaining in the Term multiplied by the average monthly Royalty Fees and Brand Marketing Fee for the 24-month period before the month of termination.

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ITEM 7. ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee ¹	\$25,000	\$25,000	Lump sum	At signing of Franchise Agreement	The Initial Franchise Fee is paid to us
Office Equipment, Computers, Office Supplies ²	\$2,000	\$5,000	As incurred	Before opening	Third-party providers
Computer System ³	\$3,200	\$4,000	Lump Sum	Before opening	Third-party providers
Insurance Deposits and Premiums ⁴	\$1,500	\$2,500	As incurred	Before opening	Insurance company
Pre-Opening Training Expense ⁵	\$0	\$1,500	As Incurred	Before opening	Third parties
Professional Fees ⁶	\$2,000	\$3,000	As incurred	Before opening	Attorneys, accountants
Business Permits, Fees, and Licenses ⁷	\$250	\$500	As incurred	Before opening	Licensing Authorities or our affiliates
Additional funds – 3 Months ⁸	\$5,000	\$7,500	As incurred	After opening	Various
TOTAL ESTIMATED INITIAL INVESTMENT⁹	\$38,950	\$49,000			

Notes to Table:

1. This fee is fully earned and is not refundable when paid by you.
2. These figures represent the purchase of the necessary furniture, fixtures, and equipment from suppliers to operate your Franchised Business.
3. The cost of the computer equipment and software you will need to operate your franchise will depend upon the manufacturer, the operating features, whether the equipment is new or used, and whether you purchase, rent or lease it.
4. You must obtain and maintain the types and amounts of insurance coverage described in Item 8 under the heading “Insurance.” Insurance costs will vary depending upon the location and size of your Franchised Business, the number of employees and other factors, and may change from time to time due to changes in insurance rates.
5. We do not charge an additional fee for our Initial Training Program for up to two attendees but you will be responsible for your attendees’ transportation, meals, and lodging expenses. If you request that additional people attend our Initial Training Program and we approve their attendance, you will incur an additional fee of \$1,500 per additional attendee plus transportation, meals, and lodging expenses.
6. These fees are representative of the costs for engagement of professionals such as attorneys and accountants for the initial review and advisories consistent with the start-up of a business. We strongly recommend that

you seek the assistance of professional advisors when evaluating this franchise opportunity, this Disclosure Document, and the Franchise Agreement.

7. You are responsible for applying for, obtaining, and maintaining all required permits and licenses necessary to operate your Franchised Business.
8. The figures represented here reflect the range of expenditures for us to open our affiliated owned location in Thiensville, Wisconsin. This is an estimate of the amount of additional operating capital that you may need to operate your Franchised Business during the first three (3) months after commencing operations. This estimate includes such items as initial payroll and payroll taxes, additional advertising, marketing and/or promotional activities, repairs and maintenance, bank charges, miscellaneous supplies and equipment, initial staff recruiting expenses, state tax and license fees, rent, and prepaid expenses (if applicable) and other miscellaneous items as offset by the revenue you take into the business.
9. All expenditures in the chart are non-refundable unless specifically noted otherwise.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases.

You must purchase all furniture, fixtures, decorations, equipment, items and products containing the Proprietary Marks and other specified items exclusively in accordance with our standards and specifications that will be disclosed to you in the System Standards Manual which may be modified and issued to you by written electronic communication or other written communication to you such as USPS mail, facsimile, memorandum, or contained in the periodic written training materials we supply. You must purchase these items from us or from suppliers that we designate. As if the Issuance Date of this Disclosure Document, we are the only approved supplier for the Estate Planning Booklets unless you participate in the Crescendo training, which is the software used to develop Booklets. If you pass Crescendo training, you will be allowed to develop your own Booklets. Except for the Booklets, neither we nor our affiliates are approved suppliers of any item.

Craig Mellendorf, our Chief Executive Officer, owns an interest in us and Mellendorf, LLC, which are approved suppliers. With the exception of that, there are no approved suppliers in which any of our officers or directors own an interest.

Material Benefits

We do not provide material benefits to franchisees based upon their use of designated or approved suppliers.

Alternative Supplier Approval

You are permitted to contract with alternative suppliers who meet with our approval. You may request approval of an alternative supplier. If requested, we will have the right to investigate the proposed supplier, including, but not limited to inspection of the proposed supplier's facilities. You will pay us our actual costs and expenses incurred up to \$1,000 in conducting inspection and testing (including administrative expenses). We reserve the right, at our option, to re-inspect the facilities and products of any approved supplier, and to revoke approval if the supplier fails to continue to meet any of our criteria. We do not release our standards and specifications or criteria for supplier, or alternative goods or service approval to System franchisees. We generally grant approval or rejection of alternative suppliers within 90 days of a request. Upon 30 days written notice to you, we have the right, at our option, to re-inspect the facilities and products of any approved supplier, and to revoke approval if the supplier, in our sole discretion, fails to meet any of our criteria.

Computer Hardware and Software.

To operate your Franchised Business, you will need a Computer System and certain required computer programs. The specifications for the Computer System are contained in the System Standards Manual and listed in Item 11 of this Disclosure Document. You may currently purchase the Computer System from any approved supplier, although we reserve the right to require you to purchase the Computer System, or components of the Computer System, from us or our affiliates.

Cost of Required Purchases and Leases

We estimate that the cost of required purchases and leases will represent approximately 15% to 25% of your initial investment to commence the operation of your Franchised Business, and approximately 0% to 10% of your ongoing operating expenses.

Revenues of Us and Affiliates.

We, and our subsidiaries or affiliates, may derive income or revenue from franchisee purchases. We have just begun offering franchises as of the Issuance Date of this Disclosure Document and have not yet earned any revenue from approved suppliers for their sale of required purchases or leases to our franchisees.

Advertising

All advertising and promotion of your business must conform to our specifications and standards and must be approved by us in advance. You must submit to us, for our approval, at least 30 days in advance of placement deadline, copies of all advertising and promotional materials, including but not limited to, business cards, signs, displays and mail outs. In addition, all advertising and promotion of your Franchised Business shall comply with all applicable laws.

Purchasing or Distribution Cooperatives

There are no purchasing or distribution cooperatives. As of the Issuance Date of this Disclosure Document, we have not negotiated any purchase arrangements with suppliers for the benefit of franchisees.

Insurance

Our current minimum insurance requirements are as follows:

- Professional Liability in the amount of \$2,000,000;
- Commercial General Liability Insurance covering claims for bodily and personal injury, death, property damage, and contractual liability with a minimum per occurrence limit of \$1,000,000 and a minimum general aggregate limit of \$1,000,000;
- Automobile Liability Insurance for owned, hired, and non-owned vehicles with a minimum combined single limit of \$1,000,000;
- Property Insurance in an amount sufficient to replace the furniture, fixtures and equipment of the Franchised Business and personal property upon loss or damage;
- Cybersecurity Insurance in the amount of \$1,000,000;
- Errors and Omissions Coverage with a minimum per occurrence limit of \$250,000 and a minimum general aggregate limit of \$500,000;
- Worker's Compensation Insurance that complies with the statutory requirements of the state in which the Franchised Business is located and Employers' Liability Insurance with a minimum limit of \$100,000 or, if greater, the statutory minimum limit if required by state law.

If the lease (if applicable) for the Franchised Business requires you to purchase insurance with higher limits than those we specify, the lease insurance requirements shall control. All insurance policies shall contain a separate endorsement using ISO form CG2029 or equivalent (no blanket additional insured language is acceptable) naming us, our officers, directors, managers, members, limited partners, general partners, shareholders, independent contractors and employees as additional insureds, and shall expressly provide that any interest of an additional insured shall not be affected by your breach of any policy provisions or any negligence on the part of an additional insured. All policies shall also include a waiver of subrogation in favor of the additional insureds. All insurance must be written by an insurance carrier with an A. M. Best and Standard and Poor's rating of at least "A-" or better. All policies shall be written by an insurance carrier accepted in writing by us. We may require that you obtain coverage from a carrier we designate. No insurance policy shall be subject to cancellation, termination, non-renewal, or material modification, except upon at least

thirty (30) days' prior written notice from the insurance carrier to us. You are required to provide us with a currently issued certificate of insurance evidencing coverage in conformity with our System Standards. If you do not provide evidence of coverage or fails to comply with at least the minimum insurance requirements set forth by us, we may obtain the insurance and keep the insurance in force and effect and you will pay us, on demand, the cost of the premium plus an administrative fee in connection with obtaining the insurance.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

<i>Obligation</i>	<i>Section in Agreement</i>	<i>Item in Disclosure Document</i>
a. Site selection and acquisition/lease	Article 3	11
b. Pre-opening purchases/leases	7.4, 7.5 and 7.13	7
c. Site development and other pre-opening requirements	Not Applicable	Not Applicable
d. Initial and ongoing training	§ 7.1	11
e. Opening	Not Applicable	Not Applicable
f. Fees	Articles 4 & 5	5 & 6
g. Compliance with standards and policies/Operating Manual	§ 6.2, 7.2 & Article 9	8, 11&16
h. Trademarks and Proprietary information	Articles 8 and 10	13
i. Restrictions on products/services offered	§ 7.3	16
j. Warranty and customer service requirements	§ 7.12	6
k. Territorial development and sales quotas	Not Applicable	17
l. Ongoing product/service purchases	§§ 7.3	8
m. Maintenance, appearance, and remodeling requirements	Not Applicable	Not Applicable
n. Insurance	§ 7.9	7 & 8
o. Advertising	Article 11	8 & 11
p. Indemnification	§§ 7.9 & 7.14; Article 17	17
q. Owner's participation/management/staffing	§§ 7.6 & 15.1	17
r. Records/reports	§ 7.8	17
s. Inspections/audits	§ 7.8	6 & 17
t. Transfer	Article 12	17
u. Renewal	§ 2.2	17

<i>Obligation</i>	<i>Section in Agreement</i>	<i>Item in Disclosure Document</i>
v. Post-termination obligations	Article 14	17
w. Non-competition covenants	§§ 15.2 to 15.4	17
x. Dispute resolution	7.12 & Article 16	17

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

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

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

Before you open your business, we will:

- (1) Allow you to operate your Franchised Business from your home office. If you desire to operate your Franchised Business from any location other than your home office, it will be subject to our written approval of the location within 30 days of execution of your Franchise Agreement based on our determination that the office meets our operational and branding standards with regard to location, demographics, and compliance with our design and layout specifications. Specifically, the location within which you operate must be accessible and safe for clients that wish to meet with you in person with ample parking. We will not own the premises or lease them to you. You will be required to execute a Collateral Assignment of Lease and Addendum to Lease, attached to your Franchise Agreement as Exhibits 4(a) and 4(b). If you fail to locate a suitable office outside of your home office that we approve, we may terminate your Franchise Agreement (Franchise Agreement §3.1).
- (2) Provide written specifications for all equipment and supplies necessary to operate your franchise. (Franchise Agreement § 6.1).
- (3) Provide you with access to advertising and promotional templates (Franchise Agreement § 6.1).
- (4) Provide initial training for up to two (2) people (Franchise Agreement §7.1).
- (5) Approve sources for purchasing supplies, advertising and marketing materials, computer hardware and software, and other items necessary for the operation of your Franchised Business (Franchise Agreement §6.1).
- (6) Provide periodic assistance either onsite and/or remotely as we deem necessary (Franchise Agreement §6.1).
- (7) Provide you with access to our business and reporting forms for use in the Franchised Business (Franchise Agreement §6.2).
- (8) Make available to you a copy of our System Standards Manual. (Franchise Agreement § 6.3). The total number of pages in our System Standards Manual is 111 pages. The table of contents is attached to this Disclosure Document as Exhibit F.

During the operation of the Franchised Business, we will:

- (1) Provide you with assistance via telephone and email to the extent we deem necessary. (Franchise Agreement § 6.1).
- (2) Provide you with such other materials, information, and assistance as we may deem necessary. (Franchise Agreement § 6.1).
- (3) Provide you with additional training as you request or we require (Franchise Agreement §7.1).

(4) Approve or reject alternative suppliers upon your request (Franchise Agreement §7.5)

Computer Hardware and Software.

You must obtain and use the computer hardware and software complying with specifications that we periodically establish, including hardware components, dedicated telephone lines, internet access, printers, and other computer-related accessories and peripheral equipment (the “**Computer System**”). You will be issued an e-mail account that is capable of receiving and sending attached files. You will need a high-speed Internet connection through a commercial Internet Service Provider for purposes of accessing our franchisee intranet site and communicating via e-mail. (Franchise Agreement § 7.13). The Computer System may store some data and information about your clients, finances, and operations based on information you input. We estimate that the cost for the required Computer System will range from \$3,200 to \$4,000 plus one-time licensing fees of up to \$2,500. The minimum Computer System requirements include:

- iPad
- Laptop
- Printer with Scanning Capability
- Keap.com
- GoCanvas.com
- Xodo
- Sync
- Zoom
- Derek Hubbard Integrated Accounting and Management
- Action Coach Kory Dogs
- Microsoft 365
- Crescendo (Optional)

We have the right to require you to provide us with independent access to your Computer System via the Internet for any information relating to the business. (Franchise Agreement § 7.8). There are no other contractual limits on our right to access the information and data stored on your Computer System, but we do not have access to the Computer System without your acknowledgement and without you providing access to us. You are contractually required to upgrade or update your Computer System if we require it during the term of the franchise. (Franchise Agreement §§ 7.4, 9.3). There are no contractual limitations on the frequency or cost of any update or upgrade. We are not obligated to provide or assist you to obtain the Computer System, although we will provide you with the name of one or more vendors from whom you may purchase the equipment (Franchise Agreement §7.13).

Currently, you will be required to use third-party vendors for the installation, operation and continued maintenance of the hardware, software, and network configurations to support the Franchised Business. We estimate the annual cost for this IT support will range from \$100 to \$250. This estimate may vary depending on your specific IT needs, knowledge, and local market conditions. Neither we nor our affiliates have any obligations to upgrade or update any system during the term of your Franchise Agreement (Franchise Agreement §7.13).

Currently you are required to pay to us a monthly fee of \$20 (“**Technology Fee**”) for the purposes of the provision of Internet marketing, web hosting, search engine optimization, email addresses, software license or development fees, and other technology tools provided by us (“**Technology Services**”). We may increase the Technology Fee to up to \$200.00 per month at any time in our sole and absolute discretion. Any increase in the Technology Fee will be effective 30 days after your receipt of written notice from us (Franchise Agreement §5.3).

If we develop a proprietary technology system, you will be required to pay to us a monthly fee of \$240 (“**Proprietary Technology Fee**”) for the purposes of the provision Technology Services. In addition to the monthly Proprietary Technology Fee, you will additionally be required pay us an initial one-time fee of \$2,500. We have the right to increase the Proprietary Technology Fee by up to 10% annually. Any increase in

the Proprietary Technology Fee will be effective 30 days after your receipt of written notice from us (Franchise Agreement §5.3).

Advertising

Generally.

Your Franchise Agreement does not restrict the amount of advertising you may conduct or the media in which any advertising may be placed. Your Franchise Agreement does not require us to advertise the services offered by **SFC ESTATE COACHING®** Franchised Businesses or to spend any amount on advertising in proximity to your Franchised Business. We will provide you with a number of digital advertisements, layouts, and images for use in various media, but you are free to use your own advertising material so long as we approve it first. If you wish to use an advertisement that we have not provided and that has not been previously approved, you must submit it to us by email for approval. You will typically be notified whether the advertisement is acceptable within 30 days after we receive it. The approval of advertising will be made on a case-by-case basis using purely subjective criteria. All of your advertising in any medium must be conducted in a dignified manner, be completely accurate and truthful, conform to all applicable laws and regulations regarding consumer advertising and to standards and requirements listed in our System Standards Manual, and contain a notice that your franchise is independently owned and operated. Any advertisement that you develop for your **SFC ESTATE COACHING®** Franchised Business automatically becomes our property, and we may use it for our other franchisees without compensating you. (Franchise Agreement §11).

Advertising Advisory Council

There is currently no Advertising Advisory Council in place for the **SFC ESTATE COACHING®** System that advises us on advertising policies. If we form one, we anticipate it will only be advisory and we will make all final decisions as to advertising policies. If we do form an Advertising Advisory Council and you volunteer to participate and your participation is approved by us, you will be required to pay up to \$500 annually in dues for the administration of the council plus all travel, accommodation, food, and other costs for your attendance. (Franchise Agreement §11.9).

Brand Marketing Fund

We have just begun offering franchises as of the Issuance Date of this Disclosure Document. We have not yet established or collected any monies for the Fund. Accordingly, 0% of the Fund has been spent on production, 0% on media placement, 0% on administrative expenses and 0% on any other use.

You will pay to the Brand Marketing Fund (the “**Fund**”) a Brand Marketing Fee by the tenth (10th) day of each month. The amount of the Brand Marketing Fee is currently \$25 per month but we may increase the Brand Marketing Fee to up to \$200 per month at any time in our sole and absolute discretion. Any increase in the Brand Marketing Fee will be effective 30 days after your receipt of written notice from us (Franchise Agreement §§ 5.2, 11.1 and 11.2).

We will administer the advertising contributions to the Fund paid by you under your Franchise Agreement. Neither we nor our affiliate-owned **SFC ESTATE COACHING®** branded businesses are contractually required to contribute to Fund, although they may contribute, in our discretion.

At your written request, we shall provide fiscal year end unaudited financial statements and an accounting of the applicable Fund expenditures when available. We will not use the Fund to offer and sell franchises. The Fund may spend more or less than the total annual Fund contributions in a given fiscal year and may borrow funds to cover deficits. Fund contributions not spent in the fiscal year in which they accrue will be carried over for use during the next fiscal year.

Website

You shall not directly or indirectly establish, maintain, or operate a separate website, web page, blog, listing, banner, URL, advertisement, or any other service or link on or with the Internet (including social networking

websites or services), World Wide Web, Internet service providers, email services, communication providers, search engines or other similar services (Franchise Agreement §11.6).

Location of Franchised Business

You will operate the Franchised Business from an office in your home, provided that it is permitted by law. Upon written request and approval from us, you may also operate your Franchised Business from a rented office. (Franchise Agreement Article 3).

Length of Time to Open Franchise

You must open your Franchised Business within 60 days after completing the Initial Training Program to our satisfaction. “Opening” or “Opening Date” means the date on which you have completed all required pre-opening tasks specified by us, including but not limited to, completion of Initial Training, activation of all required technology systems, establishment of a functional workspace meeting System Standards, and readiness to market and provide Permitted Products and Services to clients (Franchise Agreement § 7.6).

Training

Initial Training Program

The Initial Training Program is conducted by us no less than quarterly during any calendar year. At least 1 person designated by you, who has been approved by us as the person responsible for the day-to-day operation of the Franchised Business, but not more than 2 people, must begin our Initial Training Program at the first available opportunity, and all attendees must complete it to our satisfaction. If you request that we approve additional attendees, you shall pay \$1,500 for each additional attendee. In connection with the Initial Training Program, we will provide and pay for the instructors, training facilities, and training materials utilized in such training. You shall be responsible for all other expenses incurred by you or your trainees, including, without limitation, the cost of travel, room, board, and wages. If you fail to begin the Initial Training Program when offered by us or fail to complete it, then we will have the right to terminate your Franchise Agreement. The Initial Training Program is mandatory (Franchise Agreement §7.1).

The instructional materials for our Initial Training Program include virtual and in-class room lessons, quizzes on each module, role playing activities, and instructional materials.

The Initial Training Program is scheduled subject to demand and offered once per quarter. The current agenda of our Initial Training Program is described in the table below:

TRAINING PROGRAM

Subject	Classroom Training Hours	On-the Job Training Hours	Location
Mission Statement; Understanding the Mission as your daily GPS; Mission Guiding Real Life Situations; Living the Mission	1	0	Online or at a location designated by us near our headquarters ¹
Icebreaker – “Share your Why;” Million in Action; Group Chat; Worksheets; Quiz	1	0	Online or at a location designated by us near our headquarters
Core Values	1	0	Online or at a location designated by us near our headquarters

Subject	Classroom Training Hours	On-the Job Training Hours	Location
Creating New Business	1	0	Online or at a location designated by us near our headquarters
Working with Individuals or Couples	1	0	Online or at a location designated by us near our headquarters
Review of Core Concepts	1	0	Online or at a location designated by us near our headquarters
Practice: Role-Playing Client Meetings	1	0	Online or at a location designated by us near our headquarters
Practice: Business Development Calls	1	0	Online or at a location designated by us near our headquarters
Handling Objections and Fears	1	0	Online or at a location designated by us near our headquarters
Time Management and Productivity	1	0	Online or at a location designated by us near our headquarters
Legal and Compliance Basics	1	0	Online or at a location designated by us near our headquarters
Business Financial Management	1	0	Online or at a location designated by us near our headquarters
Building a Team	1	0	Online or at a location designated by us near our headquarters
Business Financial Management (Budgeting for Growth)	1	0	Online or at a location designated by us near our headquarters
Building a Team (continued)	1	0	Online or at a location designated by us near our headquarters

Subject	Classroom Training Hours	On-the Job Training Hours	Location
Assessing Client Needs and Goals	1	0	Online or at a location designated by us near our headquarters
Explaining the Estate Planning Process to Clients	1	0	Online or at a location designated by us near our headquarters
Drafting an Estate Plan	1	0	Online or at a location designated by us near our headquarters
Presenting the Plan to Clients	1	0	Online or at a location designated by us near our headquarters
Maintaining Long-Term Client Relationships	1	0	Online or at a location designated by us near our headquarters
Handling Client Reviews and Plan Updates	1	0	Online or at a location designated by us near our headquarters
Handling Difficult Conversations with Clients	1	0	Online or at a location designated by us near our headquarters
Closing the Client Engagement	1	0	Online or at a location designated by us near our headquarters
Professionalism and Boundaries	1	0	Online or at a location designated by us near our headquarters
Ethics in Estate Planning	1	0	Online or at a location designated by us near our headquarters
Staying Current – Continuing Education and Industry Trends	1	0	Online or at a location designated by us near our headquarters
Marketing and Branding for Your Franchise	1	0	Online or at a location designated by us near our headquarters

Subject	Classroom Training Hours	On-the Job Training Hours	Location
Community Engagement and Local Partnerships	1	0	Online or at a location designated by us near our headquarters
Overcoming Objections in Estate Planning	1	0	Online or at a location designated by us near our headquarters
Creating Your Action Plan for Success	1	0	Online or at a location designated by us near our headquarters
Connection with Clients: Building Rapport That Lasts	1	0	Online or at a location designated by us near our headquarters
Storing Client Information Safely and Efficiently	1	0	Online or at a location designated by us near our headquarters
Referral Programs: How to Turn Clients Into Raving Fans	1	0	Online or at a location designated by us near our headquarters
Setting Up Your Office: Systems, Supplies and Sanity	1	0	Online or at a location designated by us near our headquarters
Using Keap for CRM and Follow-Up Magic	1	0	Online or at a location designated by us near our headquarters
Using Go Canvas for Client Data and Forms	1	0	Online or at a location designated by us near our headquarters
Using Sync for Secure Document Management	1	0	Online or at a location designated by us near our headquarters
The Paperless Office: How to Ditch the Filing Cabinet (Without Losing Your Mind)	1	0	Online or at a location designated by us near our headquarters
Client Communication Best Practices: Email, Calls, and Texts	1	0	Online or at a location designated by us near our headquarters

Subject	Classroom Training Hours	On-the Job Training Hours	Location
Time-Saving Tools and Automation Tricks for Franchise Owners	1	0	Online or at a location designated by us near our headquarters
TOTAL	40	0	

¹ Our headquarters are located at 627 Grand Avenue, Thiensville, WI 53092

All of the training is conducted virtually by or under the supervision of our CEO and Founder, Craig Mellendorf. Mr. Mellendorf has over 13 years of experience in this industry and similar industries.

If we retain additional trainers they will have at least 2 years of experience in this industry or a similar industry.

Attendance at Franchisee Meetings and Conferences; Additional Training

You are required to participate in up to 3 days of refresher/supplemental training per year plus you must attend our conference (“**Franchise System Conference**”) if we host one. In addition, you may request additional training above our normal training offerings, or we may require additional training in the event your Franchised Business is operating below required standards. In addition to paying us \$300 per trainer, per day for tuition, you shall be responsible for the personal expenses, including transportation to and from the training site and lodging, meals, and salaries during training, for our trainers and your attendees. We reserve the right to increase this fee to up to \$500 per trainer, per day and up to \$1,000 for attendance at the Franchise System Conference. We may at any time, in its sole and absolute discretion, establish remote training capability via a web-based learning management system.

On-Site Visits

We may, in our discretion or at your request, visit your office from time to time to provide additional operational support. You will be required to pay the Additional Training fee which is currently \$300 per trainer, per day plus our expenses for transportation, lodging and meals.

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ITEM 12. TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we control, or from other channels of distribution or competitive brands that we control.

Location of Franchised Business

The Franchise Agreement grants you the right to operate one **SFC ESTATE COACHING®** Franchised Business at the specific location identified in the Franchise Agreement or subsequently identified and mutually acceptable to both you and us.

No Territory

You are not granted any exclusive or protected territory. We retain the right to establish, operate, and grant others the right to establish and operate franchised or company-owned locations anywhere, including in close proximity to or within the same geographic area as your location. You will not receive a minimum market area or territorial rights, and such rights are not guaranteed or implied under the Franchise Agreement. Other franchisees may accept contracts from organizations near you, and you may accept contracts from organizations near us or other franchisees. Your right to enter into contracts is a national right and not hindered or prohibited by territorial boundaries.

Referrals and Commissions.

In the event we or another franchisee in **SFC ESTATE COACHING®** System (“**Referral Source**”) gives you a client lead (“**Referral**”) and you accept the Referral, you shall pay to the Referral Source a commission as follows (“**Contract Referral Fee**”):

- (a) 15% of the contract price if the contract has already been executed by the Referral; or
- (b) 5% of the contract price if no contract has been executed by the Referral and you negotiate and obtain an executed contract from the Referral.

The Contract Referral Fee may be paid in total upon accepting the Referral or monthly over the term of the contract as negotiated between you and the Referral Source. If the contract is not executed when referred, no Contract Referral Fee will be due until you have obtained an executed contract from the Referral.

Solicitation

There are no limitations on your right to market your services and solicit clients anywhere within the United States, even if such clients are not located within close proximity to your **SFC ESTATE COACHING®** Franchised Business. There is no limitation on us accepting or soliciting orders from customers near your Franchised Business. We or an affiliate reserve the right to use alternative channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales to make sales near your Franchised Business using the Proprietary Marks and using Proprietary Marks different from the ones you will use under the Franchise Agreement. You will receive no compensation for such orders unless directly related to Referrals outlined above.

Alternative Channels of Distribution

You have no right to distribute any services or products offered in the Franchised Business through any “**Alternative Channels of Distribution**”, which are any non-typical methods of getting a product or service to a client such as location and venues other than a **SFC ESTATE COACHING®** Franchised Business, including, without limitation, retail establishments, mail order, catalogs, and any similar outlets or distribution methods as we and/or our affiliate, determine, in their sole discretion.

Relocation

You may not relocate the Franchised Business without our approval. Whether or not we would allow relocation depends on the circumstances at the time and what is in the System's best interests, based on our business judgment. Any relocation, if approved, would be at your sole cost.

Right to Acquire Additional Franchises

We do not offer franchisees any option, right of first refusal or any similar right to acquire additional franchises within the Territory or contiguous territories. If you wish to open an additional Franchised Business, you will have to apply with us and will be subject to the same criteria and review process as new franchisees. In addition, we will not grant you an additional franchise if you owe any amounts to us or our affiliates. We do not operate, franchise, or intend to operate a business under a different trademark or competing business.

ITEM 13. TRADEMARKS

Under the Franchise Agreement, we grant to you the right to use certain trademarks, service marks, and other commercial symbols in connection with the operation of your franchise (the “**Proprietary Marks**”). Our primary service mark is “**SFC ESTATE COACHING®**.” Our affiliate, Mellendorf, LLC, registered the Proprietary Mark on the Principal Register of the United States Patent and Trademark Office (“**USPTO**”) as listed below. The below list may not be an exhaustive list of all Proprietary Marks owned by us or our affiliate.

Mark	Registration Number	Registration Date
	8156928	March 3, 2026

We intend to file all affidavits and renew the registration when required.

We also own and claim common law trademark rights in the trade dress used in the Franchised Businesses. Our common law trademark rights and trade dress are also included as part of the Proprietary Marks.

Effective August 15, 2025, we entered into an exclusive perpetual License Agreement with our affiliate, Mellendorf, LLC, for the use of the Proprietary Marks (“**License Agreement**”). The License Agreement may be terminated by either us or Mellendorf, LLC due to a material breach of any of its provisions. Under the License Agreement, we have acquired the right to sell “**SFC ESTATE COACHING®**” branded Franchised Businesses to franchisees in the United States of America and collect franchise fees, royalties, and other fees from franchisees. If we breach the License Agreement, or if the License Agreement is otherwise terminated, you may lose your rights to use the Proprietary Marks. No other agreements limit our right to use or license the Proprietary Marks.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court involving the Proprietary Marks, nor any pending infringement, opposition, or cancellation proceedings or material litigation involving the Proprietary Marks. Other than the rights of Mellendorf, LLC, we are not aware of any superior rights that could affect your use of the Proprietary Marks.

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

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise.

We have not obtained any copyright registrations but claims common law copyrights in its System Standards Manual (which contains proprietary information), marketing materials, and any other original or proprietary works developed by us. All such materials will bear copyright notices. All rights and interests in such materials will be retained by us. There are no agreements currently in effect that significantly limit our rights to use or license the use of the copyrights in any manner material to the franchise. You must not use, in advertising or any other form of promotion, any of our copyrighted materials, trademarks, or commercial symbols without the appropriate notices which we or the law may require, including © or other copyright registration notice. You may not relinquish the rights of our intellectual property to anyone else.

We have developed a distinctive System for the operation of a business that conducts coaching on estate planning support. Our System includes pricing methods, management and coaching techniques, proposals and management forms/formats, specifications, procedures, knowledge and expertise in the operation of business, much of which is not commonly known to the public or to our competitors, gives us an advantage over competitors who do not know or use it, and which we identified or may identify as proprietary in confidential information. We will disclose proprietary and confidential information to you in the System Standards Manual, during ongoing training, and in guidance furnished to you during the term of your Franchise Agreement.

You will not acquire any interest in any proprietary and confidential information we may communicate to you, other than the right to utilize it in the operation of your Franchised Business during the term of your Franchise Agreement. The information is disclosed to you solely on the condition that you:

- (1) will not use it in any other business or capacity;
- (2) will maintain the absolute confidentiality of the information during and after the term of your Franchise Agreement;
- (3) will not make unauthorized copies of any portion of the System Standards Manual or any other communication from us; and
- (4) will adopt and implement all reasonable procedures we may require to prevent unauthorized use or disclosure of the information, including restrictions on disclosure of the information to employees of the Franchised Business and the use of nondisclosure and noncompetition clauses in employment agreements.

There are no effective determinations of the U.S. Copyright Office, no pending infringement, opposition, or cancellation, nor any pending material litigation involving any of the items or information in which we claim copyrights that are material to **SFC ESTATE COACHING®** Franchised Business.

We must approve any instructional materials, advertising, marketing, promotional, public relations, or sales concepts, plans, programs, activities and other materials that you propose or develop for your Franchised Business, and we will own the copyright to any such materials, without compensation to you. You must execute any documents necessary to transfer the copyright to any of these materials to us.

You must notify us immediately when you learn about any infringement of or challenge to your use of our copyrighted materials. We will control any administrative proceedings or litigation involving our proprietary material. We have the right, but not the obligation, to defend you against a claim against your use of our copyrighted materials or indemnify you for your liability or expenses arising from your defense of such a claim. We are not obligated to protect any of our copyrights. You must discontinue your use, at your expense, of any item or information in which we claim a copyright if any party demonstrates to our satisfaction a superior right to the use of the item or information. We are not required to reimburse you for your costs if you do. You must not directly or indirectly contest our right to any item or information in which we claim a copyright.

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

We require that you devote your full time and effort to managing and operating the Franchised Business. The Franchised Business must be directly operated by you, however, should you choose to bring on a manager, they must be approved by us and successfully complete our training program. The manager need not have an ownership interest in a franchisee that is a corporation or limited liability company. You (or if you are a business entity, a principal of yours), or your manager/marketing employee (if allowed), must satisfactorily attend and complete our Initial Training Program. In addition, your manager/marketing employee (if allowed), managers, and employees are required to execute a Confidentiality, Non-Disclosure and Non-Competition Agreement in the form attached as Exhibit 5(a) to the Franchise Agreement, and all persons affiliated with you, including your officers, directors, partners, shareholders, and members are required to execute a Confidentiality, Non-Disclosure and Non-Competition Agreement in the form attached as Exhibit 5(b) to the Franchise Agreement. In addition, your principal owners must sign a Personal Guaranty attached as Exhibit 3 to the Franchise Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

There are no restrictions on the goods or services you may offer for sale, except as described below in this Item 16.

You may use no other name for your franchise other than the name “**SFC ESTATE COACHING™**” without our prior written approval.

You may not use the premises on which the Franchised Business is located for any purpose other than the operation of a **SFC ESTATE COACHING®** franchise and the sale of permitted products and services without our express written permission (this restriction does not apply if you operate the Franchised Business from your home).

You are required to offer and sell only those goods and services that we have authorized. You are prohibited from offering any other goods or services without our prior written approval. You must offer all goods and services that we designate as required for all franchisees. These required services are business management and personal development workshops, seminars, and individual mentoring. We may designate some services as optional for franchisees in certain markets. We have the unlimited right to add or delete additional authorized goods and services that you are required or permitted to offer.

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ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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.

THE FRANCHISE RELATIONSHIP

<i>Provision</i>	<i>Section in Franchise Agreement</i>	<i>Summary</i>
a. Term of the Franchise	2.1	5 years commencing on the Effective Date of your Franchise Agreement and expiring 5 years from the date you open your Franchised Business.
b. Renewal or extension of the term	2.2	Your successor right permits you to remain as a franchisee after the initial term of your Franchise Agreement expires. If you wish to do so, and you satisfy the required pre-conditions to renew, we will offer you the right to obtain three (3) additional 5-year terms that are consecutive. You must sign our then-current Franchise Agreement for the renewal term, and this new agreement may contain materially different terms and conditions (e.g., higher royalty and/or advertising contribution) from the agreement that covered your original term.
c. Requirements for you to renew or extend	2.2	“Renewal” means that, if you are in full compliance with the Franchise Agreement at its term’s expiration and we are then continuing to offer new franchise opportunities, then you may acquire a successor franchise term of 5 years. If you wish to acquire a successor franchise term, you must satisfy the preconditions to renewal that we then require, including paying a renewal fee of \$2,500, giving 3-6 months written notice, signing our then-current Franchise Agreement (which may contain materially different terms and conditions such as a higher royalty and/or branding contribution) and (if law allows) a form of general release, and comply with any new training requirements.
d. Termination by you	Not Applicable	Not Applicable
e. Termination by us without cause	Not Applicable	Any reason authorized by state law
f. Termination by us with cause	13.1	We can terminate your franchise if you do not complete the training program to our satisfaction or if you default.

g. "Cause" defined - defaults which can be cured	13.1	You have 30 days to cure: non-payment of fees or notes, failure to submit reports, understatement of Gross Revenues, and any other default not listed in §§ 13.1 (g) through (u) of the Franchise Agreement.
h. "Cause" defined - defaults which cannot be cured	13.1	Non-curable defaults: certain assignments, abandonment, failure to comply with applicable law, unapproved transfers, misrepresentation, knowing understatement of Gross Revenues, bankruptcy, seizure of or execution against your franchise, criminal misconduct, conduct which reflects negatively on the SFC ESTATE COACHING® System, danger to public.
i. Your obligations on termination/nonrenewal	Article 14	Obligations include complete de-identification, return of materials, and payment of amounts due (also see r, below).
j. Assignment of contract by us	12.1	No restriction on our right to assign.
k. "Transfer" by you – definition	12.2	Includes transfer of contract or assets, ownership change, and encumbrance.
l. Our approval of transfer by you	12.2	We have the right to approve all transfers but may not unreasonably withhold consent.
m. Conditions for our approval of transfer	12.2	All of your financial obligations and transfer fee paid, new franchisee qualifies, you release claims (if permitted by state law), new franchisee signs current agreement and completes training (also see r, below).
n. Our right of first refusal to acquire your business	12.3	We can match any offer for your business.
o. Our option to purchase your business	Not Applicable	Not Applicable
p. Your death or disability	12.4	Your heirs may inherit your franchise provided they qualify and meet other requirements for transfer (see above).
q. Non-competition covenants during the term of the franchise	15.2	No involvement in competing business.
r. Non-competition covenants after the franchise is terminated or expires	15.3 & 15.4	No involvement in competing business for 2 years within 15 miles of your Franchised Business location or any other SFC ESTATE COACHING® business (subject to state law); no solicitation of clients. (subject to state law).
s. Modification of the agreement	9.3 & 18.1	Modification is only by written agreement, but we may modify System Standards Manual so long as it does not change your fundamental status and rights.

t. Integration/merger clause	18.1	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable, subject to state law. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in this Franchise Disclosure Document that we furnished to you.
u. Dispute resolution by arbitration or mediation	16.2 & 16.3	Except for claims in excess of \$100,000 and certain other claims, all disputes must be arbitrated in Ozaukee County, Wisconsin (subject to state law). Claims may not be consolidated with claims of other franchisees, subject to state law.
v. Choice of forum	18.4	The Circuit Court of Ozaukee County, Wisconsin, or the United States District Court for the Eastern District of Wisconsin (subject to state law).
w. Choice of law	18.3	Wisconsin law applies (subject to state law).

ITEM 18. PUBLIC FIGURES

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

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.

Overview

This financial performance representation ("**FPR**") includes the Gross Revenues for the 1 **SFC ESTATE COACHING®** corporate owned location operated by our affiliate, Mellendorf, LLC, for the full fiscal years of 2020, 2021, 2022, 2023 2024, and 2025, each ended on December 31. The FPR also includes the average revenues per organization serviced by our 1 corporate owned location Mellendorf, LLC in 2025. We have no franchises and no other corporate-owned locations as of the issuance date of this Disclosure Document. This information is for our 1 corporate owned location. No locations were excluded as there is only 1 location that exists to disclose performance information about.

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Financial Performance Representations

The following table presents the annual Gross Revenues data for the 1 affiliate owned location described above. This is not a franchised location.

Gross Revenues Through December 31 of each Year

Year	Gross Revenues
2020	\$200,837.74
2021	\$244,815.40
2022	\$284,207.85
2023*	\$180,093.30
2024	\$198,237.07
2025	\$202,720.00

* In 2023 we modified our contracts with organizations to require a 3-year term as opposed a 1-year term. This decreased the initial revenue but had the effect of increasing revenue over a longer period of time with more stability and extended contractual obligations.

Average Revenue Per Organization Serviced in the Fiscal Year Ended December 31, 2025

\$10,669.49

Average Median Per Organization Serviced in the Fiscal Year Ended December 31, 2025

\$10,200.00

Notes to FPR Table:

1. For purposes of this FPR, “**Gross Revenues**” means the gross amount, in money or other forms of consideration, earned or received from any source-related to, or in connection with, the operation of the **SFC ESTATE COACHING®** branded location disclosed above.
2. The FPR does not reflect the operating costs and expenses that you will incur in operating your **SFC ESTATE COACHING®** Franchised Business, such as royalties, technology fees, System brand fees, local marketing expenses, rent, payroll, insurance, utilities, inventory replenishment, etc.
3. The Gross Revenues figures are based on the historical results from the **SFC ESTATE COACHING®** location described above.
4. The representations made above relate to the past performance of outlets owned by our affiliate, which is not a Franchised Business. The representation relates to the performance of all existing outlets owned by our affiliate for the affiliate’s operating history from 2020 to 2023. This outlet may present competition to you if it is near your Franchised Business. There is no material difference between the outlet disclosed above and the franchise being offered under this Disclosure Document.

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

Written substantiation of the data used in preparing this information will be made available upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. 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 Franchised Business, however, we may provide you with the actual records of that Franchised Business. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by

contacting Craig Mellendorf, 627 Grand Avenue, Thiensville, WI 53092, 414-885-4587, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

**TABLE NO. 1
SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2023-2025**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned	2023	1	1	0
	2024	1	1	0
	2025	1	1	0
Total Outlets	2023	1	1	0
	2024	1	1	0
	2025	1	1	0

**TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2023-2025**

State	Year	Transfers	
All States	2023	0	
	2024	0	
	2025	0	
Total	2023	0	
	2024	0	
	2025	0	

**TABLE NO. 3
STATUS OF FRANCHISE OUTLETS FOR YEARS 2023-2025**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
Total	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

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TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2023-2025

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Wisconsin	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Totals	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1

TABLE NO. 5
PROJECTED OPENINGS AS OF DECEMBER 31, 2025

State	Franchise Agreements Signed But Location Not Open	Projected Franchised Locations in the Next Fiscal Year	Projected Company Openings in Next Fiscal Year
Arizona	0	1	0
Colorado	0	1	0
Illinois	0	1	0
Indiana	0	1	0
Michigan	0	1	0
Minnesota	0	1	0
Nevada	0	1	0
Ohio	0	1	0
Oregon	0	1	0
Texas	0	1	0
Wisconsin	0	1	0
Total	0	11	0

Attached as Exhibit C to this Disclosure Document is a list of all franchisees, including their address and telephone number (or their contact information if their business is not yet open) as of the issuance date of this Disclosure Document.

Attached as Exhibit D to this Disclosure Document is the name, city, state and current business telephone number (or if unknown, the last known telephone number) of every franchisee who had a business terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document.

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

We have just begun offering franchises as of the Issuance Date of this Disclosure Document. We have not signed any agreements with a confidentiality clause with current or former franchisees that would restrict them from speaking openly with you about their experience with us. No franchisee association has requested to be disclosed in this Disclosure Document.

ITEM 21. FINANCIAL STATEMENTS

We have not been in business for 3 years or more. Attached to this Disclosure Document as Exhibit B are our audited financial statements as of December 31, 2025.

ITEM 22. CONTRACTS

Attached to this Disclosure Document are the following contracts and their attachments:

Exhibit E – Franchise Agreement

Exhibit 1 – Approved Location

Exhibit 2 – Statement of Ownership Interests

Exhibit 3 – Personal Guaranty

Exhibit 4(a) – Collateral Assignment of Lease

Exhibit 4(b) – Addendum to Lease

Exhibit 5(a) – Confidentiality Agreement for Employees of Franchisee

Exhibit 5(b) – Confidentiality, Non-Disclosure and Non-Competition Agreement for Spouses
and Principal Owners

Exhibit 6 – Form of Release

Exhibit 7 – Telephone, Internet, Websites, and Listing Agreement

Exhibit 8 – Electronic Transfer Authorization

Exhibit G - State Addenda

ITEM 23. RECEIPTS

The last page of this Disclosure Document is a detachable document that you must sign acknowledging your receipt of this Disclosure Document.

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EXHIBIT A

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

**STATE ADMINISTRATORS/
DESIGNATION OF AGENT FOR SERVICE OF PROCESS**

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

<u>CALIFORNIA</u> Department of Finance Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (866) 275-2677 Agent: California Commissioner of Finance Protection and Innovation	<u>NORTH DAKOTA</u> North Dakota Insurance and Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505 (701) 328-2910 Agent: North Dakota Insurance Commissioner
<u>HAWAII</u> Commissioner of Securities Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 Agent: Commissioner of Securities of the State of Hawaii	<u>OREGON</u> Department of Finance and Corporate Securities Labor and Industries Building 350 Winter Street NE, Room 410 Salem, Oregon 97301-3881 (503) 378-4387 Agent: Director of Oregon Department of Insurance and Finance
<u>ILLINOIS</u> Franchise Division Office of Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465 Agent: Illinois Attorney General	<u>RHODE ISLAND</u> Department of Business Regulation Division of Securities 1511 Pontiac Ave. John O. Pastore Complex, Building 69-1 Cranston, RI 02920 (401) 462-9500 Agent: Director of Business Regulation
<u>INDIANA</u> Franchise Section Indiana Securities Division Room E-111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681 Agent: Indiana Secretary of State Indiana Securities Division 201 State House Indianapolis, IN 46204	<u>SOUTH DAKOTA</u> Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563 Agent: Director, Division of Insurance- Securities Regulation

<u>MARYLAND</u> Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360 Agent: Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020	<u>VIRGINIA</u> State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, Virginia 23219 (804) 371-9051 Agent: Clerk of the State Corporation Commission 1300 E Main St., 1 st Fl. Richmond, VA 23219 Tel: (804) 371-9733
<u>MICHIGAN</u> Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 670 Law Building Lansing, Michigan 48913 (517) 373-7177 Agent: Michigan Department of Commerce Corporations and Securities Bureau 6546 Mercantile Way Lansing, MI 48910	<u>WASHINGTON</u> Director Washington Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760 Agent: Securities Administrator, Director of Department
<u>MINNESOTA</u> Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1500 Agent: Minnesota Commissioner of Commerce	<u>WISCONSIN</u> Securities Division of the Wisconsin Department of Financial Institutions 345 W. Washington Ave., 4th Floor Madison, Wisconsin 53703 (608) 266-8559 Agent: Wisconsin Commissioner of Securities
<u>NEW YORK</u> New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, NY 10005 (212) 416-8222 Phone Agent for Service of Process Secretary of State of New York 99 Washington Avenue Albany, NY 12231 (518) 473-2492	

EXHIBIT B

FINANCIAL STATEMENTS

SFCECUS LLC
FINANCIAL STATEMENTS
PERIOD FROM JULY 7, 2025 (INCEPTION DATE)
TO DECEMBER 31, 2025



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAAconnect.com

SFCECUS LLC
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PERIOD FROM JULY 7, 2025 (INCEPTION DATE) TO DECEMBER 31, 2025

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INDEPENDENT AUDITORS' REPORT

Member
SFCECUS LLC
Thiensville, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of SFCECUS LLC, which comprise the balance sheet as of December 31, 2025, and the related statements of operations, member's equity, and cash flows for the period from July 7, 2025 (Inception Date) to December 31, 2025, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of SFCECUS LLC as of December 31, 2025, and the results of its operations and its cash flows for the period from July 7, 2025 (Inception Date) to December 31, 2025, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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



CliftonLarsonAllen LLP

Milwaukee, Wisconsin
April 1, 2026

**SFCECUS LLC
BALANCE SHEET
DECEMBER 31, 2025**

ASSETS

CURRENT ASSETS

Cash	\$ 25
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Total Assets	<u>\$ 25</u>
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LIABILITIES AND MEMBER'S EQUITY

MEMBER'S EQUITY

	<u>\$ 25</u>
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Total Liabilities and Member's Equity	<u>\$ 25</u>
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See accompanying Notes to Financial Statements.

SFCECUS LLC
STATEMENT OF OPERATIONS
PERIOD FROM JULY 7, 2025 (INCEPTION DATE) TO DECEMBER 31, 2025

REVENUES	\$ -
NET INCOME	\$ -

See accompanying Notes to Financial Statements.

SFCECUS LLC
STATEMENT OF MEMBER'S EQUITY
PERIOD FROM JULY 7, 2025 (INCEPTION DATE) TO DECEMBER 31, 2025

	<u>Member's Equity</u>
BALANCE - July 7, 2025	\$ -
Contributions	25
Net Income	<u>-</u>
BALANCE - December 31, 2025	<u><u>\$ 25</u></u>

See accompanying Notes to Financial Statements.

SFCECUS LLC
STATEMENT OF CASH FLOWS
PERIOD FROM JULY 7, 2025 (INCEPTION DATE) TO DECEMBER 31, 2025

CASH FLOWS FROM FINANCING ACTIVITIES

Member Contributions	\$ 25
Net Cash Provided by Financing Activities	<u>25</u>

NET INCREASE IN CASH 25

Cash - Beginning of Period -

CASH - END OF PERIOD \$ 25

See accompanying Notes to Financial Statements.

SFCECUS LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

SFCECUS LLC (the Company), will operate a franchising business under the concept name SFC Estate Coaching®. The Company will sell franchises in the United States. The Company was organized in Thiensville, Wisconsin. The Company operates on a calendar year.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP).

Accounting Estimates

Management uses estimates and assumptions in preparing the financial statement in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Related Party Transactions

In the current year, there were certain administrative expenses that were paid for by a related party with no specific or formal repayment terms and were not included in these financial statements.

Income Taxes

The Company elected under the Internal Revenue Code and comparable state laws to become a limited liability company. Accordingly, income is not taxable at the Company level but passes through to the member. Consequently, the Company may declare distributions periodically to the member to enable them to pay income tax liabilities. Primarily due to the limited liability company tax status, the Company does not have any significant tax uncertainties that would require recognition or disclosure. As the Company was incorporated in 2025, all income tax returns are open for examinations upon filing.

Subsequent Events

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through April 1, 2026, the date the financial statements were available to be issued.

SFCECUS LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 FRANCHISE SALES AND AGREEMENTS

At December 31, 2025, there were no franchise locations in operation and no franchise agreements signed.

NOTE 3 MEMBER'S EQUITY

The Member contributed \$25 to the Company in exchange for the issuance of 100% of the Company's membership interest. The membership interest in the Company owned by the member is the only class of membership interest issued and outstanding as of December 31, 2025.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

EXHIBIT C

LIST OF FRANCHISEES

FRANCHISEES AS OF 12/31/2025

NONE

SIGNED BUT NOT YET OPEN AS OF 12/31/2025

NONE

EXHIBIT D

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

LIST OF FRANCHISEES WHO LEFT THE SYSTEM

Franchisees who had who had Outlet Terminated, Cancelled, Not Renewed, Transferred or Otherwise Voluntarily or Involuntarily Ceased to do Business under a Franchise Agreement During the Year Ended December 31, 2025 or Who has not Communicated with the Franchisor Within 10 Weeks of the Application Date:

NONE

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

EXHIBIT E

FRANCHISE AGREEMENT



FRANCHISE AGREEMENT

BETWEEN

SFCECUS, LLC

AND

FRANCHISEE(S)

LOCATION: _____

EFFECTIVE DATE: _____

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FRANCHISE AGREEMENT
SFCECUS, LLC - SFC ESTATE COACHING®

THIS FRANCHISE AGREEMENT (“Agreement”) is between SFCECUS, LLC, a Wisconsin limited liability company with a principal address of 627 Grand Avenue, Thiensville, WI 53092 (the “**Franchisor**”), and _____, a _____, with a principal address of _____ (hereinafter collectively and individually referred to as the “**Franchisee**”). As used in this Agreement, the term “**Principal**” or “**Principals**” means any and all officers, directors, members, managers, partners, shareholders and/or holders of a direct or indirect beneficial ownership interest in Franchisee or Franchisor.

RECITALS:

- A. Franchisor has created and developed and is in the process of further developing a system (the “**System**”) for the establishment and operation of a SFC ESTATE COACHING® branded business that provides coaching to clients in estate planning, which is the process of anticipating and arranging for the management and disposition of clients’ estates during life in preparation for future incapacity or death (hereinafter referred to as a “**Franchised Business**”);
- B. Franchisor identifies its System by means of certain trade names, service marks, trademarks, logos, emblems, trade dress and other indicia of origin, including but not limited to the mark “SFC ESTATE COACHING®” and such other trade names, service marks, trademarks and trade dress as are now designated (or may be designated hereafter by Franchisor in writing) for use in connection with its System (referred to as the “**Proprietary Marks**”), procedures for the efficient operation of the Franchised Business, an operating manual (the “**System Standards Manual**”), training courses, and specially designed procedures for the promotion and provision of the Franchisee’s services;
- C. Franchisor has entered into an exclusive license (“**License Agreement**”) with Franchisor’s affiliate, Mellendorf, LLC, for the right to use and sublicense to Franchisor’s franchisees the Proprietary Marks and other property in connection with the operation and/or management of a SFC ESTATE COACHING® Franchised Business (including Confidential Information) and a unique, distinctive and comprehensive System (“**System**”) for the establishment and operation of the Franchised Business;
- D. Franchisor has established substantial goodwill and business value in its Proprietary Marks, expertise and the System and continues to develop, use, and control the use of the Proprietary Marks in order to identify to the public the source of products and services marketed thereunder and under the System, and to represent the System’s high standards of quality, appearance, and services; and
- E. Franchisee desires to obtain the right to operate a SFC ESTATE COACHING® Franchised Business from Franchisor, which includes the right to use the Proprietary Marks and Franchisor’s expertise to obtain the benefits and knowledge of the System including, without limitation, specific methods and techniques, products and operational procedures, relationships with vendors and suppliers, purchasing strategies, sales techniques and methods, advertising, sales and promotional programs, cost controls, management, administrative and record keeping procedures, and in general a style, method and procedure of business operation utilizing the Proprietary Marks and System, all as a Franchisee of Franchisor.

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

ARTICLE 1 - GRANT OF FRANCHISE

- 1.1 Grant of Franchise. Franchisor hereby grants to Franchisee, upon the terms and conditions herein contained, (i) the right to operate an SFC ESTATE COACHING® branded estate planning and coaching business (hereafter referred to as the “**Franchised Business**”) using the System and (ii) a

non-exclusive license to use the Proprietary Marks and the System as they may be changed, improved, and further developed from time to time.

- 1.2 No Territory. Franchisee will operate its SFC ESTATE COACHING® Franchised Business from the location identified on Exhibit 1, attached hereto and incorporated by reference. Franchisee is not granted any exclusive or protected territory surrounding the Franchised Business. Franchisor retains the right to establish, operate and grant others the right to establish and operate franchised or company-owned locations anywhere, including in close proximity to or within the same geographic area as Franchisee's SFC ESTATE COACHING® Franchised Business. This Agreement does not grant Franchisee a minimum market area or territorial rights and such rights are not guaranteed or implied under this Agreement. Other franchisees may accept contracts from organizations near Franchisee's SFC ESTATE COACHING® Franchised Business and Franchisee may accept contracts from organizations near Franchisor's company-owned locations or other franchisees. Franchisee's right to enter into contracts is a national right and not hindered or prohibited by territorial boundaries.
- 1.3 Relocation. Franchisee shall not relocate the Franchised Business from the location identified on Exhibit 1 without the prior written approval of Franchisor, which such approval shall not be unreasonably denied.
- 1.4 Other Channels of Distribution. Franchisor and Franchisor's, parent, predecessor and affiliates, reserve the unrestricted right to offer products and services, whether now existing or developed in the future, identified by the Proprietary Marks or other marks Franchisor and/or Franchisor's parent, predecessor and/or affiliate, own or license, through any "Alternative Channel of Distribution" (defined below) forms they may establish, and may franchise or license others to do the same, regardless of whether the offering of products or services in the Alternative Channels of Distribution compete with the Franchised Business. This Agreement does not grant Franchisee any rights to distribute products through other channels of distribution without Franchisor's prior written consent. Franchisee has no right to share, nor does Franchisee expect to share, in any of the proceeds Franchisor and/or Franchisor's affiliates, or other franchisees or licensees or any other party receives in connection with the alternate channels of distribution. For purposes of this Agreement, an "**Alternative Channel of Distribution**" means any non-typical method of getting a product or service to a client such as locations and venues other than a SFC ESTATE COACHING® branded business, including, without limitation, retail establishments, mail order, catalogs, and any similar outlets or distribution methods as Franchisor and/or its affiliate determine in their sole discretion.
- 1.5 National Accounts. Franchisee acknowledges that if offered the opportunity to service a National Account, Franchisee is required to service the account. A "**National Account**" is a business, client, or association with ten or more franchised or company-owned locations or with ten (10) or more members, in more than one state or in more than one standard metropolitan statistical area, or that receives Permitted Products and Services via the Internet. Franchisor retains the sole and exclusive right to identify clients or potential clients as National Accounts, to service National Accounts, and to award the right to service National Accounts to any franchisee of the System, in Franchisor's sole and absolute discretion. All disputes between franchisees of the System relating to National Accounts will be resolved by Franchisor, whose decision will be final and binding upon all parties.
- 1.6 Clients. Franchisee acknowledges and agrees that it acquires no rights in or to its clients or client list other than those specifically granted under this Agreement. Upon the expiration or termination of this Agreement for any reason, Franchisor may notify Franchisee's clients thereof and, without compensation to Franchisee, authorize one or more other SFC ESTATE COACHING® franchisees or any other third party to provide Permitted Products and Services to Franchisee's former clients.

1.7 Referrals and Commissions. In the event Franchisor or another franchisee in the SFC ESTATE COACHING® System (“**Referral Source**”) gives Franchisee a client lead (“**Referral**”) and Franchisee accepts the Referral, Franchisee shall pay to the Referral Source a commission as follows (“**Contract Referral Fee**”):

- (a) 15% of the contract price if the contract has already been executed by the Referral; or
- (b) 5% of the contract price if no contract has been executed by the Referral and Franchisee negotiates and obtains an executed contract from the Referral.

The Contract Referral Fee may be paid in total upon accepting the Referral or monthly over the term of the contract as negotiated between Franchisee and the Referral Source. If the contract is not executed when referred, no Contract Referral Fee will be due until Franchisee has obtained an executed contract from the Referral.

1.8 Permitted Activities. The rights granted to Franchisee under this Agreement are limited to the sale of Permitted Products and Services except as otherwise permitted by this Agreement. Franchisee shall not promote, offer, sell, provide, or distribute any other goods or services without Franchisor’s prior written approval.

1.9 Marketing and Solicitation Restrictions. There are no limitations on Franchisee’s right to market its services and solicit clients anywhere within the United States, even if such clients are not located within close proximity to Franchisee’s SFC ESTATE COACHING® Franchised Business. Franchisee acknowledges, understands, and agrees that Franchisor and other SFC ESTATE COACHING® System franchisees may solicit and negotiate contracts with clients at or near Franchisee’s SFC ESTATE COACHING® Franchised Business and, except as provided in Section 1.7 above, shall have no obligation to compensate Franchisee for any executed contracts. Franchisee further acknowledges, understands, and agrees that Franchisor and other SFC ESTATE COACHING® System franchisees may compete with Franchisee.

ARTICLE 2 – TERM AND RENEWAL

2.1 Term. Except as otherwise provided, the term of this Agreement shall commence on the Effective Date of this Agreement and expires on the fifth (5th) anniversary of the Opening Date (the “**Expiration Date**”).

2.2 Successor Franchise. Franchisee’s right to operate the Franchised Business under this Agreement terminates at the Expiration Date. Franchisee may, at its option, request from Franchisor up to three (3) additional five (5) year consecutive terms, provided that Franchisee complies with the following requirements:

- (a) Franchisee shall give Franchisor written notice of its election to renew at least six (6) months, but not more than twelve (12) months, before the Expiration Date;
- (b) Franchisee must not be in default under any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement or instrument between Franchisor and Franchisee, and must have substantially complied with all of the terms and conditions of all such agreements during the respective terms thereof;
- (c) At least thirty (30) days before the Expiration Date, Franchisee shall execute Franchisor’s then-current form of Franchise Agreement (the “**Successor Agreement**”), with appropriate modifications to reflect the fact that it relates to a succession of an existing Franchised Business. The Successor Agreement will supersede this Agreement in all respects and may contain terms that differ from the terms of this Agreement, including, without limitation, different rates for Brand Marketing Fees and Royalties, except that Franchisee will not be required to pay an Initial Franchise Fee;

- (d) At least thirty (30) days before the Expiration Date, unless prohibited by the laws of the state in which Franchisee is located, Franchisee must sign Franchisor's then-current form of General Release in favor of Franchisor and its subsidiaries and affiliates, and their respective Principals and employees, in their corporate and individual capacities. A sample form General Release is provided as Exhibit 6 to this Agreement. Franchisor reserves the right to modify the General Release at any time in the future in its sole and absolute discretion;
- (e) Franchisee shall comply with Franchisor's then-current qualification and training requirements, including, without limitation, any training requirements specifically designed for successor franchisees;
- (f) Franchisee shall pay a Franchisor a fee of Two Thousand Five Hundred and no/100 dollars (\$2,500) ("**Successor Fee**"). Franchisor may increase the Successor Fee at any time by up to ten percent (10%) of Franchisor's then-current Initial Franchise Fee.

ARTICLE 3 – LOCATION OF BUSINESS

- 3.1 Location of Business. Franchisee is only permitted to operate the Franchised Business from its home office. If Franchisee desires to operate its Franchised Business from any location other than its home office, it will be subject to Franchisor's written approval within thirty (30) days of execution of this Franchise Agreement based on Franchisor's determination that the office meets Franchisor's operational and branding standards with regard to location, demographics, and compliance with Franchisor's design and layout specifications and Franchisor will require Franchisee to execute the Collateral Assignment of Lease and Addendum to Lease, attached hereto as Exhibits 4(a) and 4(b) (respectively) and incorporated herein by reference. If Franchisee fails to locate a suitable office outside of its home office that Franchisor approves, Franchisor may terminate this Agreement.

ARTICLE 4 – INITIAL FRANCHISE FEE

- 4.1 Initial Franchise Fee. Franchisee shall pay to Franchisor an initial franchise fee of Twenty-Five Thousand and no/100 dollars (\$25,000) ("**Initial Franchise Fee**"). The Initial Franchise Fee is fully earned, due and payable to Franchisor upon the execution of this Agreement, in consideration of the administrative and other expenses incurred by Franchisor in furnishing items to Franchisee. The Initial Franchise Fee is not refundable. This Article 4 is not applicable if this Agreement is a Successor Agreement to a prior Franchise Agreement or Franchisee is otherwise signing this Agreement in connection with a Transfer in accordance with Article 12.

ARTICLE 5 – MONTHLY FEES

- 5.1 Royalty. Franchisee shall pay Franchisor a monthly royalty fee of the greater of:
- (a) five percent (5%) of Franchisee's Gross Revenues for the preceding month; or
 - (b) the Minimum Royalty Fee (defined below) (collectively, the "**Royalty Fee**"). The Royalty Fee is solely in consideration of Franchisee's continued right to use the Proprietary Marks. All Royalties are payable on or before the tenth (10th) day of each month and are based upon Franchisee's Gross Revenues (as defined in Section 5.5 below) of the preceding month. A minimum royalty fee shall be assessed beginning after the Franchised Business has been open for seven (7) months and is as follows ("**Minimum Royalty Fee**"):

7 Months following Opening Date to First Anniversary of Opening Date	\$200 per month
First Anniversary of Opening Date to Second Anniversary of Opening Date	\$250 per month
Second Anniversary of Opening Date to Third Anniversary of Opening Date	\$300 per month
Third Anniversary of Opening Date to Fourth Anniversary of Opening Date	\$350 per month
Fourth Anniversary of Opening Date through the end of the Term	\$400 per month

- 5.2 Brand Marketing Fee. Franchisee shall pay a monthly fee of Twenty-Five and no/100 dollars (\$25) (“**Brand Marketing Fee**”) to Franchisor for the purposes of the Brand Fund (as defined in Section 11.1 of this Agreement) by the tenth (10th) day of each month. Franchisor may increase the Brand Marketing Fee to up to Two Hundred and no/100 dollars (\$200.00) per month at any time in Franchisor’s sole and absolute discretion. Any increase in the Brand Marketing Fee will be effective thirty (30) days after Franchisee’s receipt of written notice thereof.
- 5.3 Technology Fee.
- (a) Franchisee shall pay a monthly fee of Twenty and no/100 dollars (\$20) (“**Technology Fee**”) to Franchisor for the purposes of the provision of Internet marketing, web hosting, search engine optimization, email addresses, software license or development fees, and other technology tools provided by Franchisor (“**Technology Services**”) by the tenth (10th) day of each month. Franchisor may increase the Technology Fee to up to Two Hundred and no/100 dollars (\$200.00) per month at any time in Franchisor’s sole and absolute discretion. Any increase in the Technology Fee will be effective thirty (30) days after Franchisee’s receipt of written notice thereof.
 - (b) If Franchisor develops a proprietary technology system, Franchisee shall pay a monthly fee of Two Hundred Forty and no/100 dollars (\$240) (“**Proprietary Technology Fee**”) to Franchisor by the tenth (10th) day of each month for the purposes of the provision Technology Services. In addition to the monthly Proprietary Technology Fee, Franchisee shall additionally pay to Franchisor an initial one-time fee of Two Thousand Five Hundred and no/100 dollars (\$2,500). Franchisor has the right to increase the Proprietary Technology Fee by up to ten percent (10%) annually. Any increase in the Proprietary Technology Fee will be effective thirty (30) days after Franchisee’s receipt of written notice thereof.
- 5.4 Late Payment/Reporting. Franchisee shall pay to Franchisor a late fee of One Hundred and no/100 dollars (\$100.00) on each payment due that is not received by Franchisor within five (5) days after the due date. Franchisee shall pay to Franchisor a late fee of One Hundred and no/100 dollars (\$100.00) for each Revenue Report or other Business Record that is not received by Franchisor within five (5) days after the due date. Any payments that are not received by Franchisor when due shall bear interest at the rate of 18% per annum, or the highest rate allowed by law, whichever is lower, from the date payment is due to the date payment is received by Franchisor, regardless of any subordinate agreement that may be in effect to postpone payment of fees due Franchisor.
- 5.5 Gross Revenues. The term “**Gross Revenues**” means all income (cash, credit, and all other consideration) on a cash basis received by Franchisee or any spouse or child of Franchisee or its Principal or Guarantor:
- (a) in connection in any way with the operation of the Franchised Business or any competing business anywhere;
 - (b) from the sale of any Permitted Products or Services (as defined in Section 7.3 of this Agreement); or
 - (c) from the sale of any goods or services (whether or not permitted) under, using, or in connection with the Proprietary Marks. Gross Revenues does not include value-added, sales, use, excise, or other taxes that are separately stated and that Franchisee is required by law to collect and does collect from clients and pays to any governmental taxing authority. Franchisor reserves the right to require accrual accounting in determining Gross Revenues.
- 5.6 Method of Payment.
- (a) Franchisee shall make all payments to Franchisor, including Royalties, Brand Marketing Fees, Technology Fees, interest, late fees, and legal expenses, through an electronic

depository transfer account (“**EDT Account**”) established at a national banking institution approved by Franchisor. As of the Effective Date and before Opening the Franchised Business, or at such time thereafter as Franchisor may require, Franchisee shall establish the EDT Account and execute and deliver to Franchisor the authorization for electronic funds transfer for direct debits from the EDT Account attached to this Agreement as Exhibit 8 and incorporated herein by reference. At all times thereafter during the term of this Agreement, Franchisee shall ensure that Franchisor has access to Franchisee’s EDT Account for purposes of receiving electronic funds transfer payments, and Franchisee shall comply with procedures specified by Franchisor and perform such acts as may be necessary to accomplish payment by electronic funds transfer. Franchisee hereby authorizes Franchisor to initiate debit entries and credit correction entries to the EDT Account for payment of Royalties, Brand Marketing Fees, interest, late fees, legal expenses, and any other amounts payable to Franchisor or any affiliate of Franchisor. Franchisee shall make funds available to its EDT Account in sufficient amounts to meet its obligations as they become due. If any debit properly initiated by Franchisor from Franchisee’s EDT Account is denied or charged back due to nonsufficient funds or the closing of the EDT Account, Franchisee shall (1) pay Franchisor a Two Hundred fifty and no/100 dollars (\$250) charge-back fee, (2) reimburse Franchisor for all bank and transaction charges incurred by Franchisor as the result of the charge-back, and (3) pay interest on the unpaid amount going back to the fifth (5th) day of the month in which the payment was due. Franchisee may not close the EDT Account without Franchisor’s consent. Franchisor reserves the right to require Franchisee to remit payments in any manner other than through the EDT Account.

- (b) Franchisor may, after providing thirty (30) days’ notice, alter the payment period for the Royalty, Brand Marketing Fee, and any other required payments from monthly to weekly, bi-weekly, or such other period as Franchisor designates.

5.7 Taxes on Amounts Paid to Franchisor. All payments required to be made by Franchisee to Franchisor shall be the gross amount determined according to the applicable paragraph, without deduction for any sales, use, withholding, gross receipts, income, or other taxes that may be levied or assessed on the payments by any state, county, or municipality in which the Franchised Business is located or operates, in which Franchisee is domiciled, or which otherwise possesses the power to tax Franchisee or the Franchised Business. Franchisee shall remit to the appropriate taxing authorities all sales, use, withholding, gross receipts, income, or other taxes levied or assessed on amounts paid by Franchisee to Franchisor which would otherwise be due from Franchisor, shall promptly deliver to Franchisor receipts of applicable governmental authorities showing that all such taxes were properly paid in compliance with applicable law, and shall indemnify and defend Franchisor and hold Franchisor harmless from and against all liability for such taxes (including interest and penalties thereon). Franchisee shall fully and promptly cooperate with Franchisor to provide such information and records as Franchisor may request in connection with any application by Franchisor to any taxing authority with respect to any tax credits.

5.8 Application of Payments. As to Franchisee, Franchisor has the right to:

- (a) apply any payments received to any past-due, current, or future indebtedness of any kind, regardless of any instructions for the application of the payment from Franchisee or anyone else;
- (b) set off from any amounts that may be owed by Franchisor, any amount owed to Franchisor or any Brand Marketing Fund; and
- (c) retain any amounts received for Franchisee’s account, whether rebates from suppliers or otherwise, as a payment against any amounts owed to Franchisor. Franchisor may exercise

any of these rights in connection with amounts owed to or from Franchisor, any person or entity related to Franchisor, and/or any Brand Marketing Fund.

ARTICLE 6 – DUTIES OF FRANCHISOR

- 6.1 Assistance by Franchisor. Franchisor, at its sole expense and cost, shall, following the execution of this Agreement, provide the following assistance and make the following materials available to Franchisee:
- (a) Written specifications for all equipment and supplies necessary to operate the Franchised Business;
 - (b) Initial training for up to two (2) people, one of whom has been approved by Franchisor as the person responsible for the day-to-day operation of the Franchised Business at a training facility or location approved by Franchisor;
 - (c) Access to a current set of advertising and promotional templates;
 - (d) Approved and readily available sources for purchasing supplies, advertising and marketing materials, computer hardware and software, and other items necessary for the operation of a Franchise;
 - (e) Periodic assistance from Franchisor's representatives either onsite and/or remotely as and to the extent Franchisor deems necessary; and
 - (f) Such other materials, information, and assistance as Franchisor may from time to time deem necessary.
- 6.2 System Standards Manual. Franchisor shall make available to Franchisee, at no charge, one copy of Franchisor's current System Standards Manual.

ARTICLE 7 – DUTIES OF FRANCHISEE

- 7.1 Training.
- (a) Initial Training Program. At least one (1) person designated by Franchisee, who has been approved by Franchisor as the person responsible for the day-to-day operation of the Franchised Business, but not more than two (2) persons, must complete, to Franchisor's satisfaction, Franchisor's Initial Training Program. If Franchisee requests that Franchisor approve additional attendees, Franchisee shall pay One Thousand Five Hundred and no/100 dollars (\$1,500) for each additional attendee. In connection with the Initial Training Program, Franchisor shall provide and pay for the instructors, training facilities, and training materials utilized in such training. Franchisee shall be responsible for all other expenses incurred by Franchisee or its trainees, including, without limitation, the cost of travel, room, board, and wages. If Franchisee (or Franchisee's designee) fails to begin the training program when Franchisor designates or fails to complete the training program to the satisfaction of Franchisor, then Franchisor shall have the right to terminate this Agreement.
 - (b) Franchisee Meetings and Conferences; Additional Training. Franchisee is required to participate in up to three (3) days of refresher/supplemental training per year plus Franchisee must attend Franchisor's conference ("**Franchise System Conference**") if one is hosted. In addition, Franchisee may request additional training above Franchisor's normal training offerings, or Franchisor may require additional training in the event Franchisee's Franchised Business is operating below required standards. In addition to paying Franchisor Three Hundred and no/100 dollars (\$300) per trainer, per day for tuition, Franchisee shall be responsible for the personal expenses, including transportation to and from the training site and lodging, meals, and salaries during training, for Franchisor's trainers and Franchisees

attendees. Franchisor reserves the right to increase this fee to up to Five Hundred and no/100 dollars (\$500) per trainer, per day and up to One Thousand and no/100 dollars (\$1,000) for attendance at the Franchise System Conference. Franchisor may at any time, in its sole and absolute discretion, establish remote training capability via a web-based learning management system.

- (c) On-Site Visits. Franchisor may, in its sole and absolute discretion or at Franchisee's request, visit Franchisee's Franchised Business from time to time to provide additional operational support. Franchisee shall be responsible to pay Franchisor a fee of Five Hundred and no/100 dollars (\$500) per day, per trainer for such visit plus Franchisor's personal expenses, including transportation to and from the Franchised Business, lodging and meals.

7.2 System Standards. Franchisee acknowledges and agrees that every detail of the System is important, not only to Franchisee but also to Franchisor and other SFC ESTATE COACHING® franchisees, in order to develop and maintain high and uniform operating standards, to increase the demand for the products and services offered by all franchisees, to establish and maintain a reputation for uniform, efficient, high quality services, and to protect the goodwill of all SFC ESTATE COACHING® franchises. Franchisee further acknowledges and agrees that a fundamental requirement of the System, this Agreement, and other SFC ESTATE COACHING® franchises is adherence by all franchisees to the uniform specifications, standards, operating procedures and rules prescribed by Franchisor for the development and operation of the Franchised Business (hereafter referred to as "**System Standards**"). Accordingly, Franchisee agrees to comply with each and every System Standard, as periodically modified and supplemented by Franchisor in its sole and absolute discretion, during the term of this Agreement. Franchisee further agrees that System Standards prescribed from time to time in the System Standards Manual, or otherwise communicated to Franchisee in writing, shall constitute provisions of this Agreement as if fully set forth in this Agreement. All references to this Agreement include all System Standards as periodically modified.

7.3 Products and Services. Franchisee shall offer and sell all products and services, and only those products and services, authorized by Franchisor and specified in the System Standards Manual or as designated in writing by Franchisor ("**Permitted Products and Services**"). Franchisor may unilaterally add and delete products or services to or from the Permitted Products and Services at any time. Franchisor may also designate any products or services as optional for all or any subgroup of franchisees.

7.4 Fixtures and Furnishings. Franchisee shall purchase and install, at Franchisee's expense, all fixtures, furnishings, signs, computer hardware and peripherals ("**Computer System**"), computer software ("**Designated Software**"), and other equipment as may be specified by the System Standards from time to time; and shall not permit the installation of any fixtures, furnishings, signs, Computer System, Designated Software, or other equipment not conforming to the System Standards.

7.5 Supplier Approval.

- (a) Franchisor has the right to require Franchisee to purchase all goods and services used in the Franchised Business solely from suppliers designated by Franchisor, which may include Franchisor or an affiliate. Franchisor has the right to condition its approval of any supplier upon benefits to Franchisor and/or its affiliates based upon purchases by System franchisees. Franchisor and/or its affiliates may derive income or receive benefits as a result of Franchisee's and/or other System franchisees' purchase of items. Franchisor has the right to require Franchisee to purchase certain goods or services exclusively from one or more designated suppliers, or to purchase cooperatively with Franchisor or other System franchisees, in order to maintain Franchisor's quality standards or to take advantage of price discounts, benefits or other sales incentives. Franchisor and/or its affiliates have the right to receive rebates, discounts, allowances, and other payments from suppliers in respect of group

purchasing programs and otherwise on account of the suppliers' dealings with Franchisee and other System franchisees, which Franchisor is entitled to retain and use without restriction for any purpose and without accounting to Franchisee. Franchisor has the unlimited right to change and add designated suppliers and to change the list of goods and services required to be purchased from designated suppliers at any time.

- (b) Franchisee may request approval of a supplier under Franchisor's System standards and specifications. If requested, Franchisor shall have the right to investigate the proposed supplier, including, but not limited to inspection of the proposed supplier's facilities. Franchisee shall pay Franchisor its actual costs and expenses up to One Thousand and no/100 dollars (\$1,000) for conducting inspection and testing (including administrative expenses). Franchisor reserves the right, at its option, to re-inspect the facilities and products of any approved supplier, and to revoke approval if, in Franchisor's sole and absolute discretion, the supplier fails to continue to meet any of Franchisor's criteria upon thirty (30) days written notice to Franchisee. Franchisor reserves the right to withhold approval of a supplier, or alternative goods or service, for any reason.

7.6 Business Operation. Franchisee must open the Franchised Business within sixty (60) days following completion of the Initial Training Program to Franchisor's satisfaction. For purposes of this Section, "Opening" or "Opening Date" means the date on which Franchisee has completed all required preopening tasks specified by Franchisor, including but not limited to, completion of Initial Training, activation of all required technology systems, establishment of a functional workspace meeting System Standards, and readiness to market and provide Permitted Products and Services to clients. As a condition to Opening, and in any event no later than thirty (30) days after the Effective Date, Franchisee must be organized and in good standing as a business entity that complies with Section 7.10 and must have executed and delivered all documents required by Section 7.10. After Opening, Franchisee shall maintain the Franchised Business in continuous operation during the term of this Agreement. Franchisee shall not use or permit the use of the premises on which the Franchised Business is located for any other purpose or activity other than the operation of the Franchised Business without first obtaining the written consent of Franchisor (*provided, however*, that this restriction shall not apply if Franchisee operates the Franchised Business from Franchisee's residence). The Franchised Business must at all times be under the direct supervision of the Franchisee, or such person as has been approved in writing by Franchisor and has successfully completed Franchisor's Initial Training Program, who (except as otherwise approved by Franchisor) must devote his full time, energy, and best efforts to the operation of the Franchised Business. If Franchisee owns more than one Franchised Business, Franchisor may require that each Franchised Business has its own full-time manager or marketing employee.

7.7 Taxes. Franchisee shall pay all taxes on real and personal property, leasehold improvements and fixtures and equipment, and all sales, payroll, and other taxes promptly when due and hold Franchisor harmless therefrom. All taxes shall be paid directly to the taxing authorities prior to the delinquent date. If any taxes become delinquent, Franchisor may elect to pay the delinquent tax on behalf of Franchisee, together with penalties and interest, if any, and Franchisee agrees, upon demand of Franchisor, to reimburse Franchisor for any sums so paid by Franchisor, together with interest at the rate of eighteen percent (18%) per annum, or the highest rate allowed by law, whichever is less, from the date of payment by Franchisor to the date of reimbursement by Franchisee.

7.8 Records. During the term of this Agreement, Franchisee shall maintain and preserve, for at least six (6) years from the date of their preparation, full, complete and accurate books and records of account, prepared in accordance with generally accepted accounting principles, and client files and records, all in the form and manner prescribed by Franchisor in the System Standards Manual or otherwise in writing. In connection with its maintenance of such accounts and records, Franchisee, at its expense, shall:

- (a) Submit to Franchisor, on or before the tenth (10th) day of each month during the term of this Agreement, a report in the form prescribed by Franchisor, accurately reflecting all Gross Revenues during the preceding calendar month, and such other data or information as Franchisor may require (“**Revenue Report**”);
- (b) Submit to Franchisor, within sixty (60) days after the end of each calendar year during the term of this Agreement, an income statement for the preceding calendar year, reviewed by an independent public accountant, together with such other information as may be prescribed by Franchisor;
- (c) Submit to Franchisor signed copies of Franchisee’s federal income tax return for the previous tax year, as filed with the Internal Revenue Service, on or before April 30th of each year, or within fifteen (15) days after the final due date for such return if Franchisee has received a filing extension, but in no event later than November 15th;
- (d) At Franchisor’s request, agree to automate its system of reporting via the Internet or World Wide Web in lieu of monthly reporting;
- (e) Submit to Franchisor, for review or auditing, such other forms, reports, bank statements, client files, records, information, and data as Franchisor may reasonably designate, in the form and at such times and places as Franchisor may reasonably request;
- (f) Purchase and install such equipment as Franchisor may require to automate the reporting of financial information to be furnished by Franchisee pursuant to this Agreement;
- (g) Permit Franchisor or its designated agents at all reasonable times to examine, at Franchisor’s expense and at such location as Franchisor may reasonably select, Franchisee’s books and records of account, bank statements, canceled checks, client files, state, federal and local income and payroll tax returns, and any other information or records pertaining to the Franchised Business (hereafter collectively referred to as Franchisee’s “**Business Records**”). Franchisor’s inspection of Franchisee’s Business Records is primarily to determine any deficiencies in fees that Franchisee may owe for the preceding calendar year and to determine any understated income by Franchisee. If such an inspection should reveal that Gross Revenues have been understated in any report to Franchisor, then Franchisee shall immediately pay the amount of such understatement to Franchisor upon demand, plus the late fee and interest described in Section 5.4 hereof. In addition, if an inspection discloses an understatement of Gross Revenues of 3% or more for any monthly period so inspected, Franchisee shall also reimburse Franchisor for any and all costs and expenses of such inspection (including, without limitation, wages paid by Franchisor to its employees, travel expenses, and reasonable accounting and attorneys’ fees). Franchisee, upon Franchisor’s request, shall provide Franchisor with the tax returns of Franchisee’s Principals if Franchisor reasonably suspects that Gross Revenues are understated. The foregoing remedies shall be in addition to any other remedies Franchisor may have. Franchisor shall also have the right, at any time, to have an independent audit made of Franchisee’s Business Records; and
- (h) Franchisee shall pay to Franchisor a late fee as set forth in Section 5.4 of this Agreement for any annual income statement that is not received by Franchisor within five (5) days after the due date of any report required hereunder.

7.9 Indemnity and Insurance.

- (a) Franchisee shall defend, indemnify and hold Franchisor and its parent, predecessor, subsidiaries, and affiliates, and their respective Principals, independent contractors and employees (the “**Indemnified Parties**”) harmless from all fines, suits, proceedings, claims,

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

- (b) At all times during the term of this Agreement and at its own expense, Franchisee shall obtain and keep in force at a minimum the insurance required by Franchisor in the System Standards Manual or otherwise. If the lease (if applicable) for the Franchised Business requires Franchisee to purchase insurance with higher limits than those Franchisor specifies, the lease insurance requirements shall control. All insurance policies shall contain a separate endorsement using ISO form CG2029 or equivalent (no blanket additional insured language is acceptable) naming Franchisor, its Principals, independent contractors and employees as additional insureds, and shall expressly provide that any interest of an additional insured shall not be affected by Franchisee's breach of any policy provisions or any negligence on the part of an additional insured. All policies shall also include a waiver of subrogation in favor of the additional insureds. All insurance must be written by an insurance carrier with an A. M. Best and Standard and Poor's rating of at least "A-" or better. All policies shall be written by an insurance carrier accepted in writing by Franchisor. Franchisor may require that Franchisee obtain coverage from a carrier it designates. Franchisor's acceptance of an insurance carrier does not constitute Franchisor's representation or guarantee that the insurance carrier shall remain a going concern or capable of meeting claim demands during the term of the insurance policy. No insurance policy shall be subject to cancellation, termination, non-renewal, or material modification, except upon at least thirty (30) days' prior written notice from the insurance carrier to Franchisor. Franchisee shall provide Franchisor with a currently issued certificate of insurance, evidencing coverage in conformity with the provisions of this Section within thirty (30) days of each renewal period. If Franchisee does not provide evidence of coverage or fails to comply with at least the minimum insurance requirements set forth by Franchisor, Franchisor may obtain the insurance and keep the insurance in force and effect and Franchisee shall pay Franchisor, on demand, the cost of the premium plus an administrative fee in connection with obtaining the insurance. Franchisor may increase or otherwise modify the minimum insurance requirements upon thirty (30) days prior written notice to Franchisee, and Franchisee shall comply with any such modification. Franchisee's obligation to obtain the required policies in the amounts specified is not limited in any way by any insurance Franchisor maintains. Franchisee's obligation to maintain the insurance does not relieve Franchisee of any liability under the indemnity provisions of this Agreement.

7.10 Business Entity.

- (a) If Franchisee is a business entity (such as a corporation or limited liability company) when it signs this Agreement, it must satisfy the following requirements at the time it signs this Agreement:
 - (i) Franchisee must be a newly organized business entity that has never operated or engaged in any business.
 - (ii) Franchisee's organizational and governing documents must:
 - (1) provide that its activities are confined exclusively to operating one or more SFC ESTATE COACHING® Franchises;
 - (2) prescribe a maximum of ten (10) Principals; and
 - (3) prohibit the issuance or transfer of its ownership interests other than in compliance with the terms and conditions of this Agreement.
 - (iii) Franchisee shall provide Franchisor with a list of Principals and their spouses containing the full legal name, home address, home telephone number, and ownership percentage of each Principal of Franchisee as set forth on Exhibit 2 attached hereto and incorporated herein by reference.
 - (iv) Each Principal of Franchisee and, if applicable, their spouse (each, a "Guarantor") must execute and deliver to Franchisor a Guaranty of Franchisee's Obligations in the form attached hereto as Exhibit 3, which is incorporated herein by reference. Each Guarantor unconditionally and irrevocably guarantees the full and prompt payment and performance of all obligations of Franchisee under this Agreement and agrees to be jointly and severally liable with Franchisee for all such obligations, including, without limitation, any obligations that survive the expiration or termination of this Agreement.
 - (v) Each Principal of Franchisee and their spouse must execute the Confidentiality, Non-Disclosure and Non-Competition Agreement for Spouses and Principals attached hereto as Exhibit 5(b) and incorporated herein by reference, unconditionally guaranteeing the full payment and performance of Franchisee's obligations under this Agreement and agreeing to be jointly and severally bound by all the provisions of this Agreement, including, but not limited to, any post-termination covenants.
 - (vi) Each ownership certificate of Franchisee must bear a legend stating that the issuance and transfer of any ownership interest in Franchisee are subject to the terms and conditions of this Agreement. If Franchisee is a business entity without certificates evidencing ownership, Franchisee shall provide Franchisor with acceptable evidence that its operating agreement or other organizational documents contain provisions acceptable to Franchisor prohibiting the transfer of any ownership interest in Franchisee other than in compliance with the terms and conditions of this Agreement.
 - (vii) Franchisee shall provide Franchisor with true and complete copies of its organizational and governing documents, including the resolutions of its Principals or governing body authorizing the execution of this Agreement.
 - (viii) The name of the Franchisee entity may not contain any of the words SFC ESTATE COACHING® in any order, any variation thereof, or any of the other Proprietary Marks.
- (b) If Franchisee is not a business entity when it signs this Agreement, then within thirty (30) days of signing this Agreement, Franchisee shall transfer all of its interest in the Franchised

Business and all of its rights and obligations under this Agreement to a business entity, comply with all of the requirements in subparagraph 7.10(a) above, and comply with the following additional requirements: If Franchisee fails to complete the formation and transfer within thirty (30) days of signing this Agreement, such failure shall constitute a material breach of this Agreement.

- (i) The individual(s) who executed this Agreement as Franchisee shall beneficially own a controlling interest in the business entity and shall not diminish his/her/their ownership Interest therein, except as may be required by law;
 - (ii) One of the individuals who executed this Agreement as Franchisee shall act as the principal executive (or manager) and operating officer of the business entity; and
 - (iii) Franchisee shall reimburse Franchisor for actual legal costs incurred by Franchisor in approving and affecting the transfer to the business entity.
- (c) At all times while this Agreement is in effect:
- (i) The business entity shall not operate any other business or engage in any other business activities except the operation of one or more SFC ESTATE COACHING® Franchises;
 - (ii) Franchisee shall not cause or permit any of provision of its organizational or governing documents to be modified or restated without Franchisor's prior written approval;
 - (iii) Within ten (10) days after Franchisor's request or after any change in any information on the list of Principals, Franchisee shall provide Franchisor with an updated list of Principals;
 - (iv) Upon request, Franchisee shall provide Franchisor with true and complete copies of Franchisee's organizational and governing documents;
 - (v) Each new Principal of Franchisee and their spouse must execute the Confidentiality, Non-Disclosure and Non-Competition Agreement for Spouses and Principals attached hereto as Exhibit 5(b); and
 - (vi) Franchisee acknowledges that any business entity through which Franchisee derives Gross Revenues or provides Permitted Products and Services is closely related to and bound by this Agreement, including its jurisdiction and arbitration clauses.

7.11 Compliance with Law. Franchisee agrees to comply with all laws, regulations and requirements of federal, state, municipal, and other governmental entities and agencies (including, without limitation, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Fair Labor Standards Act, the Family Medical Leave Act, state or local fictitious or assumed name registration requirements, wage and hour, overtime, and all other federal, state and local laws of any kind), and to obtain and maintain any and all licenses and permits required by any governmental agencies or otherwise necessary to conduct the Franchised Business in any jurisdiction in which it operates. Franchisee shall submit documented proof of its compliance with any local, state, or federal law or licensing regulation within five (5) days of Franchisor's request, unless Franchisor authorizes in writing a longer period of time for Franchisee's compliance. Franchisee agrees and acknowledges that Franchisee alone shall be responsible for compliance with the obligations under this paragraph, and that Franchisor shall have no obligation with respect to Franchisee's compliance under this paragraph.

- 7.12 Client Dispute Resolution. Franchisee acknowledges that client satisfaction is essential to Franchisee's success as well as the reputation and success of the System and other SFC ESTATE COACHING® franchisees. Accordingly, Franchisee agrees to:
- (a) use its best efforts to ensure the satisfaction of each of Franchisee's clients;
 - (b) use good faith in all dealings with clients, potential clients, referral sources, suppliers and creditors;
 - (c) respond to client complaints in a courteous, prompt, and professional manner;
 - (d) use its best efforts to promptly and fairly resolve client disputes in a mutually agreeable manner; and
 - (e) within seven (7) days of receiving a request from Franchisor, provide Franchisor a written summary of the dispute. If Franchisee fails to resolve a dispute with a client, for any reason whatsoever, Franchisor, in its sole discretion, may (but shall not be obligated to) investigate the matter and take such action as Franchisor may deem necessary or appropriate to resolve the dispute fairly and promptly, including, without limitation, the issuance of a refund on Franchisee's behalf. Within ten (10) days after receiving notice thereof, Franchisee shall reimburse Franchisor for any money refunded to a client on Franchisee's behalf. Nothing contained in this Section or any other provision of this Agreement shall be construed to impose liability upon Franchisor to any third party for any action by or obligation of Franchisee.
- 7.13 Computer System. To ensure the efficient management and operation of the Franchised Business and the transmission of data to and from Franchisor, Franchisee, at its own expense, shall install, prior to Opening the franchise business, and shall maintain and utilize during the term of this Agreement, such Computer System as may be specified by the System Standards from time to time.
- (a) As used in this Agreement, the term "**Computer System**" means: hardware (including, without limitation, one or more computers and other computer components); software to be used in the management and operation of the Franchised Business, as well as reporting and sharing information with Franchisor; and communication systems (including, without limitation, internet access, satellite, cable, and other systems);
 - (b) Franchisee shall lease or purchase its Computer System only from a supplier that Franchisor has approved in writing pursuant to the provisions of this Agreement. Franchisee may use its hardware for personal purposes, provided that such use strictly complies with all applicable data privacy and data protection laws and does not compromise, impair, or interfere with the Franchised Business, the System, or any data required to be maintained under this Agreement. Franchisee shall not install, authorize the installation of, or permit the installation, operation, or use of any devices, software, applications, or other programs related to, connected with, or capable of affecting the Franchised Business without the Franchisor's prior written approval;
 - (c) Franchisor may from time to time develop or authorize others to develop proprietary software programs for use in the System, which Franchisee may be required to purchase and/or license, and use, in connection with the Franchised Business. Franchisee shall execute any license, sublicense, or maintenance agreement required by Franchisor or any other approved licensor or approved vendor of such proprietary software programs. Neither Franchisor nor its affiliates have any obligations to upgrade or update any Computer System during the term of this Agreement;
 - (d) If required by Franchisor, Franchisee shall obtain and maintain a contract with a vendor that Franchisor has approved in writing for software maintenance, support, and upgrade services for Franchisee's Computer System and to provide Franchisee with such assistance as

Franchisee and Franchisee's employees may require. Franchisee acknowledges that Franchisor may be one of, or the only, approved vendor for such services, and if Franchisee obtains these services from Franchisor, then Franchisee agrees that it shall pay to Franchisor the maintenance fee and help desk fee specified by Franchisor for such services. Notwithstanding these rights of Franchisor, Franchisor shall not at any time be obligated to provide any such services or support for the hardware or software used in the Computer System;

- (e) Franchisee shall upgrade and update its Computer System in the manner, and when, specified by Franchisor in writing, in accordance with this Agreement and the System Standards Manual;
- (f) Franchisee shall have the sole and complete responsibility for the manner in which Franchisee's Computer System interfaces with other systems, including those of Franchisor and other third parties, as well as any and all consequences that may arise if Franchisee's Computer System is not properly operated, maintained, and upgraded;
- (g) Franchisee shall: (a) promptly enter, into its Computer System, and maintain all information required to be entered and maintained by Franchisor; (b) provide to Franchisor such reports as Franchisor may reasonably request from the data so collected and maintained; and (c) permit Franchisor to access Franchisee's Computer System at all times via internet access or other means specified by Franchisor from time to time. Franchisee shall cooperate with Franchisor and shall execute all documents required by Franchisor to permit access to Franchisee's Computer System and data contained therein. The reporting requirements set forth in this Section shall be in addition to and not in lieu of the reporting requirements required pursuant to this Agreement;
- (h) Any and all data collected or provided by Franchisee, downloaded from Franchisee's Computer System, and otherwise collected from Franchisee's system by Franchisor and/or provided to Franchisor is and shall be owned exclusively by Franchisor, and Franchisor shall have the right to use such data in any manner that Franchisor deems appropriate without compensation to Franchisee, including, but not limited to, the disclosure or distribution of such information to other franchisees of Franchisor, or the disclosure of such information to prospective franchisees of Franchisor, by inclusion in Franchisor's Franchise Disclosure Document or otherwise. Franchisee is hereby licensed (without any additional fee) to use such data solely for the purpose of operating the Franchised Business, and such license shall automatically and irrevocably expire when this Agreement terminates or expires, without additional notice. Franchisor shall reasonably protect confidential data and personally identifiable information of employees and clients of Franchisee. If Franchisor discloses financial data of Franchisee, Franchisor may not identify Franchisee or disclose any personally identifiable information of Franchisee in connection therewith without Franchisee's notification;
- (i) Franchisee shall maintain at least one dedicated telephone line for use exclusively by the Franchised Business. Each telephone line shall have service features as required by Franchisor in the System Standards Manual or otherwise communicated to Franchisee from time to time. Franchisor may require Franchisee to provide a full-time employee or answering service to answer Franchisee's telephone during regular business hours. All lines shall be operational and functional prior to Opening the Franchised Business and thereafter at all times during the term of this Agreement. The main telephone number for the Franchised Business must be listed on Franchisee's website and all documents distributed for the purpose of marketing or customer contact or relations under the business name specified by Franchisor at a location approved by Franchisor. Franchisor has the right, but is not obligated, to provide

a telephone number for Franchisee's use and Franchisee shall reimburse Franchisor for the cost thereof or shall pay the service provider directly, at Franchisor's option. If Franchisor provides a telephone number for Franchisee's use, Franchisee shall use only the number provided by Franchisor for the Franchised Business, including Franchisee's stationery, advertisements, marketing materials, directory listings (including online directories), and electronic distribution channels. Franchisee's continued use of all telephone numbers is subject to that certain Telephone, Internet Websites, and Listing Agreement attached hereto as Exhibit 7 and incorporated herein by reference;

- (j) Prior to Opening the Franchised Business and thereafter at all times during the term of this Agreement, Franchisee shall obtain and maintain a standard e-mail account that is capable of receiving and sending attached files of a size specified by Franchisor in the System Standards Manual or otherwise communicated to Franchisee from time-to-time, along with a high Internet connection via a commercial Internet service provider that is capable of receiving and sending attached files of a size specified by Franchisor in the System Standards Manual or otherwise communicated to Franchisee from time-to-time. If Franchisor provides Franchisee with an email address, Franchisee shall use the Franchisor-provided email address for all electronic communications with Franchisor and for the Franchised Business, including all email communications with clients of Franchisee. All communications to or from a Franchisor provided email address are the property of Franchisor, and neither Franchisee nor any officer, employee, or agent of Franchisee has a right or expectation of privacy with respect to any such communications. Subject only to the provisions of Section 7.20 of this Agreement and all applicable laws, rules, and regulations pertaining to data privacy and protection ("**Data Protection Laws**"), Franchisor has the otherwise unrestricted right to access, monitor, read, and use, in any manner that Franchisor deems appropriate, any communications to or from a Franchisor-provided email address. Franchisee hereby consents for Franchisor to communicate with Franchisee via any Franchisor-provided email address and any personal email address of Franchisee, or any Principal of Franchisee, provided to Franchisor. Franchisee acknowledges that any Franchisor-provided email address is provided via subscription from an Internet service provider, which may process Franchisee's data for the purpose of disclosing it to law enforcement or other governmental authorities as required by law, and Franchisee hereby irrevocably consents thereto;
- (k) Franchisor shall have the right, but not the obligation, to establish a Website (as defined in Section 11.6 below) or other electronic system providing private and secure communications (e.g., an intranet) between Franchisor, Franchisee, other franchisees, and other persons and entities as determined by Franchisor, in its sole discretion. If required by Franchisor, Franchisee shall establish and maintain access to the intranet in the manner specified by Franchisor, and shall from time to time execute such agreements and/or acknowledge and agree to comply with such policies concerning the use of the intranet as Franchisor may prepare;
- (l) Franchisee shall abide by all applicable laws pertaining to privacy of information collected or maintained regarding clients or other individuals and comply with Franchisor's standards and policies pertaining to privacy. If there is a conflict between applicable law and Franchisor's privacy standards and policies, Franchisee shall: (i) comply with the requirements of applicable law; (ii) immediately provide Franchisor with written notice of the conflict; and (iii) promptly and fully cooperate with Franchisor and Franchisor's counsel as Franchisor determines the most effective way, if any, to reconcile Franchisor's privacy standards and policies with applicable law. Franchisee is solely responsible for identifying, interpreting, and complying with all laws pertaining to privacy. Franchisee shall neither

publish nor implement a privacy policy without Franchisor's prior written approval of the policy.

- 7.14 Compliance with Anti-Terrorism Laws. Franchisee certifies that neither Franchisee nor any of its affiliates, principals, or employees is listed in the Annex to Executive Order 13224 ("**the Annex**," which may be available on-line at [https://www.state.gov/j/ct/rls/other/des/1432ten\(10\).html](https://www.state.gov/j/ct/rls/other/des/1432ten(10).html)). Franchisee shall not hire or have any dealings with a person listed in the Annex. Franchisee certifies that it has no knowledge or information that, if generally known, would result in Franchisee or any of its affiliates, principals, or employees being listed in the Annex. Franchisee shall comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with the anti-terrorism laws. In connection with such compliance, Franchisee certifies, represents, and warrants that none of its property or interests is subject to being "blocked" under any of the Antiterrorism Laws and that Franchisee and its affiliates and principals are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that its indemnification responsibilities include Franchisee's obligations under this paragraph. Any misrepresentation by Franchisee under this paragraph or any violation of the Anti-Terrorism Laws by Franchisee, its affiliates, principals, or employees, will constitute grounds for immediate termination of this Agreement.
- 7.15 System Evaluations. Franchisee shall participate in and fully comply with all client satisfaction programs Franchisor may establish from time-to-time, including the requirements to advertise and make known and available to clients all such programs and to honor the terms of all such programs. Franchisee is subject to and may be required to participate in any evaluation of standards or quality that Franchisor may conduct or sanction for all SFC ESTATE COACHING® franchises. Franchisee shall provide Franchisor and Franchisor's designees with access to Franchisee's books, records, files, employees, and independent contractors for this purpose.
- 7.16 Disclosure of Franchisee Information. Franchisee acknowledges that Franchisor may from time-to-time be required or find it necessary to disclose to third parties certain information about Franchisee and Franchisee's Principals, including contact information such as names, addresses and telephone numbers, and other information collected by Franchisor under this Agreement. Franchisee hereby consents to Franchisor's collection, use, and disclosure of any information pertaining to the Franchised Business (including contact information of Franchisee and Franchisee's Principals) for Franchisor's reasonable business purposes and for any purpose described in Franchisor's privacy policy (as may be amended from time-to-time), subject to the limitations of this paragraph. Without limiting the generality of the foregoing sentence, Franchisee hereby consents to:
- (a) the collection, use and disclosure of any information about Franchisee and Franchisee's Principals (including contact information) to develop, modify and enhance the System, to conduct credit checks or other personal history investigations, to develop general franchisee profiles, to comply with applicable franchise laws, and to otherwise comply with any applicable law;
 - (b) the transfer of any information (including contact information) to any third party in order for Franchisor to fulfill its obligations under this Agreement or attempt to obtain any benefit for Franchisor, Franchisee or the System as a whole; and
 - (c) the release to Franchisee's lessor, lenders or prospective lessors or lenders, of any financial or operational information relating to Franchisee and/or the Franchised Business (without obligating Franchisor to do so). "**Contact Information**" is any information about a person that can be used to uniquely identify, contact, or locate the person.

- 7.17 Operational Inspections by Franchisor. To provide assistance and guidance with respect to the operation and management of the Franchised Business, ensure quality standards and consistency within the System, and ensure that Franchisee is complying with this Agreement and the System Standards, Franchisor or Franchisor's agents have the right, but not the obligation, at any time during business hours and without prior notice to Franchisee, to conduct field visits to:
- (a) inspect the Franchise Business, equipment, furniture, fixtures, displays, signs, operating materials, inventory, and supplies;
 - (b) observe the operations of the Franchised Business and on-site with clients, for such consecutive or intermittent periods as Franchisor deems necessary;
 - (c) photograph or video record the Franchised Business and Franchisee's clients and personnel;
 - (d) interview Franchisee's personnel;
 - (e) interview Franchisee's clients;
 - (f) conduct written or telephonic surveys of Franchisee's clients or referral sources;
 - (g) conduct inspections in accordance with this Agreement; and
 - (h) inspect and copy any books, records and documents relating to the operation of the Franchised Business, including employment contracts, nondisclosure and noncompetition agreements, leases, and material and information generated by or contained in the Computer System. Franchisee consents to the recording by Franchisor of any telephone conversations between Franchisor and Franchisee or its representatives. Franchisee shall cooperate fully with Franchisor in connection with each field visit and any inspection, observation, survey, and interview in connection therewith. Franchisee shall present its clients with any evaluation forms Franchisor may periodically prescribe and ask them to participate in any surveys conducted by Franchisor on Franchisee's behalf.
- 7.18 Covenants of Employees and Agents. Franchisee shall require each of its management employees at the time of the commencement of their association with Franchisee, to execute a Confidentiality and Non-Disclosure Agreement attached hereto as Exhibit 5(a), attached hereto and incorporated herein by reference. Franchisee shall provide Franchisor with executed copies of all Confidentiality and Non-Disclosure Agreements required by this Section. Franchisee may not grant any person enumerated above access to any confidential aspect of the System or the Franchised Business before their execution of a Confidentiality and Non-Disclosure Agreements. Franchisee's failure to obtain the execution of all Confidentiality and Non-Disclosure Agreements required by this Section and provide copies thereof to Franchisor is a material breach of this Agreement.
- 7.19 Employees.
- (a) Generally. Franchisee shall hire, train, and supervise the appropriate personnel necessary to conduct the Franchised Business. All such personnel are under Franchisee's responsibility and direction and are employees of Franchisee and not of Franchisor. Under no circumstances shall Franchisor be deemed a joint employer of Franchisee's employees. Franchisee shall indemnify, defend, and hold harmless Franchisor and the Indemnified Parties (as hereafter defined) from and against claims made by Franchisee's employees, including leased employees, against Franchisor.
 - (b) Control. All employees engaged by Franchisee or other individuals who provide services to the Franchised Business or to its clients will be regarded as employees of Franchisee only and there will be no relationship between Franchisor and Franchisee's employees. Franchisee shall advise each of its employees in writing, before the commencement of their employment, that they will be employed by Franchisee only and not Franchisor. The parties acknowledge

and agree that Franchisor has no authority to and shall not exercise any control over the essential terms and conditions of employment of any personnel working for or hired by Franchisee. With respect to such personnel, and without limiting the generality of the preceding sentences, only Franchisee has the power, and hereby accepts the responsibility, to hire, pay, promote, discipline, fire, train, establish employment policies, provide an employee handbook, supervise and control their schedule and work conditions, determine pay rates and methods of payment, and maintain employment records. With respect to Franchisee's employees, Franchisor has no authority to do any of the following:

- (i) participate in hiring, firing, promotion, demotion, disciplinary, or scheduling decisions of Franchisee;
 - (ii) supervise the work to be performed;
 - (iii) determine payment of wages;
 - (iv) provide employment benefits (including workers' compensation, group health insurance, or retirement plans);
 - (v) provide training (unless required by System Standards for the purpose of the general operation of the Franchised Business and not specific to the employees' talents or roles);
 - (vi) supply tools or equipment except directly to Franchisee; or
 - (vii) determine the applicability of any local, state, or federal laws, rules, regulations, statutes, or ordinances.
- (c) Employee Payments. Franchisee shall pay all salaries for its personnel. Franchisee is responsible for all costs and overhead associated with the conduct of the Franchised Business except as otherwise specifically provided in this Agreement. Franchisee is responsible for the payment of all wages, commissions, bonuses, fringe benefits, insurance premiums, payroll taxes, and other items required by applicable law, if any, to all personnel working for or hired by Franchisee, whether classified as employees or independent contractors. Without prejudice to the foregoing, Franchisee shall make all statutory deductions and contributions and is solely responsible for complying, and shall comply, with all applicable laws relating to the employment of its employees, including all wage and hour laws, the classification of workers as employees or independent contractors, and the classification of employees as exempt or non-exempt under applicable minimum wage and overtime laws. Employment of Franchisee's employees will be at Franchisee's own risk and expense, and its employees will not have any claims against Franchisor for wages, commissions, bonuses, fringe benefits, insurance premiums, social welfare contributions, or any other form of compensation (including severance compensation).

7.20 Data Protection.

- (a) In this Section, “**process**” and/or “**processing**” in relation to any data means collecting, obtaining, recording, or holding the data or carrying out any operation or set of operations on the data including:
- (i) organization, adaptation or alteration;
 - (ii) retrieval, consultation or use;
 - (iii) disclosure by transmission, dissemination or otherwise making available; or
 - (iv) alignment, combination, blocking, erasure, or destruction.

- (b) Franchisee shall process any data that may be collected or acquired by Franchisee, whether from clients, employees or other sources (“**Franchise Data**”) strictly in accordance with any Data Protection Laws that may apply from time to time during the course of this Agreement and, in particular:
- (i) only insofar as is necessary for the purpose of performing its obligations under this Agreement;
 - (ii) in accordance with Franchisor’s instructions except where to do so would infringe Data Protection Laws or any other statutory provision that prevents Franchisee from complying with such instructions;
 - (iii) before processing any data, inform the person to whom the data relates of:
 - (1) the purpose(s) for which any processing is to be carried out;
 - (2) the availability of the option to remove their personal information; and
 - (3) the address, telephone number and identification of Franchisee in compliance with applicable laws.
 - (iv) obtain the approval and authorization of the person to whom the data relates for handling of their personal data;
 - (v) not disclose the Franchise Data to or allow access to it other than by its or Franchisor’s employees and/or any third parties engaged by Franchisee to perform the obligations imposed on Franchisee by this Agreement and ensure that any such employees and/or third parties execute appropriate written contractual covenants concerning the protection of the Franchise Data from unauthorized access, use or disclosure; and
 - (vi) without prejudice to any other obligations imposed upon Franchisee by this Agreement, use all reasonable efforts to assist Franchisor to comply with such obligations as are imposed on the Franchisor by Data Protection Laws.
- (c) Franchisor shall provide such co-operation as is reasonably required to enable Franchisee to ensure compliance with its obligations under Data Protection Laws, including entering into such additional agreements as may be required to ensure that there are adequate safeguards for the Franchise Data and that the transfer of Franchise Data to Franchisor complies with Data Protection Laws.
- (d) Insofar as Franchisee acts as a data processor and processes any Franchise Data on its own and/or Franchisor’s behalf, Franchisee shall comply with the obligations placed on a data controller by Data Protection Laws.
- (e) Without prejudice to any of Franchisee’s other obligations under this Agreement, Franchisor has the right to notify Franchisee from time to time of any consent (the “**Consents**”) that Franchisor requires Franchisee to obtain from its clients or prospective clients (or other data subject) in relation to any processing of Franchise Data to be undertaken either by Franchisee or Franchisor and the manner in which the Consents are to be detailed.
- (f) In order to comply with Data Protection Laws, Franchisor may notify Franchisee from time to time of a nominated third party within who will be authorized to receive and process the Franchise Data on Franchisor’s behalf. The possibility of having Franchise Data processed by a third party must also be disclosed to the person to whom the data relates.
- (g) Except where the express consent of a data subject has been obtained to the processing of personal data, Franchisee shall process only such personal data as may lawfully be processed under Data Protection Laws in the absence of such consent.

- (h) Franchisee shall indemnify Franchisor against all Claims made or brought by any person (i) arising out of or alleging any failure to comply with any provision of Data Protection Laws in relation to any Franchise Data processed by Franchisee or Franchisee's employees or agents, whether on Franchisee's behalf or as Franchisor's agent, or (ii) arising out of Franchisor's failure or alleged failure to comply with any provision of Data Protection Laws in relation to any Franchise Data processed by Franchisor or Franchisor's employees or agents, if such failure arises as a result of Franchisee's failure to obtain Consents or otherwise comply with Franchisee's obligations under this Agreement and/or Data Protection Laws.
- (i) Franchisee consents to Franchisor's use of data relating to Franchisee and/or its business, and Franchisee shall do all such things as Franchisor may require and will use (and demonstrate to Franchisor that it has used) its best efforts to obtain, and enable Franchisor to process, data relating to Franchisee's clients including (but not limited to) Franchise Data, and Franchisee agrees that Franchisor may use and process all such data as is referred to in this Section for its own business purposes, including but not limited to marketing, monitoring the growth and performance of the Franchised Business and compliance with Franchisee's obligations, comparing such data to that of other Franchisees, advising Franchisee and other Franchisees on improving their performance and business operations, and to make all such data available to third parties selected by Franchisor, including but not limited to its affiliates.
- (j) Franchisee shall comply with Franchisor's standards and policies pertaining to data processing and the privacy of information about clients or other individuals. If there is a conflict between Data Protection Laws and Franchisor's privacy standards and policies, Franchisee shall:
 - (i) comply with the requirements of Data Protection Laws;
 - (ii) immediately provide Franchisor with written notice of the conflict; and
 - (iii) promptly and fully cooperate with Franchisor's counsel as Franchisor determines the most effective way, if any, to reconcile Franchisor's privacy standards and policies with Data Protection Laws. Except for Franchisor's obligations under this Section, Franchisee is solely responsible for identifying, interpreting, and complying with Data Protection Laws. Franchisee shall neither publish nor implement a privacy policy without Franchisor's prior written approval of the policy.

ARTICLE 8 – PROPRIETARY MARKS

- 8.1 Use by Franchisee. Franchisee's rights to use the Proprietary Marks as granted in Section 1 of this Agreement is limited to their use in connection with the operation of the Franchised Business at the location identified in Exhibit 1 and otherwise as described herein and as set forth in the System Standards Manual or as may be prescribed in writing by Franchisor from time to time. Franchisee shall operate the Franchised Business under the assumed name (i.e., d/b/a) "SFC ESTATE COACHING®" along with any geographic appellation that Franchisor may designate. Franchisee shall not use any other assumed name, trade name, geographic appellation, or assumed name in connection with the Franchised Business without Franchisor's prior written consent.
- 8.2 Exclusive Property of Franchisor. Franchisee acknowledges Franchisor's right, title, and interest in and to the Proprietary Marks, along with the identification, schemes, standards, specifications, operating procedures, and other concepts embodied in the System. Franchisee is a "related company" within the meaning of 15 U.S.C. § 1127 and Franchisee's use of the Proprietary Marks pursuant to this Agreement inures to the benefit of Franchisor. Except as expressly provided by this Agreement, Franchisee shall acquire no right, title, or interest therein, and any and all goodwill associated with the System and the Proprietary Marks shall inure exclusively to Franchisor's benefit. Upon the expiration or termination of this Agreement, no monetary amount shall be

assigned as attributable to any goodwill associated with Franchisee's use of the System or the Proprietary Marks.

- 8.3 Infringement by Franchisee. Franchisee acknowledges that the use of the Proprietary Marks outside of the scope of this Agreement without Franchisor's prior written consent is an infringement of Franchisor's rights, title, and interest in and to the Proprietary Marks. Franchisee expressly covenants that during the term of this Agreement and after the expiration or termination hereof, Franchisee shall not, directly or indirectly, commit an act of infringement or contest, or aid in contesting, the validity or ownership of the Proprietary Marks or take any other action in derogation thereof.
- 8.4 Infringement by Others. Franchisee shall promptly notify Franchisor of any use of the Proprietary Marks or any colorable variation thereof by any person or legal entity other than Franchisor or any of its representatives and agents or other franchisees, or any other mark in which Franchisor has or claims a proprietary interest. Franchisee further agrees to notify Franchisor promptly of any litigation instituted by any person or legal entity against Franchisor or Franchisee involving the Proprietary Marks. In the event Franchisor, in its sole discretion, undertakes the defense, prosecution, or settlement of any litigation relating to the Proprietary Marks, Franchisee agrees to execute any and all documents, and to render such assistance as may, in the opinion of Franchisor, be reasonably necessary to carry out such defense, prosecution or settlement. Franchisee acknowledges that the nature of trademark law makes it impossible for Franchisor to guarantee or warrant the exclusivity of Franchisor's right to use any of the Proprietary Marks, and that nothing in this Agreement or in any other document or promotional material provided by Franchisor to Franchisee or to any other party may be construed to guarantee, warrant, or imply that Franchisor's right to use any of the Proprietary Marks is exclusive or superior to the rights of any other party. In the event that any party demonstrates, to Franchisor's sole satisfaction, a superior right to use any of the Proprietary Marks, Franchisee shall, upon demand by Franchisor, discontinue its use of such Proprietary Marks and adopt, at Franchisee's sole cost and expense, any replacement marks, if any, selected by Franchisor, and Franchisor shall have no liability to Franchisee therefor.
- 8.5 Improper Use. Franchisee shall not use any of the Proprietary Marks, or any derivative or colorable variation thereof:
- (a) as part of Franchisee's corporate or other legal name;
 - (b) on or as part of any Website, domain name, URL, Web page, email address, listing, banner, advertisement or any other service or link on, to or with the Internet, World Wide Web, Internet service providers, email services, communication providers, search engines, or other similar services without prior written approval;
 - (c) with any modifying or additional words, terms, designs, or symbols (including, without limitation, the word "Inc.") other than those specifically authorized by Franchisor; or
 - (d) in any modified form. Franchisee shall not register any of the Proprietary Marks, or any derivative or colorable variation thereof, as a service mark, trademark, or Internet domain name, or hold out or otherwise employ the Proprietary Marks to perform any activity or to incur any obligation or indebtedness in such a manner as could reasonably result in making Franchisor liable therefor or that may harm, tarnish, or impair Franchisor's reputation, name, services or Proprietary Marks. If Franchisor provides Franchisee with any contracts, agreements, forms, or other documents that contain any of the Proprietary Marks, Franchisee shall not alter or modify such contracts, agreements, forms, or documents without Franchisor's prior written consent.
- 8.6 Non-exclusive Use. Franchisee expressly acknowledges and agrees that this license to use the Proprietary Marks is non-exclusive, and Franchisor has and retains its Reserved Rights set forth in Section 1.3 of this Agreement.

- 8.7 Use by Others. Franchisee shall not permit any third party to imprint the Proprietary Marks on any products, materials, documents and supplies utilized by Franchisee in connection with the operation of the Franchised Business without first obtaining the prior written consent of Franchisor and requiring such party to execute a license agreement as Franchisor prescribes.
- 8.8 Improvements Developed by Franchisee. If Franchisee or any of its Principals, affiliates or employees conceives, develops, or acquires any improvements or additions to the System or the services or products offered by or the method of operation of a SFC ESTATE COACHING® Franchise, or any advertising or promotion ideas related to a SFC ESTATE COACHING® Franchise or the Franchised Business (collectively, “**Improvements**”), Franchisee shall, in each instance, promptly and fully disclose the Improvement to Franchisor without disclosure of the Improvement to others, and obtain Franchisor’s written approval before using the Improvement. Any Improvement may be used by Franchisor and SFC ESTATE COACHING® franchisees without any obligation to Franchisee or its Principals, affiliates, or employees for royalties, licensing fees, or other compensation. Franchisee acknowledges that with respect to any copyrights in any Improvements that may qualify as “work made for hire” as defined in 17 U.S.C. § 101, Franchisor shall own the copyrights in such Improvements as a “work made for hire” for Franchisor. If the Improvements do not qualify as “work made for hire,” Franchisee shall assign to Franchisor or Franchisor’s designee(s), without charge, all rights, including the right to grant sublicenses, to all Improvements. If for any reason Franchisee and not Franchisor is deemed to own any right to an Improvement, then this Agreement will operate as an agreement to irrevocably transfer and assign all rights in and to the Improvement. Franchisee shall take no steps to appropriate any Improvement for itself. Franchisee shall, at Franchisor’s request, execute all assignments, certificates or other instruments (and, if necessary, require its Principals, affiliates, employees and independent contractors to execute such documents as well) as Franchisor may from time-to-time deem necessary or desirable to evidence, establish, maintain, perfect, protect, enforce or defend Franchisor’s rights, title or interest in or to any Improvement or to otherwise carry out the provisions of this paragraph. In return, Franchisor shall authorize Franchisee to use any Improvement developed by Franchisor or another SFC ESTATE COACHING® franchisee that Franchisor makes part of the System. As used in this paragraph, the term Improvements includes intellectual property and all advertising, marketing, promotional, public relations or sales concepts, plans, programs, techniques, activities, materials, or Websites proposed or developed by Franchisee for the Franchised Business, whether or not they bear the Proprietary Marks.

ARTICLE 9 – SYSTEM STANDARDS MANUAL

- 9.1 Business Operations. In order to protect the reputation and goodwill of Franchisor and to maintain uniform standards of operation under the Proprietary Marks, Franchisee shall conduct its operations hereunder in accordance with Franchisor’s Manual (as the same may be amended or modified from time to time), which Franchisee acknowledges having received on loan from Franchisor.
- 9.2 Confidentiality. The System Standards Manual shall at all times remain the sole property of Franchisor. Franchisor treats as confidential and proprietary the System Standards Manual and all information contained therein. Franchisee shall treat the System Standards Manual and all the information contained therein as confidential and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall also ensure that its employees treat as confidential and proprietary the System Standards Manual and all information contained therein. Franchisee shall not at any time, without Franchisor’s prior written consent, copy, duplicate, record, or otherwise make the same available to any unauthorized person.
- 9.3 Modification. Franchisor shall have the right to add to or otherwise modify the System Standards Manual from time to time to reflect changes in any of the System Standards, provided that no such addition or modification shall alter the Franchisee’s fundamental status and rights under this Agreement. Without limiting the generality of the foregoing, Franchisor has the right, during the term

of this Agreement, require Franchisee to modify, enhance and/or replace all or any part of Franchisee's Computer System at Franchisee's expense, and Franchisee agrees to acquire (or acquire the right to use for the remainder of the term of this Agreement), within thirty (30) days after receipt of written notice from Franchisor, the modified, enhanced or replacement version of the Computer System specified by Franchisor. Franchisee further agrees to take all other actions as may be necessary to enable the modified, enhanced or replacement Computer System to operate as specified by Franchisor. Any such modifications, enhancements and replacements may require Franchisee to incur costs to purchase, lease, and/or license new or modified computer hardware and/or software or other equipment and to obtain different and/or additional service and support services during the term of this Agreement. Franchisee acknowledges that Franchisor cannot estimate the costs of future maintenance, enhancements, modifications, and replacements to the Computer System, or other aspects of the Franchised Business, and that such maintenance, enhancements, modifications, and replacements required by Franchisor may involve additional investment by Franchisee during the term of this Agreement. Franchisee shall at all times ensure that its copy of the System Standards Manual is kept secure, current, and up to date, and in the event of any dispute as to the contents of the System Standards Manual, the terms of the master copy of the System Standards Manual maintained by Franchisor at the Franchisor's home office shall be controlling. Upon Franchisor's request, Franchisee will cooperate in the efficient return of all Manuals.

ARTICLE 10 – CONFIDENTIAL OR PROPRIETARY INFORMATION

- 10.1 Use of Confidential Information. Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, association or corporation, any Confidential Information (defined below), that may be communicated to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's business operations under the terms of this Agreement. "**Confidential information**" includes proprietary trade secrets, specifications, security protocols, computer hardware and systems, technology and equipment used, methods of business practices and management, research and development, training processes, operational manuals, presentation materials, vendor agreements, supplier lists, vendor lists, marketing and merchandising strategies, plans for new product or service offerings, and experience in the operation of the Franchised Business, knowledge, or know-how concerning the Franchised Business, the System, or methods of operation the identities and personal and contact information of clients of the Franchised Business, financial statements, results of operations, sales, income, expense, and other financial information and records of the Franchised Business, and all electronic information, lists and data related to past, present, and future clients of any franchise, including any franchise operated by Franchisee. Franchisee shall divulge Confidential Information only to such of its employees, agents, or professional advisors as must have access to it in order to operate the Franchised Business as described herein, or with Franchisor's prior written consent. In connection therewith, Franchisee shall be fully responsible for ensuring that its employees, agents, and professional advisors comply with this Section.
- 10.2 Remedies. Franchisee acknowledges that any failure to comply with Section 10.1 will cause Franchisor irreparable injury, and Franchisee consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, specific performance of, or any injunction against a violation of, the requirements of Section 10.1.
- 10.3 Preservation of Confidentiality. Franchisee shall require Franchisee's Principals, their spouses, management employees, and holders of a direct or indirect ownership interest in Franchisee, at the time of the commencement of their association with Franchisee, to execute the Confidentiality, Non-Disclosure and Non-Competition Agreement for Spouses and Principals, attached hereto as Exhibit 5(b) and incorporated herein by reference, requiring that all information that may be acquired by or imparted to such persons in connection with their association with Franchisee be held in strict

confidence and used solely for the benefit of Franchisee and Franchisor, at all times during their association with Franchisee and thereafter. Franchisee shall require each prospective purchaser of the Franchised Business, the license granted under this Agreement, or any interest in Franchisee, prior to disclosing any Confidential Information to such person, to execute a confidentiality agreement, in a form approved by Franchisor, requiring that all Confidential Information that may be disclosed to such person in connection with his or her investigation of Franchisee or the Franchised Business, will be held in strict confidence and used solely to evaluate the contemplated transaction.

- 10.4 Copyright to Material Developed by Franchisee. All instructional materials, concepts, plans, programs, activities, and other materials proposed or developed by Franchisee for the provision of Permitted Products and Services must be approved by Franchisor and may be used by Franchisor and other Franchises without any compensation to Franchisee. Any and all copyrights in and to such materials that are proposed or developed by or on behalf of Franchisee will be the sole property of Franchisor, without compensation to Franchisee, and Franchisee shall execute such documents (and, if necessary, require its independent contractors to execute such documents) as may be deemed reasonably necessary by Franchisor to give effect to this provision.
- 10.5 Ownership of Confidential Information. Franchisee agrees that Franchisor owns and controls all domain names and URLs relating to any Franchise, as well as all Confidential Information, electronic information, lists, and data related to past, present, and future clients of any Franchise. Franchisee's only interest in any Confidential Information and any such domain names and URLs is the right to use it pursuant to this Agreement.
- 10.6 Client List. Upon written request from Franchisor, Franchisee shall prepare a Client List containing all information that Franchisor may specify so that ownership of the Client List and the information in it belongs to Franchisor. Franchisee will acquire no proprietary or ownership rights to its Client List or to service any of its clients other than the rights specifically granted under this Agreement. Franchisee is permitted to use the Client List for the purposes of this Agreement but for no other purpose. Without limiting the generality of the preceding sentence, Franchisee shall not disclose or transfer its Client List to any person except to Franchisor or as part of a Transfer that complies with Article 12. The Client List is considered Confidential Information and Franchisee shall treat it as such at all times.

ARTICLE 11 – ADVERTISING

- 11.1 Brand Marketing Fee. As required in Section 5.2 hereof, Franchisee shall pay a Brand Marketing Fee to such Brand Marketing fund (the “**Brand Fund**”) as Franchisor may establish. Franchisor shall, for each of its company-owned locations (if any), pay Brand Marketing Fees on the same basis as other franchisees within the System.
- 11.2 Brand Marketing Fund.
- (a) Franchisor shall administer the advertising contributions to the Brand Fund paid by Franchisee under this Agreement. Neither Franchisor, nor its affiliate-owned SFC ESTATE COACHING® Franchised Businesses, are contractually required to contribute to Brand Fund, although they may contribute, in Franchisor's discretion. Franchisor may maintain contributions to the Brand Fund in a separate bank account or hold them in Franchisor's general account and account for them separately, or Franchisor may establish separate entities to administer the Brand Fund and the Brand Fund contributions.
 - (b) Franchisor intends the Brand Fund to be of perpetual duration, but Franchisor maintains the right to terminate the Brand Fund or to create new Brand Fund accounts or merge accounts. Franchisor shall not terminate the Brand Fund until all money in the Brand Fund has been expended for advertising and/or marketing purposes or returned to contributors on the basis of their respective contributions.

- (c) The money contributed to the Brand Fund shall not be considered to be trust funds. Franchisor and any designee shall not have to maintain the money in the Brand Fund in interest bearing accounts or obtain any level of interest in the money. Franchisor does not owe any fiduciary obligation for administering the Brand Fund. Franchisor has the right to use Brand Fund contributions, at its discretion, to meet any and all costs of maintaining, administering, directing, conducting, and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which Franchisor believes will enhance the image of the SFC ESTATE COACHING® System, including the costs of preparing and conducting radio, television, electronic and print advertising campaigns in any local, regional or national medium; utilizing networking media sites, such as Facebook, X, Instagram, Pinterest, TikTok, YouTube, and other similar on-line blogs and forums; developing, maintaining, and updating a World Wide Web or Internet site for SFC ESTATE COACHING® Franchised Businesses, direct mail advertising; deploying social networking promotional initiatives through online media channels; marketing surveys; employing advertising and/or public relations agencies to provide assistance; purchasing promotional items; conducting and administering in-store promotions, which may include call recording; implementation and use of client relationship management software and solutions; and providing promotional and other marketing materials and services to the businesses operating under the System.
- (d) Franchisor is not required to spend any amount of Brand Fund contributions in the area in which the Franchised Business is located. Franchisor's decisions in all aspects related to the Brand Fund shall be final and binding. Franchisor may charge the Brand Fund for the costs and overhead, if any, Franchisor incurs in activities reasonably related to the creation and implementation of the Brand Fund and the advertising and marketing programs for System franchisees. These costs and overhead include the proportionate compensation of Franchisor's employees who devote time and render services in the conduct, formulation, development and production of advertising, marketing, and promotion programs or who administer the Brand Fund.
- (e) At Franchisee's written request, Franchisor shall provide fiscal year end unaudited financial statements and an accounting of the applicable Brand Fund expenditures when available. Franchisee may have to purchase advertising materials produced by the Brand Fund, by Franchisor or by its parent, predecessor or affiliate, and Franchisor, or its parent, predecessor or affiliate, may make a profit on the sale. While Franchisor will not use the Brand Fund to offer and sell franchises, Franchisor reserves the right to include a message or statement in any advertisement indicating that franchises are available for purchase and related information. The Brand Fund may spend more or less than the total annual Brand Fund contributions in a given fiscal year and may borrow funds to cover deficits. Brand Fund contributions not spent in the fiscal year in which they accrue, will be carried over for use during the next fiscal year.
- (f) The advertising and promotion Franchisor conducts is intended to maximize general public recognition and patronage of System businesses and the SFC ESTATE COACHING® brand generally in the manner that Franchisor determines to be most effective. Franchisor is not obligated to ensure that the expenditures from the Brand Fund are proportionate or equivalent to Franchisee's contributions or that the Franchised Business or any SFC ESTATECOACHING® business shall benefit directly or pro rata or in any amount from the placement of advertising.

11.3 Advertising Materials. Franchisee shall obtain and maintain an adequate supply of brochures, pamphlets, and special promotional materials of such kind and size as Franchisor may reasonably require from time to time in the System Standards Manual or otherwise in writing. Franchisee

acknowledges that it shall be solely responsible for advertising and marketing the services offered by the Franchised Business. For purposes of this Section, written approvals or requirements issued by Franchisor may be provided by email unless Franchisor specifies another method in writing. If Franchisee abuses or misuses email-based approvals or communications, as determined in Franchisor's sole discretion, Franchisor may require Franchisee to obtain all future approvals through a formal written method designated by Franchisor.

- 11.4 Delegation of Franchisor's Duties. Franchisor shall have the right to delegate and redelegate its responsibilities and duties under this Article 11 to any designee(s) of its choosing; provided, however, that the right of final approval of all advertising programs shall be retained at all times by Franchisor.
- 11.5 Approval of Advertising. All advertising by Franchisee in any medium shall be conducted in a dignified manner, shall be completely accurate and truthful, shall conform to all applicable laws and regulations relating to consumer advertising and to such standards and requirements as Franchisor may specify from time to time in writing, and shall give notice that the Franchised Business is independently owned and operated. Franchisee shall submit to Franchisor, for Franchisor's prior written approval (except with respect to prices to be charged), samples of all advertising and promotional plans and materials, including signs, and all other materials displaying the Proprietary Marks that Franchisee desires to use and that have not been prepared or previously approved by Franchisor. Franchisee shall display the Proprietary Marks in the manner prescribed by Franchisor on all signs and all other advertising and promotional materials used in connection with the Franchised Business. Franchisee specifically acknowledges and agrees that the word "**advertising**" as used in this Article 11 includes, without limitation, signs (including signs on motor vehicles), URLs, e-mail addresses, Internet listings, banners, advertisements, or other services or links on or with the Internet, World Wide Web, Internet service providers, email services, communication providers, search engines, and similar services.
- 11.6 Website. Franchisee specifically acknowledges and agrees that any Website or blog (as defined below) will be deemed "advertising" under this Agreement. As used in this Agreement, the terms "**Website**" and "**blog**" mean an interactive electronic document, series of symbols, or otherwise, that is contained in a network of computers and/or other devices linked by communications software. The term Website includes, but is not limited to, Internet and World Wide Web home pages, social media pages, and web logs. In connection with any Website, Franchisee agrees to the following:
- (a) Franchisee shall use all Websites relating to the Franchised Business required by Franchisor. Franchisor shall have the sole right to control all aspects of the Website, including, but not limited to, its design, content, functionality, links to the Websites of third parties, legal notices, and policies and terms of usage. Franchisor shall also have the right to discontinue the operation of the Website at any time in its business judgment.
 - (b) Franchisee shall not directly or indirectly establish, maintain, or operate a separate Website without Franchisor's prior written consent. Any Website, Web page, blog, listing, banner, URL, advertisement, or any other service or link on or with the Internet (including social networking Websites or services), World Wide Web, Internet service providers, email services, communication providers, search engines or other similar services that are not established, maintained, or operated by Franchisor.
 - (c) Franchisee shall not establish or permit or aid any other person to establish any link to any Website or any other electronic or computer-generated advertising or communication arrangement that Franchisor may establish.

- (d) Franchisor shall have the right, but not the obligation, to designate one or more Web page(s) to describe Franchisee and/or the Franchised Business, with such Web page(s) to be located within Franchisor's Website, or to provide Franchisee with a separate SFC ESTATE COACHING® Website or pages for such purposes. Franchisee shall comply with Franchisor's policies with respect to the creation, maintenance, and content of any such Web pages, and Franchisor shall have the right to limit and/or discontinue the content and/or operation of such Website and Web pages.
- (e) Franchisor makes no representations about any Website that it may provide or make available to Franchisee, including, without limitation, the Website's suitability, reliability, or availability. To the full extent permissible by applicable law, Franchisor disclaims all warranties and conditions with regard to the Website, including all implied warranties and conditions of merchantability, fitness for a particular purpose, title, non-infringement, or warranties arising by course of dealing or custom of trade. Franchisor shall not be liable for any direct, indirect, compensatory, punitive, incidental, special, or consequential damages arising out of or related to the use or performance of any Website.
- (f) In order to maintain the goodwill in the System and in the business of Franchisor and Franchisor's licensees, Franchisor has the right to impose conditions and standards requirements on Franchisee's use of electronic distribution channels, including any SFC ESTATE COACHING® Website maintained by Franchisee, including the following:
 - (i) Franchisor is to own all rights to all domain names containing any of the Proprietary Marks or relating to the Franchised Business, any Permitted Products and Services, or any business that offers or sells products or services that compete with any products or services offered by SFC ESTATE COACHING® franchises. Franchisee shall not register in its own name any domain name containing any of the Proprietary Marks or relating to the Franchised Business, any Permitted Products and Services, or any business that offers or sells products or services that compete with any products or services offered by SFC ESTATE COACHING® franchises.
 - (ii) In order to maintain the common identity of the System and the high quality standards associated with the System, Franchisee shall obtain Franchisor's prior written approval for any domain name and for the form and content of any SFC ESTATE COACHING® Website before Franchisee uses it on the Internet. Unless Franchisor's prior written approval has been obtained, no element of the Proprietary Marks or similar words may be used as part of the domain name or URL.
 - (iii) Any SFC ESTATE COACHING® Website established or maintained by Franchisee must contain a hyperlink to Franchisor's Website and all other hyperlinks to third-party Websites must be previously approved in writing by Franchisor.
 - (iv) Any modifications to a SFC ESTATE COACHING® Website established or maintained by Franchisee must first be approved in writing by Franchisor.
 - (v) Before establishing a SFC ESTATE COACHING® Website, Franchisee shall obtain appropriate legal advice regarding the content and to ensure that the Website complies with all relevant legislation and regulations.

- (vi) Franchisee shall fully indemnify Franchisor against all and any claims arising out of any Website established or maintained by Franchisee.
- (vii) Franchisee shall comply fully with its terms and conditions of business over the Internet and shall ensure that such terms and conditions of business receive Franchisor's prior written approval.
- (g) Franchisee shall not participate in or register with any Internet group, Website or similar medium which has as its aim (whether stated or not) or its effect being the denigration of Franchisor or the System.
- (h) Franchisee shall not open an account or profile on a social media site relating to the Franchised Business or using any of the Proprietary Marks without Franchisor's prior written consent, which may be given subject to conditions, which may include the grant to Franchisor of administrator rights, and subject to Franchisee's compliance with the provisions of the System Standards Manuals relating to social media sites.
- (i) Franchisee shall not, without Franchisor's prior written consent, redirect Internet traffic from another domain name or URL to any SFC ESTATE COACHING® Website established by Franchisee or any other Website containing any of the Proprietary Marks or any content provided by Franchisor or relating to the Franchised Business.
- (j) Franchisor shall have the right to modify the provisions of this Section as Franchisor shall solely determine is necessary or appropriate for the best interests of the System.
- (k) Franchisee shall be required to sign that certain Telephone, Internet Websites and Listing Agreement attached hereto as Exhibit 7 and incorporated herein by reference.

11.7 Copyright to Advertising. Franchisee acknowledges and agrees that any and all copyrights in and to contracts, forms, advertising, marketing, promotional public relations, or sales concepts, plans, programs, activities, or materials proposed or developed by or on behalf of Franchisee that are used in the Franchised Business or that bear any of the Proprietary Marks will be the sole property of Franchisor, and Franchisee shall execute such documents (and, if necessary, require its independent contractors to execute such documents) as may be deemed reasonably necessary by Franchisor to give effect to this provision. Any such materials proposed or developed by Franchisee for the Franchised Business or the System and approved by Franchisor may be used by Franchisor and other franchisees without compensation to Franchisee.

11.8 Promotions. From time to time, Franchisor may, in its sole discretion, establish special promotional campaigns applicable to the SFC ESTATE COACHING® System franchisees as a whole or to specific advertising market areas. If Franchisee is required to participate in any special promotional programs, as determined by Franchisor in its sole discretion, Franchisee shall be required to pay Franchisee's pro-rata share for the development, purchase, lease, installation and/or erection of all materials necessary to such promotional campaigns, including but not limited to posters, banners, signs, photography or give-away items. Franchisee may not offer any special promotional programs without Franchisor's prior written consent. Additionally, Franchisee shall be required to offer any and all discounts mandated by Franchisor.

11.9 Advertising Council. Franchisor may at any time establish an Advertising Council to advise Franchisor on advertising policies. If Franchisor forms one, it will only be advisory and Franchisor will make all final decisions as to advertising policies. If Franchisor does form an advertising council and Franchisee volunteers to participate and such participation is approved by Franchisor, Franchisee will be required to pay up to Five Hundred and no/100 dollars (\$500) annually in dues for the administration of the council plus all travel, accommodation, food, and other costs for attendance.

ARTICLE 12 – TRANSFERABILITY OF INTEREST

- 12.1 Transfer by Franchisor. Franchisor shall have the right to transfer or assign all or any part of its rights and/or obligations herein to any person or legal entity, including a subfranchisor specifically responsible for assisting Franchisee. Franchisee agrees to execute any forms that Franchisor may reasonably request to effectuate any transfer or assignment by Franchisor.
- 12.2 Transfer by Franchisee. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Franchisor has entered into this Agreement in reliance upon Franchisee's business skills and financial capacity. Accordingly, neither Franchisee, nor any Principal of Franchisee, nor any immediate or remote successor to any part of Franchisee's interest in the Franchised Business, shall sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any interest therein or in Franchisee without the prior written consent of Franchisor. Any purported or attempted transfer, by operation of law or otherwise, not having the written consent of Franchisor, is null and void and constitutes a material breach of this Agreement, for which Franchisor may terminate this Agreement without prior notice or opportunity to cure.
- (a) Except as provided in this Article, Franchisor shall not unreasonably withhold its consent to a transfer of any interest in Franchisee or in this Franchise; provided, however, that prior to the transfer, Franchisor may, in its sole discretion, require that:
- (i) All of Franchisee's accrued monetary obligations to Franchisor or any of its affiliates and all other outstanding obligations related to the Franchised Business shall have been satisfied;
 - (ii) The transferor's right to receive compensation pursuant to any agreement for the purchase of any interest in Franchisee or in Franchisee's Franchised Business shall be subordinated and secondary to Franchisor's rights to receive any outstanding monetary obligations or other outstanding obligations due from transferor or Franchisee pursuant to this Agreement, whether arising before or after the transfer;
 - (iii) Franchisee shall have executed a General Release in a form satisfactory to Franchisor, effective as of the date of transfer, of any and all claims against Franchisor and its Principals and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances. A sample form of Franchisor's current General Release is attached to this Agreement as Exhibit 6;
 - (iv) The transferee shall, within thirty (30) days after execution of the transfer documents (and in any event prior to commencing operation of the Franchised Business), organize and qualify to do business as a business entity that complies with Section 7.10, deliver to Franchisor the organizational and governing documents required by Section 7.10(a), and cause all Principals and, if applicable, their spouses to execute the agreements required by this Agreement and its Exhibits.
 - (v) The transferee franchisee shall enter into a written assumption, in a form satisfactory to Franchisor, assuming and agreeing to discharge all of Franchisee's obligations under this Agreement after the date of the assumption;
 - (vi) The transferee franchisee shall authorize Franchisor to conduct such background investigations as Franchisor deems necessary (which may include credit report/score, criminal record, and behavioral assessment), and

demonstrates to Franchisor's satisfaction that it meets Franchisor's educational, managerial and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the Franchised Business (as may be evidenced by prior related business experience or otherwise), and has adequate financial resources and capital to operate the business;

- (vii) The transferee franchisee shall execute Franchisor's then current form of Franchise Agreement and such other ancillary agreements as Franchisor may require;
- (viii) At the transferee franchisee's expense, and upon such other terms and conditions as Franchisor may reasonably require, the transferee franchisee or its manager shall complete the pre-opening training course then in effect for franchisees;
- (ix) Any right of Franchisee to any payments from the transferee franchisee resulting from the transfer shall be subordinate to any claim or right of Franchisor against the transferee franchisee subsequent to the effective date of the transfer, and Franchisee and the transferee franchisee shall execute any and all instruments reasonably required by Franchisor to evidence such subordination;
- (x) Either Franchisee or the transferee franchisee shall pay to Franchisor a transfer fee as follows:
 - (1) If the change in ownership is less than a controlling stake in Franchisee – One Thousand Five Hundred and no/100 dollars (\$1,500);
 - (2) If the transferee is an individual that is new to the SFC ESTATE COACHING® System - fifty percent (50%) of Franchisor's then-current Initial Franchise Fee; or
 - (3) If the transferee is an existing franchise owner in the SFC ESTATE COACHING® System – twenty-five percent (25%) of Franchisor's then-current Initial Franchise Fee.
- (xi) Franchisee and transferee franchisee shall acknowledge in writing that Franchisor was not involved in the negotiation of the transfer, does not guarantee the accuracy of any information provided by Franchisee to transferee franchisee, and makes no representations regarding the transferee franchisee's likelihood of success in operating the franchisee;
- (xii) Franchisee shall comply with the requirements of this Agreement relating to the disclosure of Confidential Information to a prospective transferee franchisee;
- (xiii) Franchisee shall comply with all laws that apply to the transfer, including laws governing the offer and sale of franchises. Franchisee shall indemnify and defend Franchisor and its agents against and hold them harmless from any and all claims arising directly or indirectly from any alleged failure on Franchisee's part to comply with any franchise law or other law applicable to the transfer;

- (xiv) The transferee franchisee, at its own expense, must satisfy all applicable licensing requirements of the jurisdiction in which the Franchised Business is located.
 - (xv) Franchisee shall transfer all clients and client contact information to transferee franchisee; and
 - (xvi) In connection with any proposed transfer, Franchisor has the right to communicate with any prospective transferee and to make available for inspection by any prospective transferee all or part of Franchisor's records relating to this Agreement, the business operations, financial condition, contracts, and history of the Franchised Business under Franchisee's ownership, or the history of the relationship of the parties, without any liability to Franchisee or its Principals, affiliates, employees, or agents. Franchisee hereby specifically consents to such disclosure by Franchisor and absolutely releases and agrees to hold Franchisor harmless from any and all claims arising directly or indirectly therefrom.
 - (xvii) Failure of the transferee to satisfy the foregoing entity-formation requirements within thirty (30) days after execution of the transfer documents shall constitute a material breach and grounds for revocation of Franchisor's consent to the transfer and/or termination pursuant to Article 13.
- (b) Notwithstanding anything contained in this Article to the contrary, neither Franchisee nor any Principal of Franchisee, nor any immediate or remote successor to any part of Franchisee's interest in the Franchised Business, shall pledge, mortgage, grant a security interest, or otherwise encumber any interest in this Agreement, in the franchise granted hereunder, or in Franchisee (whether or not in connection with an absolute transfer of an interest in the Franchised Business). Franchisor shall not be obliged to consent to any such transfer.
 - (c) Notwithstanding the provisions of subsection 12.2(b) above, Franchisor is not obligated to consent to any Transfer to a person that owns, operates, franchises, licenses, develops, consults with, manages, is involved in or employed by, or controls a competitive business. If Franchisor refuses to consent to a transfer under this paragraph, the sole remedy of Franchisee will be to seek a declaratory judgment in a court of competent jurisdiction to determine whether the proposed transferee is a person that owns, operates, franchises, licenses, develops, consults with, manages, is involved in or employed by, or controls a competitive business.

12.3 Franchisor's Right of First Refusal. If Franchisee or its Principals shall at any time decide to sell, transfer or assign any right or interest under this Agreement and/or the franchise granted pursuant hereto, Franchisee or its Principals shall first obtain a bona fide, executed, written offer from a responsible and fully disclosed purchaser and shall submit an exact copy thereof to Franchisor. For a period of thirty (30) days after the date of delivery of such offer to Franchisor, Franchisor shall have the right, exercisable by written notice to Franchisee or any of its Principals, to purchase such rights or interests for the price and on the terms and conditions contained in such offer, provided that Franchisor may substitute equivalent cash for any form of payment proposed in such offer. Any purchase by Franchisor must be completed within sixty (60) days after Franchisee's receipt of Franchisor's written notice of its intent to purchase. If Franchisor does not exercise its right of first refusal, Franchisee or its Principals may complete the sale of such interest to the bona fide purchaser, subject to Franchisor's approval of the purchaser as provided in Section 12.2 herein; provided, however, that if the sale to such purchaser is not completed within one hundred twenty (120) days

after the delivery of the offer to Franchisor, Franchisor shall again have the right of first refusal herein provided.

- 12.4 Right of Franchisee's Heirs Upon Death, Disability or Dissolution of Franchisee. A transfer to the heirs, surviving spouse, conservators, or personal or other legal representative of the Franchisee (collectively, "**Involuntary Transferees**") upon the death, dissolution or legal disability of the Franchisee or of a Principal owning a fifty percent (50%) or greater equity interest in the Franchisee, shall not be subject to Franchisor's right of first refusal under Section 12.3 or right to terminate for failure to obtain written approval under Section 12.2(a), so long as the Involuntary Transferees:

- (a) satisfy Franchisor that they are qualified to act as a Franchisee pursuant to Section 12.2 of this Agreement or retain an individual or entity to operate and manage the Franchised Business who is so qualified and who is approved in writing by Franchisor; and
- (b) perform all other applicable acts required under Section 12.2 of this Agreement. Such transfer must be made within ninety (90) days after Franchisee's death, disability, or dissolution.

Any subsequent sale or other transfer by any Involuntary Transferees shall be subject to Franchisor's right of written approval set forth in Section 12.2 and to Franchisor's right of first refusal set forth in Section 12.3. A transfer to Involuntary Transferees shall not require the payment of the transfer fee. Actual legal costs incurred by Franchisor to approve and effect the transfer will be charged, however.

ARTICLE 13 – TERMINATION

- 13.1 Events Allowing Termination. Franchisor may terminate this Agreement, without refund of any moneys paid to Franchisor by Franchisee, if Franchisee (or Franchisee's designee) fails to commence the Initial Training Program when required by Franchisor, fails to complete the Initial Training Program to the satisfaction of Franchisor, or fails to open the Franchised Business within sixty (60) days after Franchisee's (or Franchisee's designee's) completion of the Initial Training Program. After the Opening Date, and subject to the notice provision set forth in Section 13.2 below, Franchisor may elect, without prejudice to any other rights or remedies that it may have hereunder, at law or in equity, to terminate this Agreement upon the occurrence of any one or more of the following events:

- (a) Franchisee fails to pay when due any sum required to be paid by Franchisee under this Agreement or any other agreement or instrument to which Franchisor and Franchisee are parties, or pursuant to any invoice for goods or services purchased by Franchisee from Franchisor, an approved vendor, the Brand Marketing Fund or any affiliate of Franchisor;
- (b) Franchisee fails to furnish when due any report required by this Agreement;
- (c) Franchisee fails to operate its Franchise in compliance with the terms of this Agreement, the System Standards Manual or the System Standards;
- (d) Franchisee fails to perform or breaches any provision of this Agreement or any other agreement to which Franchisor and Franchisee are parties;
- (e) Franchisee understates its Gross Revenues in any report to Franchisor;
- (f) Franchisee is declared bankrupt or insolvent or Franchisee is the debtor in a voluntary or involuntary bankruptcy proceeding under the U.S. Bankruptcy Code (this provision may not be enforceable under federal bankruptcy law);
- (g) A receiver is appointed for Franchisee or any part of its property, or Franchisee makes an assignment for the benefit of its creditors, if not dismissed within fifteen (15) days;
- (h) Franchisee fails to Open the Franchised Business within sixty (60) days after Franchisee or Franchisee's designee completes the Initial Training Program or, after

Opening, fails to maintain the Franchised Business in continuous operation, fails to devote his/her/its full time, energy, and best efforts to the management and operation of the Franchised Business, or abandons the Franchised Business;

- (i) Franchisee fails, for a period of ten (10) days after receipt of notification of noncompliance (regardless of the source of the notice), to comply with any federal, state, or local law or regulation applicable to the operation of the Franchised Business;
- (j) Any attempted transfer or assignment that fails to comply with the provisions of Article 12 of this Agreement;
- (k) Any material misrepresentation by Franchisee relating to its acquisition of its Franchise;
- (l) Any failure to maintain required liability insurance policies;
- (m) The Franchised Business or the premises in which the Franchised Business is operated from are seized, taken over or foreclosed by a government official in the exercise of his duties, or seized, taken over or foreclosed by a creditor, lien holder or lessor, provided that a final judgment against the Franchisee remains unsatisfied for thirty (30) days (unless a supersedeas or other appeal bond has been filed); or a levy of execution has been made upon the license granted by this Agreement or upon any property used in the Franchised Business that is not discharged within five (5) days of such levy;
- (n) Any conduct or activity by Franchisee or any Principal, director, or officer of Franchisee that, in Franchisor's sole discretion, may harm, tarnish, impair or reflect unfavorably upon the reputation, name, services or operation of the Franchised Business, Franchisor, the System or the Proprietary Marks, including, without limitation, any criminal misconduct of which Franchisee or any Principal, director, or officer of Franchisee is convicted;
- (o) Franchisee knowingly maintains false books or records, or knowingly submits any false reports (including, but not limited to, information provided as part of Franchisee's application for this franchise) to Franchisor, or knowingly understates its Gross Revenues reported to Franchisor;
- (p) The intentional, willful, or fraudulent infringement upon rights granted under Franchise Agreements with other franchisees of Franchisor;
- (q) Franchisor's reasonable determination that the continued operation of the Franchise by Franchisee will result in immediate danger to public health or safety;
- (r) Franchisee employs any person or fails to discharge any employee that Franchisee knows or has reason to know has engaged in, been convicted of, or pled guilty or nolo contendere to any felony, fraud, elder abuse, or any crime involving moral turpitude;
- (s) Franchisee continues an unauthorized use of the Proprietary Marks for more than three (3) days after Franchisee receives a notice to cease from Franchisor;
- (t) Franchisee knowingly and without authorization discloses the System Standards Manual to a third-party; or
- (u) Franchisee fails to maintain any license required by law to offer, provide, or sell any Permitted Products and Services.

13.2 Notice; Termination. If Franchisee fails to cure any default within thirty (30) days after its receipt of a written notice of breach from Franchisor, Franchisor may terminate this Agreement, except that no written notice of default or opportunity to cure shall be required in the case of a default

described in subsections 13.1(g) through (u) above. If Franchisee defaults on this Agreement two separate times, for each of which Franchisee was given notice and an opportunity to cure, then Franchisor may terminate this Agreement upon any subsequent default without providing notice or opportunity to cure. Termination of this Agreement shall, at Franchisor's option, be effective automatically upon the expiration of the time period specified above (or such longer period as may be required by applicable law) if Franchisee fails to cure the default within such period, or, if no notice of default is required, immediately upon Franchisee's receipt of a written notice of termination.

- 13.3 Suspension of Franchise Rights During Default. In addition to and without limiting any other remedies provided in this Agreement, if Franchisor at any time has the right to terminate this Agreement, then Franchisor, in its sole and unfettered discretion, also has the right to suspend Franchisee's non-exclusive license to use the Proprietary Marks and the System granted by this Agreement until any and all breaches of this Agreement have been cured or this Agreement has been terminated.
- 13.4 Franchisor's Step-in Rights. In addition to and without limiting any other remedies provided in this Agreement, at law or in equity, upon Franchisee's failure to cure any default within the applicable cure period (if any), Franchisor has the right, but not the obligation, to enter upon the premises of the Franchise Business and exercise (or designate anyone else to exercise) complete authority with respect to the operation and administration of the Franchised Business until Franchisor determines that the default has been cured and that Franchisee is otherwise in compliance with this Agreement. If Franchisor exercises such right, Franchisee shall pay Franchisor a management fee of Five Hundred and no/100 dollars (\$500) per day and reimburse Franchisor for all reasonable expenses incurred by Franchisor in connection with operating the Franchised Business, including the costs of personnel for supervising and staffing the Franchised Business and their travel, food and lodging expenses. All fees and expenses are payable through the EDT Account within ten (10) days after invoice by Franchisor. If Franchisor operates the Franchised Business pursuant to this paragraph, Franchisee shall indemnify and defend Franchisor and its agents against and hold each of them harmless from all Claims that may arise out of Franchisor's (or its designee's) operation of the Franchised Business (except Claims arising solely from the gross negligence or willful misconduct of Franchisor's employees).
- 13.5 Liquidated Damages.
- (a) If Franchisor terminates this Agreement before the Expiration Date due to a default by Franchisee (including its abandonment of the Franchised Business), or if Franchisee terminates this Agreement before the Expiration Date (which will also constitute a default under this Agreement), Franchisee shall pay Franchisor, within fifteen (15) days after the effective date of the termination and in addition to the other amounts due from Franchisee specified in this Agreement, liquidated damages equal to the (i) the product of 24 multiplied by the average monthly Royalty Fees and Brand Marketing Fee accrued during the 24-month period before the month of termination (or, if the Franchised Business has been open less than 24-months, during the period during which the Franchised Business has been open), (ii) if the Franchised Business has not yet opened for business, One Hundred Thousand and no/100 dollars (\$100,000), or (iii) if the Franchised Business has less than twenty-four (24) months in the term, the product of the number of months remaining in the Term multiplied by the average monthly Royalty Fees and Brand Marketing Fee for the 24-month period before the month of termination.
- (b) Franchisor and Franchisee acknowledge and agree that it would be impracticable to precisely determine the amount of damages Franchisor will incur as a result of this Agreement's early termination. Some of those damages include loss of Royalties and Branding Fees, loss of goodwill, loss of representation in the market, consumer confusion, and expenses that Franchisor will incur to recruit, train and support a new franchisee for the market (collectively, "**Brand Damages**"). Franchisor and Franchisee acknowledge that Brand

Damages are difficult to estimate accurately, and proof of Brand Damages would be burdensome and costly, although such damages are real and meaningful to Franchisor. Franchisor and Franchisee agree that these liquidated damages provision is a reasonable, good faith pre-estimate of those damages. Franchisee's payment of the liquidated damages to Franchisor will not be considered a penalty but, rather, a reasonable estimate of fair compensation to Franchisor for the Brand Damages it will incur because this Agreement did not continue for the full length of the Initial Term due to Franchisee's default. Franchisee acknowledges that its payment of liquidated damages is full compensation to Franchisor only for the Brand Damages resulting from the early termination of this Agreement and is in addition to, and not in lieu of, Franchisee's obligations to pay other amounts due Franchisor under this Agreement as of the effective date of the termination, and to comply strictly with the Post-Termination Provisions. Franchisee further acknowledges that these liquidated damages provision does not cover any other damages to which Franchisor might be entitled as a result of Franchisee's actions or inaction.

- 13.6 Liability for Breach. If Franchisee fails to cure any breach within the applicable time period set forth in this Agreement, Franchisee shall pay to Franchisor all damages, costs and expenses incurred by Franchisor as a result of any such breach, including, but not limited to, reasonable attorney and accounting fees. This provision shall apply regardless of whether or not Franchisor exercises its right to terminate this Agreement.

ARTICLE 14 – OBLIGATIONS UPON TERMINATION

- 14.1 Franchisee's Obligations. Upon the termination or expiration of this Agreement, Franchisee shall forthwith:
- (a) Cease operating the Franchised Business and shall not thereafter, directly, or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;
 - (b) Except as may be authorized under another Franchise Agreement in effect between Franchisee and Franchisor, Franchisee shall immediately and permanently cease all use of the Proprietary Marks and any derivative or confusingly similar variation thereof. Without limiting the generality of the preceding sentence, Franchisee's obligations under this paragraph include permanently discontinuing all Internet advertising (including, by way of example, Facebook, LinkedIn, X, Instagram, Google, and pay-per-click programs) containing any of the Proprietary Marks or any derivative or confusingly similar variation thereof;
 - (c) Except as may be authorized under another Franchise Agreement in effect between Franchisee and Franchisor, Franchisee shall immediately and permanently cease to use, by advertising or in any manner whatsoever, any equipment, materials, confidential methods, procedures, or techniques associated with the System or that display the Proprietary Marks or any other distinctive forms, slogans, signs, symbols, or devices associated with or belonging to Franchisor;
 - (d) Make such modifications or alterations to the location in which the Franchised Business operates (including, without limitation, the changing of all telephone numbers), including the improvements thereon, as may be necessary or requested by Franchisor to prevent the operation of any business on the premises in which the Franchised Business operates that might be deemed substantially similar to that of Franchisor or any other franchisee of Franchisor. If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor shall have the right to enter the location where the Franchised Business is operating, without being guilty of

trespass or any other tort or crime, for the purposes of making or causing to be made such changes may be required at the expense of Franchisee;

- (e) Turn over to Franchisor all Manuals, records, client and other files including client lists and agreements with clients, instructions, correspondence, and materials, including, without limitation, brochures, agreements, disclosure statements and any materials relating to the business operated hereunder, which may be in Franchisee's possession, together with all copies thereof (all of which Franchisee acknowledges to be Franchisor's sole property);
- (f) Promptly notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use the telephone numbers and directory listings used in connection with the Franchised Business and authorize the transfer of the telephone numbers and directory listings to Franchisor or its designee. Franchisee acknowledges that, as between Franchisor and Franchisee, Franchisor has the sole right to all telephone numbers and directory listings used in connection with the Franchised Business, and Franchisee hereby authorizes Franchisor, and appoints Franchisor and any officer designated by Franchisor, as Franchisee's attorney-in-fact, to direct the telephone company and all listing agencies to transfer the telephone numbers and directory listings to Franchisor or Franchisor's designee if Franchisee fails or refuses to do so. The telephone company and all listing agencies may accept such direction or this Agreement as conclusive of Franchisor's exclusive rights in the telephone numbers and directory listings and Franchisor's authority to direct their transfer;
- (g) At Franchisor's option, cancel or assign to Franchisor or Franchisor's designee all of Franchisee's right, title and interest in and to any and all (i) telephone numbers of Franchisee's franchise and all related Yellow Pages, White Pages and other business listings, and (ii) Websites, Web pages, listings, banners, URLs, advertisements or any other services and links related to Franchisee's business or use of Franchisor's trademarks, service marks or other logos, on or with the Internet, World Wide Web, Internet service providers, email services, communication providers, search engines or other similar services;
- (h) Immediately pay all sums due and owing to Franchisor with a final accounting of Franchisee's Gross Revenues. Upon termination due to Franchisee's default, such sums will include actual damages, costs and expenses, and reasonable attorney fees incurred by Franchisor as a result of the default, including any unpaid Brand Marketing Fees and Royalties; and
- (i) Take such action as may be necessary to cancel any assumed name or equivalent registration that contains the mark "SFC ESTATE COACHING®" or any of the other Proprietary Marks, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within fifteen (15) days after termination or expiration of this Agreement.

14.2 Power of Attorney. Franchisee does hereby irrevocably constitute and appoint Franchisor as its true and lawful attorney-in-fact and agent to carry out Franchisee's obligations under this Article 14. Franchisee agrees to promptly execute, acknowledge and deliver to Franchisor any and all such documents as may be required to carry out Franchisee's obligations hereunder. The provisions of this Article 14 shall survive the expiration, termination, or cancellation of this Agreement.

ARTICLE 15 – COVENANTS

- 15.1 Management of Franchise. Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee or a person designated by Franchisee who has been approved in writing by Franchisor and has successfully completed the Initial Training Program required by this Agreement, shall devote his full time, energy, and best efforts to the management and operation of the Franchised Business.
- 15.2 Covenants During Term of Franchise Agreement. Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and Confidential Information, including, without limitation, information regarding the design, development and operation of the Franchised Business, and the sales, promotional, and marketing methods and techniques of Franchisor and the System. Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee shall not, either directly or indirectly, for itself or through, on behalf of, or in conjunction with, any person or entity:
- (a) divert or attempt to divert any business or customer of the Franchised Business or of any other franchisee of Franchisor to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System;
 - (b) aid, assist, or provide goods or services to, any competitor of the Franchised Business Franchisor, or any other franchisee in the System;
 - (c) own, maintain, engage in, or have any interest in any business offering estate planning or coaching services, or any other services that are offered in the Franchised Business, unless otherwise consented to in writing by the Franchisor; or
 - (d) take any action injurious or prejudicial to the System.
- 15.3 Covenants After Termination of Franchise Agreement.
- (a) Except as otherwise approved in writing by Franchisor, Franchisee and/or its Principals shall not, for a continuous and uninterrupted period commencing upon the expiration, termination (regardless of cause), or transfer of this Agreement and continuing for two (2) years thereafter, directly or indirectly, for itself or through, on behalf of, or in conjunction with any person (including a spouse, child, parent, or sibling of Franchisee or of a principal of Franchisee), partnership limited liability company, corporation, or other entity:
 - (i) own, maintain, operate, engage in, or have any interest in any estate planning or coaching, any Permitted Products and Services, or any other services that had been offered by the Franchised Business, that is or is intended to be located or which operates in or within fifteen (15) miles of Franchisee's Franchised Business or within (15) miles of Franchisor's business or any other SFC ESTATE COACHING® franchisee's Franchised Business; or
 - (ii) promote, sell, procure, provide, or solicit referrals for estate planning purposes within fifteen (15) miles of the location of Franchisee's Franchised Business or within fifteen (15) miles of Franchisor's business or any other SFC ESTATE COACHING franchisee's Franchised Business.
 - (b) Subparagraphs (a)(i) and (a)(ii) above are severable and contain different but overlapping restrictions that shall be enforced whenever permitted by applicable law. If any of those subparagraphs is held to be invalid or unenforceable in any respect, then such provision is to be modified to the extent necessary to permit its enforcement, and the remaining provisions will be unaffected thereby. Franchisee specifically acknowledges and agrees that the

geographic and temporal restrictions on Franchisee's ability to compete with Franchisor and Franchisor's franchisees are reasonable and necessary to protect Franchisor's business interests in the relevant markets. Franchisee also acknowledges and agrees that Franchisee and each of its principals have sufficient resources, business experience, and opportunities to earn an adequate living while complying with the terms of those restrictions.

- (c) The time period referred to in subparagraph 15.3(a) will be stayed during any violation or breach of the terms thereof. The covenants in this Section 15.3 will survive the expiration, termination, or transfer of this Agreement.

15.4 Non-solicitation of Clients. Franchisee shall not, directly or indirectly, for itself or through, on behalf of, or in conjunction with any person or entity for a continuous and uninterrupted period commencing upon the expiration or termination of this Agreement (regardless of the cause for termination) and continuing for two (2) years thereafter, directly or indirectly:

- (a) solicit or perform services for any person who was a client of the Franchised Business at any time during the term of this Agreement; or
- (b) promote or solicit referrals for estate planning services, or any other services that have been offered by the Franchised Business.

The two (2) year time period referred to in this paragraph will be stayed during any violation or breach of the terms of this paragraph. The covenant in this paragraph will survive the expiration, termination, or cancellation of this Agreement.

15.5 Exclusion for Publicly Traded Company. Section 15.3 shall not apply to the beneficial ownership by Franchisee of less than five percent (5%) of the outstanding equity securities of any corporation that is registered under the Securities and Exchange Act of 1934.

15.6 Independent Covenants; Severability. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Article fifteen (15) is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee expressly agrees to be bound by any lesser covenants subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenants were separately stated in and made a part of this Article 15.

15.7 Claims Against Franchisor No Defense. Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Article 15.

15.8 Injunctive Relief. Franchisee acknowledges that Franchisee's violation of the terms of this Article 15 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available; and Franchisee accordingly consents to the issuance of and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, an injunction prohibiting any conduct by Franchisee in violation of the terms of this Article 15.

15.9 Execution of Covenants by Franchisee's Principals, Etc. Franchisee shall provide Franchisor with an executed Confidentiality, Non-disclosure and Non-Competition agreement, similar in substance to those attached to this Agreement as Exhibits 5(a) and 5(b) from all Principals, holders of a direct or indirect beneficial ownership interest in Franchisee, including spouses of Principals, managers of the Franchised Business. With respect to each person who becomes associated with Franchisee in one of the capacities enumerated above subsequent to the execution of this Agreement, Franchisee shall require and obtain such covenants from them and promptly provide Franchisor with executed copies thereof. In no event shall any person enumerated above be granted access to any confidential aspect of the System or the Franchised Business prior to their execution of such a covenant. All covenants

required by this Section shall be in forms satisfactory to Franchisor, including, without limitation, the specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them. The failure by Franchisee to obtain the execution of the covenants required by this Section and provide the same to Franchisor shall constitute a material breach of this Agreement.

ARTICLE 16 – ENFORCEMENT

16.1 Injunctive Relief. Franchisor may enforce by judicial process any provision of this Agreement, including its right to terminate this Agreement. Franchisee and its affiliates, officers, directors, employees, and owners agree to entry without bond of temporary, preliminary, and permanent injunctions and orders of specific performance enforcing any of the provisions of this Agreement. If Franchisor secures any such injunctions or an order of specific performance, Franchisee further agrees to pay to Franchisor an amount equal to the aggregate of Franchisor's costs of obtaining any such relief including, without limitation, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, and any damages incurred by Franchisor as a result of any breach. Franchisee agrees that Franchisor may seek such relief from any court of competent jurisdiction without bond in addition to such further or other relief as may be available to Franchisor at law or in equity.

16.2 Arbitration.

(a) Except as otherwise provided in this Article 16, any and all disputes between the parties, whether or not arising out of or related to this Agreement, shall be submitted to a panel of three arbitrators as provided in this paragraph. Each claim or controversy shall be arbitrated on an individual basis and shall not be consolidated in any arbitration action with the claim of any other franchisee. The arbitration proceeding shall be administered by the American Arbitration Association ("AAA") in accordance with the Federal Arbitration Act and the then prevailing Commercial Arbitration Rules of the AAA. The arbitrators shall neither have nor exercise any power to act as *amiable compositeur* or *ex aequo et bono*; or to award special, indirect, consequential, or punitive damages. The award shall be in writing, shall be signed by a majority of the arbitrators, and shall be accompanied by a reasoned opinion. Within thirty (30) days of receipt of any award (which shall not be binding if an appeal is taken), any party may notify the AAA of an intention to appeal to a second arbitral tribunal, constituted in the same manner as the initial tribunal. None of the arbitrators who served on the original panel shall serve on the second tribunal. The appeal tribunal shall be entitled to adopt the initial award as its own, modify the initial award, or substitute its own award for the initial award. The tribunal appeal shall not modify or replace the initial award except for clear errors of law or because of clear and convincing factual errors. The award of the tribunal appeal shall be final and binding upon the confirmation thereof by a court of competent jurisdiction. Each party shall bear its own costs and expenses in connection with the arbitration, including, but not limited to, attorney fees. The administrative fees and arbitrators' fees shall be allocated equally between the parties. The arbitration proceedings shall take place in Ozaukee County, Wisconsin. Any demand for arbitration must be made before the statute of limitations applicable to such a claim has run. Any dispute arising out of or in connection with this arbitration provision, including any question regarding its existence, validity, scope, or termination, shall be decided by arbitration.

(b) A party shall not have the right to appeal an award under subparagraph (a) of this Section unless the party:

(i) fully cooperated in the exchange of information and discovery as ordered by the arbitration panel in the initial arbitration;

- (ii) attended all evidentiary hearings after due notice in the original arbitration; and
- (iii) paid all administrative fees, arbitrators' compensation, and other charges assessed or allocated to the party by the AAA in the original arbitration.

16.3 **Exception to Arbitration.** Notwithstanding the provisions of Section 16.2 above, if the amount in controversy in any dispute between Franchisor and Franchisee exceeds One Hundred Thousand and no/100 dollars (\$100,000) in the aggregate, Franchisor shall have the right to require that the matter be adjudicated in either the Circuit Court of Ozaukee County, Wisconsin or the United States District Court for the Eastern District of Wisconsin, in lieu of arbitration. If an arbitration demand has already been filed in connection with such a dispute, Franchisor shall have the right to remove the matter to such court.

16.4 **WAIVER OF JURY TRIAL.** EACH PARTY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER PARTY.

16.5 **Punitive Damages.** The parties agree to waive, to the fullest extent permitted by law, the right to or claim of any punitive, exemplary or multiple damages against the other and agree that, in the event of a dispute between them, each will be limited to the recovery of actual damages sustained by it.

16.6 **LIMITATION OF CLAIMS.** Except for:

- (a) claims arising from the underpayment, nonpayment, or overpayment of Royalties or Brand Marketing Fees;
- (b) claims based upon or arising from indemnification obligations, either under this Agreement, at law, or in equity; and
- (c) claims for injunctive relief, including, by way of example, claims for injunctive relief relating to the use of the Proprietary Marks or other intellectual property, obligations upon the termination or expiration of this Agreement, obligations under Articles 9, 10 or 15 of this Agreement, or an assignment of this Agreement or any ownership interest therein;

ANY AND ALL DISPUTES, CLAIMS, OR CONTROVERSIES FRANCHISEE MAY HAVE THAT ARISE OUT OF OR RELATE TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES SHALL BE BARRED UNLESS AN ARBITRATION OR LEGAL PROCEEDING IS COMMENCED BEFORE THE EARLIER OF: (1) THE DATE WHEN INSTITUTION OF LEGAL OR EQUITABLE PROCEEDINGS BASED ON SUCH CLAIMS WOULD BE BARRED BY APPLICABLE STATUTE OF LIMITATIONS; OR (2) ONE (1) YEAR AFTER THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIMS.

ARTICLE 17 – INDEPENDENT CONTRACTOR AND INDEMNIFICATION

17.1 It is understood and agreed that nothing in this Agreement shall create a partnership, employment or agency relationship between Franchisor and Franchisee, or authorize Franchisee to make any contract, agreement, warranty, or representation on Franchisor's behalf or to incur any debt or other obligation in Franchisor's name. Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action by Franchisee. Franchisor shall not be liable to any third party for any act or omission of Franchisee in any of its operations hereunder (including, without limitation, any claim or action against Franchisee for negligent hiring) or any claim or judgment arising therefore against Franchisee. Franchisee shall indemnify and hold Franchisor harmless from and against any and all claims, debts, liabilities or obligations arising directly or indirectly from, as a result of or in connection with Franchisee's operation of the Franchised Business, and shall pay all costs (including, without limitation, attorney and accountant fees) incurred by Franchisor in defending against and/or responding to them. FRANCHISEE SHALL DISPLAY PROMINENTLY

AT ITS PLACE OF BUSINESS, ON ALL CORRESPONDENCE WITH THIRD PARTIES, AND IN ANY PRINTED MATERIALS BEARING ITS NAME OR BUSINESS LOCATION, A STATEMENT THAT THE FRANCHISED BUSINESS IS INDEPENDENTLY OWNED AND OPERATED BY FRANCHISEE.

ARTICLE 18 – MISCELLANEOUS

- 18.1 Nature of Agreement. This Agreement, together with its exhibits, constitutes the entire Agreement between the parties with respect to the subject matter hereof and any prior agreements and understandings between the parties relating to the same subject are hereby superseded and merged into this Agreement. This Agreement may not be modified or amended except by written instrument signed by each of the parties hereto, expressing such amendment or modification. No failure on the part of any party hereto to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercises thereof or the exercise of any other right, power or remedy. Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable, subject to state law. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that Franchisor furnished to Franchisee.
- 18.2 Benefit. This Agreement is binding upon and inures to the benefit of the parties and their respective legal representatives, successors, and assigns. This Agreement may not be assigned by Franchisee without the prior written consent of Franchisor.
- 18.3 Construction. This Agreement was accepted by Franchisor in Wisconsin. Except to the extent governed by the U.S. Trademark Act of 1946, the U.S. Copyright Act, the Federal Arbitration Act, and other federal statutes, the laws of the State of Wisconsin (without reference to Wisconsin conflict of laws principles) govern all aspects of this Agreement, excluding any law regulating the sale of franchises or business opportunities, or governing the relationship between a franchisor and a franchisee, unless the jurisdictional requirements of such laws are met independently without reference to this Section; provided, however, that if any of the covenants contained in Article fifteen (15) of this Agreement would not be enforceable under the laws of Wisconsin and the Franchised Business is located outside of Wisconsin, then such covenants shall be interpreted and construed under the laws of the state in which the Franchised Business is located. Wisconsin law shall prevail in the event of any conflict of law, except as specifically provided otherwise by any applicable state franchise investment laws, rules, or regulations. If any provision of this Agreement relating to termination, nonrenewal or assignment of the franchise or choice of law, jurisdiction or venue is inconsistent with any applicable state franchise investment law, rules or regulations, such applicable state law shall apply. Any addendum to this Agreement required by the regulatory authorities of any state for the purpose of disclosing salient provision of such state's law is hereby made a part hereof.
- 18.4 Jurisdiction and Venue. Subject to the provisions of Section 16.2 relating to the arbitration of disputes, each party hereby irrevocably agrees that all lawsuits between the parties and/or their affiliates shall be litigated only in courts having situs in Ozaukee County, Wisconsin. Each party agrees that the following courts have personal jurisdiction over it in all lawsuits between the parties and/or their affiliates, irrevocably submits to the jurisdiction of these courts, and irrevocably waives any defense based upon lack of personal jurisdiction in any lawsuit filed in within the state court system of the State of Wisconsin. Each party agrees that venue shall be proper in any of the following courts in all lawsuits between the parties and/or their affiliates and irrevocably waives any right to transfer or change the venue in any lawsuit filed in these courts:
- (a) the Circuit Court of the county where Franchisor has its principal place of business (presently Ozaukee County, Wisconsin); and

(b) the United States District Court for the Eastern District of Wisconsin.

If any of these courts are abolished, venue shall be proper in the state or federal court in Wisconsin that most closely approximates the subject matter jurisdiction of the abolished court as well as any of these courts that are not abolished. All lawsuits filed by either party or its affiliate against the other or its affiliate (whether or not in breach of the arbitration provisions of this Agreement) must be filed exclusively in one of these courts, except that claims for injunctive relief may be brought where the defendant is located. These exclusive choice of jurisdiction and venue provisions shall not restrict the ability of the parties to confirm or enforce arbitration awards in any appropriate jurisdiction. In all lawsuits between the parties and/or their affiliates, Franchisee and its Principals consent to be served with process outside the State of Wisconsin in the same manner that service may be made within the State of Wisconsin by any person authorized to make service by the laws of the state, territory, possession or country in which service is made or by any duly qualified attorney in such jurisdiction. Franchisee and its Principals hereby waive any defense they may have based upon insufficiency of service of process relating to such service. This method of service shall not be the exclusive method of service available in such lawsuits but shall be available in addition to any other method of service allowed by law.

18.5 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of any provision of this Agreement.

18.6 Notices. All payments shall be made to the addresses listed below. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing, shall be addressed as provided in this Section shall be made by personal delivery, or by certified mail, postage prepaid, return receipt requested, by ordinary mail, postage prepaid, by overnight delivery service with proof of delivery, or by email, and shall be effective upon receipt or refusal thereof or forty-eight hours after deposit in the United States mail, postage prepaid.

If to Franchisor:

SFCECUS, LLC
Attn: Craig Mellendorf
627 Grand Avenue
Thiensville, WI 53092
Email: franchising@sfcestatecoaching.com

or to such other persons or address as Franchisor may from time to time furnish to Franchisee;

If to Franchisee:

or to such other persons or address as Franchisee may from time to time furnish to Franchisor.

18.7 Severability.

(a) In the event that any provision of this Agreement, in whole or in part (or the application of any provision to a specific situation), shall be held, by the final judgment of a court of competent jurisdiction after appeal or the time for appeal has expired, to be invalid, unenforceable or in violation of any federal, state or local law, regulation or ordinance applicable to this Agreement, such invalidity shall be limited to such specific provision or portion thereof (or to such situation), and this Agreement shall be construed and applied in such manner as to minimize such invalidity. All other provisions of this Agreement shall otherwise remain in full force and effect.

- (b) If any applicable and binding law or regulation of any jurisdiction requires a greater prior notice of the termination of or refusal to renew this Agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or regulation of any jurisdiction any provision of this Agreement or any specification, standard, or operating procedure prescribed by Franchisor is invalid or unenforceable, then the prior notice and/or other action required by such law or regulation shall be substituted for the comparable provisions hereof, and Franchisor shall have the unlimited right to modify such invalid or unenforceable provision, specification, standard, or operating procedure to the extent required to be valid and enforceable. Franchisor agrees to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof, or from any specification, standard, or operating procedure prescribed by Franchisor, any portion or portions that a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order. Any such modifications to this Agreement shall be effective only in such jurisdiction, unless Franchisor elects to give them greater applicability, and shall be enforced as originally made and entered into in all other jurisdictions.

- 18.8 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 18.9 Survival of Covenants. All provisions of this Agreement which, by their terms, are intended to survive the termination or expiration of this Agreement (such as, by way of illustration and not limitation, the provisions relating to Confidential Information, indemnification, post-termination competition, and the Proprietary Marks), and all provisions hereof necessary to enforce and interpret such provisions (such as, by way of illustration and not limitation, the provisions relating to arbitration and injunctive relief), shall survive the termination, expiration or cancellation of this Agreement or the Franchise granted hereunder.
- 18.10 No Third-Party Beneficiaries. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or entity not a party hereto.
- 18.11 “Franchisee” Defined. The term “**Franchisee**” includes not only the individuals or entity defined as the “Franchisee” in the introductory paragraph of this Agreement, but also all Principals of the entity that executes this Agreement as identified on Exhibit 2 attached hereto and incorporated by reference. By signing this Agreement, each of the Principals of the entity that executes this Agreement as Franchisee acknowledges and accepts the duties and obligations imposed upon each of them, individually, by this Agreement. All Principals of the entity that executes this Agreement must, by separate agreement, personally guarantee all of Franchisee’s obligations to Franchisor, as identified on Exhibit 3 attached hereto and incorporated by reference. If two or more individuals are the “Franchisee” under this Agreement, their liability to Franchisor is joint and several.

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

FRANCHISOR:
SFCECUS, LLC

FRANCHISEE:

By: _____
Name: Craig Mellendorf
Title: Chief Executive Officer
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

**EXHIBIT 1 TO
SFCECUS, LLC FRANCHISE AGREEMENT**

APPROVED LOCATION

Franchisee's location for the Franchised Business is as follows:

**FRANCHISOR:
SFCECUS, LLC**

FRANCHISEE:

By: _____
Name: Craig Mellendorf
Title: Chief Executive Officer
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT 2 TO
SFCECUS, LLC FRANCHISE AGREEMENT
Statement of Ownership Interest

Effective Date: This document is current and complete as of: _____
If Franchisee is not a business entity on the Effective Date, Franchisee shall deliver an updated and complete Exhibit 2 reflecting the newly formed entity and all Principals no later than thirty (30) days after the Effective Date and, in any event, prior to Opening.

Franchisee Principals:

1. (Choose (a) or (b))

a) Individual Proprietorship. List individual(s):

b) Franchisee was incorporated or formed on _____ under the laws of _____.
Franchisee has not conducted business under any name other than Franchisee's corporation, limited liability company, or partnership name. The following is a list of Franchisee's directors, if applicable, managers, if applicable, and officers as of the effective date shown above:

Name of Each Director/Manager/Officer/Principal	Position(s) Held
_____	_____
_____	_____
_____	_____
_____	_____

2. The following list includes the full name of each person or entity that is one of Franchisee's direct and indirect owners (as defined in the Franchise Agreement) and fully describes the nature of each owner's interest (attach additional pages if necessary).

Principal's Name

Percentage/Description of Interest

1. _____
2. _____
3. _____

3. **Identification of Operating Principal.** Franchisee's Operating Principal as of the Effective Date is _____ (must be one of the individuals listed in paragraph 2 above). Franchisee may not change the Operating Principal without Franchisor's prior written approval. The Operating Principal is the person to receive communications from Franchisor and Notice for Franchisee.

Address: _____

Phone: _____

Email Address: _____

In the event of any transfer approved under Article 12, the transferee shall deliver a completed Exhibit 2 within thirty (30) days after execution of transfer documents and prior to commencing operation.

FRANCHISOR:
SFCECUS, LLC

FRANCHISEE:

By: _____

Name: Craig Mellendorf

Title: Chief Executive Officer

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT 3 TO
SFCECUS, LLC FRANCHISE AGREEMENT
PERSONAL GUARANTY

This PERSONAL GUARANTY (“**Guaranty**”) dated effective as of _____ (the “Effective Date”) is given to **SFCECUS, LLC** (“**Franchisor**”), by each of the undersigned as a Principal or, if applicable, the spouses of the Principals, of _____ (“**Franchisee**”), in consideration of and as an inducement to the execution of that certain Franchise Agreement with an effective date of _____ by and between Franchisor and Franchisee, including any exhibits and amendments thereto (“**Agreement**”). Capitalized terms not defined in this Guaranty have the meanings given in the Agreement.

Principal hereby personally and unconditionally guarantees to Franchisor and its successors and assigns, for the Term and afterward as provided in the Agreement, that Franchisee will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement.

Principal represents that each and every representation of Franchisee made in connection with the Agreement is true, correct and complete in all respects as of the time given and as of the time of the undersigned Principal(s)’ execution of this Guaranty.

Principal, without limiting any guarantee of Franchisee’s obligations under the Agreement, makes all covenants, representations, warranties and agreements of Principals set forth in the Agreement and is obligated to individually perform thereunder for so long as he or she qualifies as a Principal and thereafter to the extent expressly provided by the terms of the Agreement, including without limitation all representations, warranties and covenants.

Principal hereby unconditionally 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.

Principal consents and agrees that it will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so.

Principal consents and agrees that such liability will not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other Person and waives any right it may have to require that an action be brought against Franchisee or any other Person as a condition of his or her liability. Principal further waives protest and notice of default, demand for payment or nonperformance or any obligations guaranteed, and any and all other notices and legal or equitable defenses to which Principal may be entitled in its capacity as guarantor.

Principal consents and agrees that such liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that Franchisor may periodically grant to Franchisee or to any other Person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the Term.

Principal waives all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the undersigned’s execution of and performance under this Guaranty.

This Guaranty and all claims arising from, under or with respect to the relationship between Franchisor and Principal(s) will be interpreted, enforced, and governed by the laws of Wisconsin (without regard to Wisconsin conflicts of law rules).

Principal further acknowledges and agrees as follows:

(a) he/she has read the terms and conditions of the Agreement and acknowledges that the execution of this Guaranty is in partial consideration for, and a condition to Franchisor's execution of the Agreement, and Franchisor would not have granted such rights without the execution of this Guaranty by each of the undersigned;

(b) this Guaranty will remain in force notwithstanding the death of the undersigned, and will be binding on the undersigned's personal representatives; and

(c) this Guaranty will continue and will be enforceable notwithstanding any change in the name or the constitution of Franchisor or Franchisee.

Principal represents and warrants that the following is a complete and accurate list of all Principals of Franchisee and a full description of the nature and extent of each Principal's Equity Interest in Franchisee. Franchisee, and Principal as to his or her Equity Interest, represents and warrants that Principal is the sole and exclusive legal and beneficial owner of his or her Equity Interest in Franchisee, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Guaranty.

<Signatures on Following Page>

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

PRINCIPALS (GUARANTORS):

EQUITY INTEREST IN FRANCHISEE:

Name: _____, individually
Date: _____

Name: _____, individually
Date: _____

Name: _____, individually
Date: _____

Name: _____, individually
Date: _____

SPOUSES OF PRINCIPALS:

Name: _____, individually
Date: _____

Name: _____, individually
Date: _____

Name: _____, individually
Date: _____

Name: _____, individually
Date: _____

EXHIBIT 4(a) TO
SFCECUS, LLC FRANCHISE AGREEMENT
COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned (“**Assignor**”) assigns and transfers to SFCECUS, LLC, a Wisconsin limited liability company (“**Assignee**”), all of Assignor’s right, title and interest as tenant in, to and under that certain lease, a copy of which is attached hereto as Exhibit “A” (the “**Lease**”) respecting premises commonly known as _____. This Assignment is for collateral purposes only and except as specified in this Agreement, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms hereof and assumes the obligations of Assignor thereunder.

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

Upon a default by Assignor under the Lease or under that certain Franchise Agreement with an Effective Date of _____ by and between Assignee and Assignor (“**Franchise Agreement**”) for the operation of a SFC ESTATE COACHING® branded Franchised Business or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor shall have no further right, title or interest in the Lease.

Assignor agrees that it shall not suffer or permit any surrender, termination, amendment, or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the purpose of effecting such extension or renewal.

Lessor hereby consents to this Collateral Assignment of Lease.

ASSIGNEE:
SFCECUS, LLC

ASSIGNOR:

By: _____
Name: Craig Mellendorf
Title: Chief Executive Officer
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT 4(b) TO
SFCECUS, LLC FRANCHISE AGREEMENT
ADDENDUM TO LEASE

THIS ADDENDUM MUST BE ATTACHED TO ANY LEASE FRANCHISEE ENTERS INTO. IF NOT ATTACHED, FRANCHISOR'S APPROVAL OF THE LEASE IS AUTOMATICALLY CONSIDERED WITHDRAWN.

THIS ADDENDUM TO LEASE (the "**Addendum**") is effective as of the Effective Date of the Lease between _____ ("**Lessor**") and _____ ("**Tenant**").

Recitals

A. Tenant is a party to a Franchise Agreement dated _____ ("**Franchise Agreement**") with SFCECUS, LLC ("**Franchisor**") which grants Tenant the right to develop and operate a SFC ESTATE COACHING® branded business at _____ ("**Franchised Business**").

B. Franchisor's consent to development of the Franchised Business at the Premises is contingent upon Tenant entering into a Lease that is amended by this Addendum and signed by Tenant and Lessor.

C. Lessor's execution of the Lease constitutes Lessor's acceptance of and agreement to be bound by the terms and conditions of this Addendum.

NOW, THEREFORE, in consideration of the foregoing Recitals, the promises set forth in this Amendment, and for other good and valuable consideration, the receipt, accuracy, and sufficiency of which are hereby acknowledged, the parties mutually agree as follows:

(1) During the term of Tenant's Franchise Agreement, the Premises shall be used only for the operation of the Franchised Business.

(2) Lessor consents to Tenant's use and display of such proprietary marks (the "**Proprietary Marks**") and signs, decor items, color schemes, plans, specifications and related components of the SFC ESTATE COACHING® branded franchised system (the "**System**") as Franchisor has prescribed, and may in the future prescribe, for the Franchised Business. Lessor affirms that the Lease does not prohibit the service of any product items or services of the current System, based on the product and service information provided to Lessor.

(3) Notwithstanding any term, condition or covenant of the Lease to the contrary, Lessor covenants with Tenant that during the term of the Lease, Lessor will not enter into a lease, rental arrangement, license, usufruct or other agreement for space within the same retail center or facility as the Franchised Business with, and will not sell any real property or outparcel adjoining the center or use as part of the center's parking lot to a party for use as any retail store that is the same as or substantially similar to the Franchised Business.

(4) Lessor agrees to send Franchisor copies of any and all notice of default or termination of the Lease sent to Tenant at the same time that such letters and notices are sent to Tenant. Such copy shall be sent to Franchisor at: SFCECUS, LLC, Attn: Craig Mellendorf at 627 Grand Avenue, Thiensville, WI 53092; Email: franchising@sfcestatecoaching.com.

(5) In the event of Tenant's default under the Lease, Franchisor may, but has no obligation, to cure the default. Franchisor shall make this determination within thirty (30) days after Franchisor receives written notice of the Lease default from Lessor. If Franchisor elects to cure the default, Franchisor shall cure the default within thirty (30) days of such election or, if the default cannot be

reasonably cured within such thirty (30) day period, then Franchisor shall commence and proceed to act diligently to cure the default within such time as is reasonably necessary to cure the default.

(6) Franchisor shall have the right, and Lessor consents to allow Franchisor, to enter the Premises during hours when the Premises is available for tenant entry to make any modification or alteration necessary to protect the Franchised Business, the System and Proprietary Marks or to cure any default under the Franchise Agreement, or under the Lease, without being guilty of trespass or any other crime or tort. If Franchisor notifies Lessor of the termination of the Franchise Agreement, Franchisor has the option, but not the obligation, upon written notice to Lessor to:

- (a) Operate the Franchised Business at the Premises (notwithstanding any removal or eviction of Tenant) on a month-to-month basis for a period not to exceed six (6) months following the date termination of the Franchise Agreement is effective (the “**Interim Operating Period**”), and during the Interim Operating Period, Franchisor will pay to Lessor amounts due to Lessor pursuant to the terms and conditions of the Lease; or
- (b) At any time within or at the conclusion of the Interim Operating Period, enter into a new lease agreement containing terms, conditions, covenants, and obligations at least as favorable as the terms, conditions, covenants, and obligations set forth in the Lease. Franchisor will not be a party to the Lease and until such time as Franchisor and Lessor enter into a new lease agreement as set forth in this Section 6(b), Franchisor will have no liability under the Lease except with respect to payments of amounts owed to Lessor during the Interim Operating Period as set forth in Section 6(a) above.

Lessor acknowledges and agrees that Franchisor may assign its rights under this Section 6 to its affiliate or designee as successor in interest (“**Successor**”) upon prior written notice to Lessor.

(7) Lessor hereby consents to such assignment and agrees not to increase or accelerate rent under the Lease in connection with such assignment or requires Successor to pay any rent or other financial obligation of Tenant to Lessor arising prior to the assignment. Lessor agrees to look solely to the Tenant and its guarantors for any rents or other financial obligations owed to Lessor arising prior to such assignment. Lessor and Tenant acknowledge that Franchisor (or Successor, as applicable) is not a party to the Lease and shall have no liability under the Lease, unless and until the Lease is assigned to, and assumed by Franchisor or Successor.

(8) Notwithstanding anything contained in this Addendum and in the Lease, Franchisor is expressly authorized to sublet the Franchised Business to an authorized System franchisee as successor, provided such subletting is specifically subject to the terms of the Lease and further provided the franchisee expressly assumes in writing all obligations of the Lease and satisfies Lessor’s then-current criteria for tenants.

(9) Lessor acknowledges that any Lessor’s lien or security interest arising under or from the Lease will not apply to any System Standards Manuals, software, scripts, videos or other tangible or intangible personal property of Tenant furnished by Franchisor or any supplier to Tenant under a use restriction, obligation of confidentiality or under license, and to any signage, printed materials, merchandise or other tangible media, goods, inventory and supplies bearing the Proprietary Marks. At termination of the Lease, Franchisor will arrange for recovery and removal of such items as provided in the Franchise Agreement.

(10) Lessor acknowledges and agrees that: (a) Franchisor is a third party beneficiary under the Lease pursuant to the terms of this Addendum; (b) Franchisor is at all times entitled to enforce, in its own name, the provisions of this Addendum; and (c) Lessor waives any limitation in the Lease that would prevent Franchisor or its designated assignee, sublessee or franchisee from operating a SFC ESTATE COACHING® branded Franchised Business at Lessor’s premises or within a specified distance of Lessor’s

premises. Each of Lessor and Franchisee hereby waives any objection or challenge to Franchisor's right to enforce the provisions of this Addendum.

(11) References to the Lease and the Franchise Agreement include all amendments, addenda, extensions, and renewals to such documents. In the event the terms of the Lease conflict with the terms of this Addendum, this Addendum shall control. Lessor and Tenant may not amend the term or renewal rights under the Lease without Franchisor's prior written consent. References to the Lessor, Franchisee and Franchisor include their successors and assigns.

FRANCHISOR:
SFCECUS, LLC

TENANT:

By: _____
Name: Craig Mellendorf
Title: Chief Executive Officer
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

LESSOR:

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT 5(a) TO SFCECUS, LLC FRANCHISE AGREEMENT
CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT FOR FRANCHISEE
EMPLOYEES

(For employees of the Franchisee)

1. Pursuant to a Franchise Agreement dated effective as of _____ (the “**Franchise Agreement**”), _____ (the “**Franchisee**”) has acquired the right and franchise from **SFCECUS, LLC** (the “**Company**”) to establish and operate a **SFC ESTATE COACHING®** branded Franchised Business (the “**Franchised Business**”) and the right to use in the operation of the Franchised Business the Company’s trade names, service marks, trademarks, logos, emblems, and indicia of origin (the “**Proprietary Marks**”), as they may be changed, improved and further developed from time to time in the Company’s sole discretion at _____ (the “**Franchised Business**”).

2. The Company, as the result of the expenditure of time, skill, effort and resources, has developed and owns a distinctive format and system (the “**System**”) relating to the establishment and operation of **SFC ESTATE COACHING®** branded Franchised Businesses. The Company possesses certain proprietary trade secrets, specifications, security protocols, computer hardware and systems, technology and equipment used, methods of business practices and management, research and development, training processes, operational manuals, presentation materials, vendor agreements, supplier lists, vendor lists, marketing and merchandising strategies, plans for new product or service offerings, and experience in the operation of the Franchised Business, knowledge, or know-how concerning the Franchised Business, the System, or methods of operation the identities and personal and contact information of clients of the Franchised Business, financial statements, results of operations, sales, income, expense, and other financial information and records of the Franchised Business, and all electronic information, lists and data related to past, present, and future clients of any franchise, including any franchise operated by Franchisee (the “**Confidential Information**”). Confidential Information shall also expressly include all client personal information that I obtain or have access to during my employment.

3. In consideration for my employment with the Franchisee and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree to the terms of this Confidentiality Agreement (the “**Agreement**”).

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

5. As an employee of the Franchisee, the Company and Franchisee may disclose the Confidential Information to me via training programs, the Company’s System Standards Manual (the “**Manual**”), client intake forms, and other general assistance during the term of my employment with the Franchisee.

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

7. Any work performed by me during my employment with the Franchisee and any derivative works created by me using the Confidential Information or any proprietary information of the

Company are considered “works made for hire” and I will have no ownership interest in the items created.

8. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as an employee of the Franchisee, and will continue not to disclose or use any such information even after I cease to be employed by the Franchisee, unless I can demonstrate that such information has become generally known to the public or easily accessible other than by the breach of an obligation of the Franchisee under the Franchise Agreement, a breach of the employees or associates of the Franchisee, or a breach of my own duties or the duties hereunder.

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

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

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

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

13. Subject to the rights of the Franchisee and the Company in Section 11, it is expressly acknowledged, understood and agreed that any and all claims, disputes or controversies that may arise concerning this Agreement, or the construction, performance, or breach of this Agreement, will be submitted to and adjudicated, determined and resolved through compulsory, binding arbitration. The parties hereby irrevocably and unconditionally submit to the exclusive jurisdiction of the American Arbitration Association (“AAA”), unless otherwise required by law, for any action or proceeding arising out of or relating to this Agreement, unless otherwise mutually agreed by the parties. It is acknowledged, understood, and agreed that any such arbitration will be final and binding and that by agreeing to arbitration, the parties are waiving their respective rights to seek remedies in court, including the right to a jury trial. The parties waive, to the fullest extent permitted by law, any right they may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement, whether based in contract, tort, statute (including any federal or state statute, law, ordinance or regulation), or any other legal theory. It is expressly acknowledged, understood and agreed that: arbitration is final and binding; the parties are waiving their right to seek legal remedies in court including the right to a trial by jury; pre-arbitration discovery generally is more limited than and

different from that available in court proceedings; the arbitrator's award is not required to include factual findings or legal reasoning; and any party's right to appeal or vacate, or seek modification of, the arbitration award, is strictly limited by law. It is understood, acknowledged, and agreed that in any such arbitration, each party will be solely responsible for payment of his/her/its own counsel fees, with the costs of arbitration borne equally by the parties. Questions regarding the enforceability and scope of this arbitration provision will be interpreted and enforced in accordance with the U.S. Federal Arbitration Act. Otherwise, the terms of this Agreement shall be governed by the laws of the State of employment. Any such arbitration will be conducted in the county and State of employment.

14. In the event any action for equitable relief, injunctive relief or specific performance is filed, or should any action be filed to confirm, modify or vacate any award rendered through compulsory binding arbitration, I hereby irrevocably agree that the forum for any such suit will lie with a court of competent jurisdiction in the county and State of employment, and hereby agree to the personal jurisdiction and venue of such court.

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

EMPLOYEE

Dated: _____

Signature: _____

Name: _____

Title: _____

ACKNOWLEDGED BY FRANCHISEE

By: _____

Name: _____

Date: _____

ACKNOWLEDGED BY COMPANY

SFCECUS, LLC

By: _____

Name: Craig Mellendorf

Title: Chief Executive Officer

Date: _____

EXHIBIT 5(b) TO
SFCECUS, LLC FRANCHISE AGREEMENT
NON-DISCLOSURE AND NON-COMPETITION AGREEMENT FOR SPOUSES AND
PRINCIPALS

(for Principals, their Spouses, and Holders of an Ownership Interest)

1. Pursuant to a Franchise Agreement with an effective date of _____ (the “**Franchise Agreement**”), _____ (the “**Franchisee**”) has acquired the right and franchise from **SFCECUS, LLC** (the “**Company**”) to establish and operate a SFC ESTATE COACHING branded Franchised Business (the “**Franchised Business**”) and the right to use in the operation of the Franchised Business the Company’s trade names, service marks, trademarks, logos, emblems, and indicia of origin (the “**Proprietary Marks**”), as they may be changed, improved and further developed from time to time in the Company’s sole discretion, at _____ (the “**Franchised Business**”).

2. The Company, as the result of the expenditure of time, skill, effort and resources, has developed and owns a distinctive format and system (the “**System**”) relating to the establishment and operation of SFC ESTATE COACHING® branded Franchised Businesses. The Company possesses certain proprietary trade secrets, specifications, security protocols, computer hardware and systems, technology and equipment used, methods of business practices and management, research and development, training processes, operational manuals, presentation materials, vendor agreements, supplier lists, vendor lists, marketing and merchandising strategies, plans for new product or service offerings, and experience in the operation of the Franchised Business, knowledge, or know-how concerning the Franchised Business, the System, or methods of operation the identities and personal and contact information of clients of the Franchised Business, financial statements, results of operations, sales, income, expense, and other financial information and records of the Franchised Business, and all electronic information, lists and data related to past, present, and future clients of any franchise, including any franchise operated by Franchisee (the “**Confidential Information**”). Confidential Information shall also expressly include all client personal information that I obtain or have access to.

3. In consideration for the Company agreeing to enter into a Franchise Agreement with the Franchisee and my access to Confidential Information of Franchisee and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree to the terms of this Confidentiality, Non-Disclosure and Non-Competition Agreement (the “**Agreement**”).

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

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in assisting with the operation of the Franchised Business during the term of my spouse’s association with the Franchisee or the expiration or termination of the Franchise Agreement, whichever occurs first, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition. I covenant that I will not forward or provide the Confidential Information to any third party, nor store it on any personal or third-party electronic device, disk, drive, or otherwise, unless expressly authorized to do so by the Company.

6. I understand and agree that I will have no ownership interest in any derivative works created by me, the Franchisee’s employees, or any third party using the Confidential Information or any proprietary information of the Company.

7. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict

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

8. Except as otherwise approved in writing by the Company, I shall not, during the Term of the Franchise Agreement, either directly or indirectly for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation:

- (i) divert or attempt to divert any Principal, business or customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System;
- (ii) own, maintain, engage in, be employed by, or have any interest in any other business which offers estate planning or coaching services (a “**Competing Business**”); or
- (iii) own, maintain, engage in, be employed by or have any interest in any company that grants licenses or franchises for a Competing Business.

Further, for a continuous uninterrupted period commencing upon the expiration or termination of:

- (i) the Franchise Agreement; or
- (ii) my affiliation (or my spouse’s affiliation) with the Franchisee (whichever occurs first), regardless of the cause for termination, and continuing for two (2) years, I shall not either directly or indirectly, for myself or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation own, maintain, engage in, be employed by or have any interest in a Competing Business within a radius of 20 miles (as the crow flies) of the SFC ESTATE COACHING® branded Franchised Business, or any other SFC ESTATE COACHING® branded Franchised Business in operation or under construction, or of any site which is being considered or for which a lease has been signed or discussions are under way for a SFC ESTATE COACHING® branded Franchised Business; or own, maintain, engage in, be employed by or have any interest in any company that grants licenses or franchises for a Competing Business.

The prohibitions in this Paragraph 8 do not apply to my (or my spouse’s) continuing interests in or activities performed in connection with a Franchised Business that is still in operation.

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

10. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof,

without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

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

12. This is not a contract for employment. I agree and understand that I have no employment relationship with the Company.

13. The methods of dispute resolution and the governing law outlined in the Franchise Agreement are incorporated herein and shall govern any dispute in the meaning, understanding, effect, enforcement, interpretation, or validity of this Agreement.

14. This Agreement will be binding upon and inure to the benefit of all parties including my heirs, personal representatives, successors and assigns and Franchisee's and Company's officers, directors, executives, employees, representatives, successors, agents, and assigns. I understand that this Agreement may and will be assigned or transferred to and will be binding upon and will inure to the benefit of, any successor of the Company, and any successor will be deemed substituted, for all purposes, as the "Company" under the terms of this Agreement. As used in this Agreement the term "successor" will mean any person, firm, corporation, or business entity which at any time, whether by merger, purchase or otherwise, acquires all or substantially all of the assets of the business of the Company. I may not assign any of my rights nor delegate any of my duties or obligations under this Agreement.

Dated: _____

Signature: _____

Name: _____

Title: _____

ACKNOWLEDGED BY FRANCHISEE

By: _____

Name: _____

Date: _____

ACKNOWLEDGED BY COMPANY

SFCECUS, LLC

By: _____

Name: Craig Mellendorf

Title: Chief Executive Officer

Date: _____

EXHIBIT 6 TO
SFCECUS, LLC FRANCHISE AGREEMENT
FORM OF GENERAL RELEASE

ONLY TO BE SIGNED UPON TERMINATION OF THE FRANCHISE AGREEMENT

(Current Form – Subject to Change)

THIS GENERAL RELEASE (“Release”) is effective as of _____ (“**Effective Date**”) by and between **SFCECUS, LLC**, a Wisconsin limited liability company having its principal place of business located at 627 Grand Avenue, Thiensville, WI 53092 (the “**Franchisor**”) and _____, with an address of _____ (“**Franchisee**”) and (“**Guarantors**”).

WHEREAS, Franchisor and Franchisee entered into a Franchise Agreement dated _____ (the “**Franchise Agreement**”) which provides Franchisee with the right to operate a SFC ESTATE COACHING® branded Franchised Business at the following location: _____ (the “**Franchised Business**”).

Wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. The Franchise Agreement shall be deemed terminated as of the Effective Date of this Release; however, Franchisee and its Guarantors shall be bound by the post-term restrictions and covenants contained in the Franchise Agreement and attached schedules for the periods set forth therein.
2. Franchisee and its officers, directors, Principals, agents, affiliates, subsidiaries, servants, employees, heirs, predecessors, successors and assigns and Guarantors, do each hereby release Franchisor, its parents, officers, directors, Principals, agents, affiliates, subsidiaries, servants, employees, heirs, successors and assigns, from any and all claims, demands, causes of action, suits, debts, dues, duties, sums of money, accounts, reckonings, judgments, liabilities and obligations, both fixed and contingent, known and unknown, in law or in equity, under local law, state or federal law or regulation which Franchisee and its Guarantors had, from the beginning of time to this date, arising under or in connection with the Franchise Agreement, it being the express intention of each party that this Release is as broad as permitted by law. Further, no claim released hereunder has been assigned to any individual or entity, not a party to this Release.
3. In the event any provision of this Release is ever deemed to exceed the limits permitted by any applicable law, the provisions set forth herein will be reformed to the extent necessary to make them reasonable and enforceable. The invalidity or unenforceability of any provision of this Release will not affect the validity or enforceability of the remaining provisions, all of which are severable and will be given full force and effect.
4. The governing law, methods of dispute resolution and any right to recovery of attorney fees outlined in the Franchise Agreement shall apply to this Release as well.
5. This Release and the other documents referred to herein contain the entire agreement between the parties hereto pertaining to the subject matter hereof and supersede all prior agreements, except those contemplated hereunder or not inconsistent herewith. Any waiver, alteration, or modification of any of the provisions of this Release or cancellation or replacement of this Release shall not be valid unless in writing and signed by the parties.

6. This Release shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.
7. Any waiver of any term of this Release by Franchisor will not operate as a waiver of any other term of this Release, nor will any failure to enforce any provision of this Release operate as a waiver of Franchisor's right to enforce any other provision of this Release.
8. This Release may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same Release. Signature pages may be executed and delivered via facsimile or electronic transmission, and any such counterpart executed and delivered via facsimile or electronic transmission shall be deemed an original for all intents and purposes.

In Witness Whereof, the parties by their undersigned representatives hereby execute this Release.

DO NOT SIGN AT THE EXECUTION OF THE FRANCHISE AGREEMENT

FRANCHISOR:
SFCECUS, LLC

FRANCHISEE:

By: _____
Name: Craig Mellendorf
Title: Chief Executive Officer
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

GUARANTORS:

Name _____, individually
Date: _____

Name _____, individually
Date: _____

Name _____, individually
Date: _____

Name _____, individually
Date: _____

EXHIBIT 7 TO
SFCECUS, LLC FRANCHISE AGREEMENT
TELEPHONE, INTERNET WEBSITES AND LISTINGS AGREEMENT

THIS TELEPHONE, INTERNET WEBSITES AND LISTINGS AGREEMENT (the “**Agreement**”) is made and entered into effective as of _____ (the “**Effective Date**”), by and between SFCECUS, LLC., a Wisconsin limited liability company (the “**Franchisor**”), and _____ (the “**Franchisee**”).

W I T N E S E T H:

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor to develop and operate a SFC ESTATE COACHING® branded Franchised Business (the “**Franchise Agreement**”); and

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee’s agreement to enter into, comply with, and be bound by all the terms and provisions of this Agreement.

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. All terms used but not otherwise defined in this Agreement shall have the meanings set forth in the Franchise Agreement. “**Termination**” of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof.
2. Interest in Telephone Numbers, Internet Websites and Listings. Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of the Franchise Agreement, certain right, title, and interest in and to certain telephone numbers and regular, classified, yellow-page, and other telephone directory listings (collectively, the “**Telephone Numbers and Listings**”); domain names, hypertext markup language, uniform resource locator addresses, and access to corresponding Internet Websites, and the right to hyperlink to certain Websites and listings on various Internet search engines (collectively, the “**Internet Websites and Listings**”) related to the Franchised Business or the Proprietary Marks (all of which right, title, and interest is referred to herein as “**Franchisee’s Interest**”).
3. Transfer. On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately direct all Telephone companies or listing companies, Internet Service Providers, domain name registries, Internet search engines, and other listing agencies (collectively, the “**Companies**”) with which Franchisee has Telephone Numbers and Listings or Internet Websites and Listings: (i) to transfer all of Franchisee’s Interest in such Telephone Numbers and Listings or Internet Websites and Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Telephone Numbers and Listings or Internet Websites and Listings, Franchisee will immediately direct the Companies to terminate such Telephone Numbers and Listings or Internet Websites and Listings or will take such other actions as Franchisor directs.
4. Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor’s benefit under the Franchise Agreement and this Agreement or otherwise, with full power of substitution, as Franchisee’s true and lawful

attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's name or the name of any affiliated person or affiliated company of Franchisee, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

- Direct the Companies to transfer all Franchisee's Interest to Franchisor;
- Direct the Companies to terminate any or all of the Telephone Numbers and Listings or Internet Websites and Listings; and
- Execute the Companies' standard assignment forms or other documents in order to affect such transfer or termination of Franchisee's Interest.
- Franchisee hereby directs the Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated.
- After the Companies have duly transferred all Franchisee's Interest to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations under, such Telephone Numbers and Listings or Internet Websites and Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Companies for the sums Franchisee is obligated to pay such Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Agreement.

5. Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertable in, or in any way related to this Agreement.
6. Indemnification. Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, Principals, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, claims, debts, claims, demands, or obligations that are related to or are based on this Agreement.
7. No Duty. The powers conferred on Franchisor hereunder are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all

of Franchisee's Interest in any or all such Telephone Numbers and Listings or Internet Websites and Listings.

8. Further Assurances. Franchisee agrees that at any time after the date of this Agreement, Franchisee will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Agreement.
9. Successors, Assigns, and Affiliates. All Franchisor's rights and powers, and all Franchisee's obligations, under this Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Agreement.
10. Effect on Other Agreements. Except as otherwise provided in this Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein.
11. Survival. This Agreement shall survive the Termination of the Franchise Agreement.
12. Joint and Several Obligations. All Franchisee's obligations under this Agreement shall be joint and several.
13. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Wisconsin, without regard to the application of Wisconsin conflict of law rules.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISOR:
SFCECUS, LLC

FRANCHISEE:

By: _____
Name: Craig Mellendorf
Title: Chief Executive Officer
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT 8 TO
SFCECUS, LLC FRANCHISE AGREEMENT
ELECTRONIC FUNDS TRANSFER AUTHORIZATION FORM

Franchisee: _____

Principal Name: _____ Phone: _____

Contact Person: _____ Title: _____

Address: _____

Franchisee hereby authorizes **SFCECUS, LLC** (“**Franchisor**”) to initiate entries to the checking or savings account identified below for payment of any other amounts owed by Franchisee to Franchisor or its Affiliates under the SFC ESTATE COACHING® Franchise Agreement between Franchisor and Franchisee or otherwise (including without limitation amounts owed to Franchisor’s Affiliates for Products and supplies) and, if necessary, to initiate any adjustments for transactions credited in error.

This authorization will remain in full force and effect until sixty (60) calendar days after Franchisor has received signed written notification from Franchisee of its termination.

Name and Address on Account: _____

Pay to the order of: [_____]

Franchisee’s Financial Institution: _____
(Name, Address & Phone #) _____

Transit/ABA Routing Number: _____

Account Number: _____

PLEASE ATTACH A VOIDED CHECK

Signature: _____

Date: _____

Printed Name: _____

EXHIBIT F

TABLE OF CONTENTS OF SYSTEM STANDARDS MANUAL

**SFC Estate Coaching
Franchisee Manual**



1. **Introduction – 3 pages**
2. **Welcome to SFC ESTATE COACHING®– 5 pages**
3. **Support Resources – 5 pages**
4. **Pre-Opening Timetable & Obligations – 8 pages**
5. **Franchisee Training Requirements – 15 pages**
6. **Office Policies – 5 pages**
7. **Office Operation and Maintenance – 5 pages**
8. **Office Equipment, Computer System, Inventory & Supplies – 5 pages**
9. **Administration – 5 pages**
10. **Reports, Audits & Inspections – 6 pages**
11. **Vehicle Administration/Travel – 5 pages**
12. **Marketing – 6 pages**
13. **Sales & Pricing – 5 pages**
14. **Insurance Requirements & Risk Management – 5 pages**
15. **Corporate Structure and Financing – 5 pages**
16. **Trademarks and Trade Secrets – Protection Policies – 5 pages**
17. **Field Operations – 8 pages**
18. **Resale, Transfer, Renewal, and Closing – 5 pages**
19. **Expansion and Relocation Requirements – 5 pages**

EXHIBIT G

STATE ADDENDA TO FDD AND FRANCHISE AGREEMENT,

SPECIFIC STATE ADDENDUM
STATE ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following are additional disclosures for our Multistate Franchise Disclosure Document. Various state franchise laws require us to make these additional disclosures. These additional disclosures will not apply to you unless you meet the jurisdictional requirements of the applicable state franchise registration and disclosure law independently without reference to these additional disclosures. These disclosures supplement our Disclosure Document and supersede any conflicting information contained in the main body of the Disclosure Document:

FOR THE STATE OF CALIFORNIA

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner.

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Franchise Disclosure Document.

“The franchisor, any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

a. California Business and Professions Code 20000 through 20043 provides rights to the franchisee concerning transfer, termination, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control. (Note: This is required to be disclosed in all filings.)

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

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

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

e. The Franchise Agreement requires binding arbitration. The arbitration will occur at Franchisor's headquarters in Wisconsin with the costs being borne equally by Franchisor and franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a Franchise Agreement restricting venue to a forum outside the State of California.

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

g. Section 31125 of the California Corporations Code requires us to give you a Disclosure Document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

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

i. 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.

FOR THE STATE OF CONNECTICUT

1. Item 3 is amended to read as follows:

Neither the Franchisor nor any person identified in Items 1 or 2 above has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations.

Neither the Franchisor nor any other person identified in Items 1 or 2 above has during the ten (10) year period immediately preceding the date of this Disclosure Document, been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable in any civil action by final judgment, or been the subject of any material complaint or other legal proceeding where a felony, civil action, complaint or other legal proceeding involved violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations or which was brought by a present or former purchaser-investor or which involves or involved the business opportunity relationship.

Neither the Franchisor nor any person identified in Items 1 or 2 above is subject to any currently effective injunctive or restrictive order or decree relating to the franchise, or under any federal, state or Canadian franchise, securities, business opportunity, antitrust, trade regulation or trade practice law as a result of concluded or pending action or proceeding brought by a public agency, or is a party to a proceeding currently pending in which an order is sought, relating to or affecting business opportunity activities or the seller-purchaser-investor relationship, or involving fraud, including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property or restraint of trade.

Neither Company nor any person identified in Item 2 above 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) suspending or expelling these persons from membership in the association or exchange.

FOR THE STATE OF ILLINOIS

Item 5 is amended to state that payment of Initial Franchise/Area Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirements was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a Franchise Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Franchise Agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, 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.

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.

You must open your Franchised Business within 20 days after completing the Initial Training Program to our satisfaction, and in all cases no later than 90 days after executing the Franchise Agreement.

In the event we or another franchisee in the **SFC ESTATE COACHING®**System ("**Referral Source**") gives you a client lead ("**Referral**") and you accept the Referral, you shall pay to the Referral Source a commission as follows ("**Contract Referral Fee**"): (a) 15% of the contract price if the contract has already been executed by the Referral; or (b) 5% of the contract price if no contract has been executed by the Referral and you negotiate and obtain an executed contract from the Referral. The Contract Referral Fee may be paid in total upon accepting the Referral or monthly over the term of the contract as negotiated between you and the Referral Source. If the contract is not executed when referred, no Contract Referral Fee will be due until you have obtained an executed contract from the Referral.

FOR THE STATE OF INDIANA

1. Item 8 of the Disclosure Document is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

2. Items 6 and 9 of the Disclosure Document are amended to add the following:

The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.

3. Item 17 of the Disclosure Document is amended to add the following:

Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.

Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.

Item 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee.

Item 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.

Item 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action that arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

4. 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.

FOR THE STATE OF MARYLAND

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.

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17 is modified to provide as follows: "This Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable."
2. Item 17(b) is modified to also provide, "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."
3. Item 17(h) is modified to also provide, "The provision in the Franchise Agreement that provides that we may terminate the agreement upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)."
4. Item 17(u) is modified to also provide, "A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."
5. Item 17(v) is modified to also provide, "Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

FOR THE STATE OF MINNESOTA

The following is added to the Disclosure Document:

The Franchise Compliance Certificate is not applicable in Minnesota.

Items 5 & 7 and Franchise Agreement:

Payment of the initial franchise fee shall be deferred until Franchisee has commenced doing business. The Minnesota Department of Commerce's office imposed this deferral requirement due to Franchisor's financial condition.

Item 17, summary column for (f) is amended to add the following:

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

Item 17, summary column for (m) is amended to add the following:

Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act. Minnesota Rules 2860.4400(D) [revisor.leg.state.mn.us] prohibits a franchisor from requiring a franchisee to assent to a general release.

Item 17, summary columns for (v) and (w) are amended to add the following:

Minnesota Statute 80C.21 [revisor.leg.state.mn.us] and Minnesota Rule 2860.4400(J) [revisor.leg.state.mn.us] prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80C [revisor.leg.state.mn.us] or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. e. NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G) [revisor.mn.gov]. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name. The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5. [revisor.leg.state.mn.us]. NSF checks are governed by Minnesota Statute 60-5.113, which puts a cap of \$30 on service charges.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

No statement, questionnaire, or acknowledgement 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 with the franchisee.

FOR THE STATE OF NORTH DAKOTA

Item 17 (c) of the Disclosure Document and the Franchise Agreement require the franchisee to sign a general release upon renewal of the Franchise Agreement. Those provisions are deleted in their entirety.

Item 17 (i) of the Disclosure Document and the Franchise Agreement require the franchisee to consent to termination or liquidated damages. Those provisions are deleted in their entirety.

Item 17 (r) of the Disclosure Document and the Franchise Agreement disclose the existence of certain covenants restricting competition to which franchisees must agree. Those provisions are deleted in their entirety.

Item 17 (u) of the Disclosure Document and the Franchise Agreement require the franchisee to agree to arbitration or mediation of disputes in Wisconsin is amended to provide that the site of arbitration or mediation must be agreeable to all parties and must not be remote from the franchisee's place of business.

Item 17 (v) of the Disclosure Document and the Franchise Agreement provide that franchisees must consent to the jurisdiction of courts in Wisconsin. Those sections are deleted in their entirety.

Section 17 (w) of the Disclosure Document and the Franchise Agreement provide that the agreement shall be construed according to the laws of the state of Wisconsin. Those sections are amended to substitute “North Dakota” for references to “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.

FOR THE STATE OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for 16 Handles Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Item 5 of the Disclosure Document is amended to add the following:

The following statements are added to Item 17.h:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a Franchise Agreement without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or development agreement, do 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.

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.

FOR THE STATE OF WASHINGTON

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the Franchise Agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the Franchised Business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

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

2. Franchisee Bill of Rights. RCW 19.100.180 may supersede provisions in the Franchise Agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the Franchise Agreement

or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. Site of Arbitration, Mediation, and/or Litigation. 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, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. General Release. A release or waiver of rights in the Franchise Agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. Statute of Limitations and Waiver of Jury Trial. Provisions contained in the Franchise Agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. Transfer Fees. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. Termination by Franchisee. The franchisee may terminate the Franchise Agreement under any grounds permitted under state law.

8. Certain Buy-Back Provisions. Provisions in Franchise Agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the Franchise Agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. Fair and Reasonable Pricing. Any provision in the Franchise Agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the Franchise Agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the Franchise Agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the Franchise Agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the Franchise Agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** 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 provision contained in the Franchise Agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Non-solicitation Agreements.** 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.

16. 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.

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RIDER TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN CALIFORNIA

THIS RIDER is made and entered into on _____, 20____ (the “Effective Date”) by and between **SFCECUS, LLC**, a limited liability company formed under the laws of the State of Wisconsin, with its principal business address at 627 Grand Avenue, Thiensville, WI 53092, (“we,” “us,” or, “our”), and _____, a _____
[**corporation, limited liability company, general partnership, or limited partnership**] formed under the laws of the State of _____, [**or a sole proprietorship**] with its principal business address at _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (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 California and the Franchised Business that you will operate under the Franchise Agreement will be located in California, and/or (b) you are domiciled in California.

2. 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.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date.

FRANCHISOR:

SFCECUS, LLC

By: _____

Printed Name: _____

Title: _____

Date: _____

FRANCHISEE:

[_____]

By: _____

Printed Name: _____

Title: _____

Date: _____

RIDER TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is made and entered into on _____, 20____ (the “Effective Date”) by and between **SFCECUS, LLC**, a limited liability company formed under the laws of the State of Wisconsin, with its principal business address at 627 Grand Avenue, Thiensville, WI 53092, (“we,” “us,” or “our”), and _____, a _____
[**corporation, limited liability company, general partnership, or limited partnership**] formed under the laws of the State of _____, [**or a sole proprietorship**] with its principal business address at _____ (“you” or “your”).

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a Franchise Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Franchise Agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

Payment of Initial Franchise/Area Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirements was imposed by the Office of the Illinois Attorney General due to Franchisor’s financial condition.

In conformance with section 41 of the Illinois Franchise Disclosure Act, 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.

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.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date.

FRANCHISOR:

SFCECUS, LLC

By: _____
Printed Name: _____
Title: _____
Date: _____

FRANCHISEE:

[_____]

By: _____
Printed Name: _____
Title: _____
Date: _____

RIDER TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN MARYLAND

THIS RIDER is made and entered into on _____, 20____ (the “Effective Date”) by and between **SFCECUS, LLC**, a limited liability company formed under the laws of the State of Wisconsin, with its principal business address at 627 Grand Avenue, Thiensville, WI 53092, (“we,” “us,” or “our”), and _____, a _____ [corporation, limited liability company, general partnership, or limited partnership] formed under the laws of the State of _____, [or a sole proprietorship] with its principal business address at _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement effective as of _____ (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 Franchised Business that you will operate under the Franchise Agreement will be located in Maryland; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Maryland.

2. **RELEASES.** The following is added to the Franchise Agreement:

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

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

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.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date.

FRANCHISOR:

SFCECUS, LLC

By: _____
Printed Name: _____
Title: _____
Date: _____

FRANCHISEE:

[_____]

By: _____
Printed Name: _____
Title: _____
Date: _____

RIDER TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

This Rider is entered into this _____, 20__ (the “**Effective Date**”), between **SFCECUS, LLC** (“**we**,” “**us**” or “**our**”), and _____ “**you**” or “**your**”), (collectively, you and we are referred to as the “**parties**” and individually sometimes referred to as a “**party**”) and amends the Franchise Agreement between the parties dated as of the Effective Date (the “**Agreement**”).

1. **Precedence and Defined Terms.** This Rider is incorporated into the Agreement and supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.
2. **Initial Fees.** Payment of the initial franchise fee shall be deferred until Franchisee has commenced doing business. The Minnesota Department of Commerce’s office imposed this deferral requirement due to Franchisor’s financial condition.
2. **Insufficient Funds.** Insufficient Funds checks are governed by Minnesota Statute 60-5.113, which puts a cap of \$30 on service charges.
3. **Transfer.** Section 12 of the Agreement is amended to add the following:

Our consent to the transfer of the franchise will not be unreasonably withheld. Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act. Minnesota Rules 2860.4400(D) [revisor.leg.state.mn.us] prohibits a franchisor from requiring a franchisee to assent to a general releasee.
4. **Expiration of this Agreement.** Section 13 of the Agreement is amended to add the following:

With respect to franchises governed by Minnesota Law, we will comply with Minn. Stat. Sec. 80c.14, subds. 3, 4, and 5, which require, except in certain specified cases, that you be given 180 days’ notice of non-renewal of the Franchise Agreement.
5. **Termination.** Section 14 of the Agreement is amended to add the following:

With respect to franchises governed by Minnesota Law, we will comply with Minn. Stat. Sec. 80c.14, subds. 3, 4, and 5, which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure). Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act. Minnesota Rules 2860.4400(D) [revisor.leg.state.mn.us] prohibits a franchisor from requiring a franchisee to assent to a general release.
5. **Jurisdiction.** The following is added to Section 18:

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

the jurisdiction.

6. **Waiver of Punitive Damages and Jury Trial.** Sections 18.10 and 18.11 are deleted in their entirety.

7. **Limitation of Claims.** Section 18 is amended to add the following:

No action may be commenced for claims coming under Minnesota Law more than 3 years after the cause of action accrues.

9. **Injunctive Relief.** The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

10. **General Release.** Pursuant to Minn. Rule 2860.4400D the general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Minnesota Franchise Act.

11. No statement, questionnaire, or acknowledgement 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 with the franchise.

Intending to be bound, the parties sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

FRANCHISOR:

SFCECUS, LLC

By: _____

Printed Name: _____

Title: _____

Date: _____

FRANCHISEE:

[_____]

By: _____

Printed Name: _____

Title: _____

Date: _____

RIDER TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA

THIS RIDER is made and entered into on _____, 20____ (the “Effective Date”) by and between **SFCECUS, LLC**, a limited liability company formed under the laws of the State of Wisconsin, with its principal business address at 627 Grand Avenue, Thiensville, WI 53092, (“**we**,” “**us**,” or “**our**”), and _____, a _____ [corporation, limited liability company, general partnership, or limited partnership] formed under the laws of the State of _____, [or a sole proprietorship] with its principal business address at _____ (“**you**” or “**your**”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (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 Franchised 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 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. **COVENANT NOT TO COMPETE.** The following is added to 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.

4. **ARBITRATION.** The Franchise Agreement is amended to read as follows:

We and you agree that, except for controversies, disputes, or claims related to or based on improper use of the Proprietary Marks or Confidential Information, all controversies, disputes, or claims between us and our affiliates, and our and their respective shareholders, officers, directors, agents, and/or employees, and you (and/or your owners, guarantors, affiliates, and/or employees) arising out of or related to:

- (1) this Agreement or any other agreement between you and us (or our affiliates);
- (2) our relationship with you;
- (3) the validity of this Agreement or any other agreement between you and us (or our affiliates); or
- (4) any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association. The arbitration proceedings will be conducted by one arbitrator and, except as this Sub-section otherwise

provides, according to the then current commercial arbitration rules of the American Arbitration Association. All proceedings will be conducted at a suitable location chosen by the arbitrator in or within fifteen (15) miles of our then existing principal office; provided, however, that to the extent 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. §§ I, et seq.). Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

5. **GOVERNING LAW.** The Franchise Agreement is amended with the following:

All matters relating to arbitration will be governed by the 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 federal law and except as otherwise required by North Dakota law, this Agreement, the Franchise, and all claims arising from the relationship between us and you will be governed by the laws of the State of Wisconsin, without regard to its conflict of laws rules, except that any Wisconsin law regulating the 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 Sub-section.

6. **CONSENT TO JURISDICTION.** The Franchise Agreement is amended with the following:

Subject to the above and the provisions below, we and you (and your owners) agree that all actions arising under this Agreement or otherwise as a result of the relationship between you and us must be commenced in the state or federal court of general jurisdiction which is closest to where our principal office then is located, 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. Nonetheless, we and you (and your owners) agree that any of us may enforce any arbitration orders and awards in the courts of the state or states in which you are domiciled or the Franchised Business is located. 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.

7. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** To the extent required by the North Dakota Franchise Investment Law, any restriction as to punitive damages or jury trials found within the Franchise Agreement is deleted.

8. **LIMITATIONS OF CLAIMS.** The following is added to the Franchise Agreement:

The statutes of limitations under North Dakota law apply with respect to claims arising under the North Dakota Franchise Investment Law.

9. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date.

FRANCHISOR:

SFCECUS, LLC

By: _____
Printed Name: _____
Title: _____
Date: _____

FRANCHISEE:

[_____]

By: _____
Printed Name: _____
Title: _____
Date: _____

RIDER TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND

THIS RIDER is made and entered into on _____, 20____ (the “Effective Date”) by and between **SFCECUS, LLC**, a limited liability company formed under the laws of the State of Wisconsin, with its principal business address at 627 Grand Avenue, Thiensville, WI 53092, (“we,” “us,” or, “our”), and _____, a _____ [corporation, limited liability company, general partnership, or limited partnership] formed under the laws of the State of _____, [or a sole proprietorship] with its principal business address _____ at _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (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 Franchised 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.** The Franchise Agreement is amended with the following:

All matters relating to arbitration will be governed by the 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 federal law, this Agreement, the Franchise, and all claims arising from the relationship between us and you will be governed by the laws of the State of Wisconsin, without regard to its conflict of laws rules, except that (1) any Wisconsin law regulating the 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 Sub-section and (2) to the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.

3. **CONSENT TO JURISDICTION.** The Franchise Agreement is amended as follows:

Subject to the above and the provisions below, we and you (and your owners) agree that all actions arising under this Agreement or otherwise as a result of the relationship between you and us must be commenced in the state or federal court of general jurisdiction which is closest to where our principal office then is located, 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. Nonetheless, we and you (and your owners) agree that any of us may enforce any arbitration orders and awards in the courts of the state or states in which you are domiciled or the Franchised Business is located. Notwithstanding the foregoing, to the extent required by applicable law, you may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

4. No statement, questionnaire or acknowledgement 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

behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date.

FRANCHISOR:

SFCECUS, LLC

By:_____

Printed Name:_____

Title:_____

Date: _____

FRANCHISEE:

[_____]

By:_____

Printed Name:_____

Title:_____

Date: _____

RIDER TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN VIRGINIA

THIS RIDER is made and entered into on _____, 20____ (the “Effective Date”) by and between **SFCECUS, LLC**, a limited liability company formed under the laws of the State of Wisconsin, with its principal business address at 627 Grand Avenue, Thiensville, WI 53092, (“we,” “us,” or, “our”), and _____, a _____ **[corporation, limited liability company, general partnership, or limited partnership]** formed under the laws of the State of _____, **[or a sole proprietorship]** with its principal business address at _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement effective as of _____ (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 Virginia; and/or (b) the Franchised Business that you will operate under the Franchise Agreement will be located or operated in Virginia; and/or (c) any of the offering or sales activity relating to the Franchise Agreement occurred in Virginia.

1. Section 3.1 of the Franchise Agreement is amended to add the following:
2. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
3. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date.

FRANCHISOR:

SFCECUS, LLC

By: _____
Printed Name: _____
Title: _____
Date: _____

FRANCHISEE:

[_____]

By: _____
Printed Name: _____
Title: _____
Date: _____

ADDENDUM TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN WASHINGTON

THIS ADDENDUM is made and entered into on _____, 20____ (the “Effective Date”) by and between **SFCECUS, LLC**, a limited liability company formed under the laws of the State of Wisconsin, with its principal business address at 627 Grand Avenue, Thiensville, WI 53092, (“we,” “us,” or, “our”), and _____, a _____ [corporation, limited liability company, general partnership, or limited partnership] formed under the laws of the State of _____, [or a sole proprietorship] with its principal business address at _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement effective as of _____ (the “Franchise Agreement”) that has been signed concurrently with the signing of this Rider. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) you are a resident of Washington; and/or (b) the Franchised Business that you will operate under the Franchise Agreement will be located or operated wholly or partly in Washington; and/or (c) any of the offering or sales activity relating to the Franchise Agreement occurred in Washington.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the Franchise Agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the Franchised Business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

4. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

5. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the Franchise Agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the Franchise Agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

6. **Site of Arbitration, Mediation, and/or Litigation.** 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, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

7. **General Release.** A release or waiver of rights in the Franchise Agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent

counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

8. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the Franchise Agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

9. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

10. **Termination by Franchisee.** The franchisee may terminate the Franchise Agreement under any grounds permitted under state law.

11. **Certain Buy-Back Provisions.** Provisions in Franchise Agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the Franchise Agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

12. **Fair and Reasonable Pricing.** Any provision in the Franchise Agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

13. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the Franchise Agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

14. **Franchisor's Business Judgement.** Provisions in the Franchise Agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

15. **Indemnification.** Any provision in the Franchise Agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

16. **Attorneys' Fees.** If the Franchise Agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

17. **Noncompetition Covenants.** 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 provision contained in the Franchise Agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

18. **Non solicitation Agreements.** 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.

IN WITNESS WHEREOF, the parties have executed and delivered this Addendum on the dates noted below, to be effective as of the Effective Date.

FRANCHISOR:

SFCECUS, LLC

By: _____

Printed Name: _____

Title: _____

Date: _____

FRANCHISEE:

[_____]

By: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT H

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	Not Registered
Hawaii	Not Registered
Illinois	
Indiana	
Maryland	Not Registered
Michigan	
Minnesota	
New York	Not Registered
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Not Registered
Washington	Not Registered
Wisconsin	

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

EXHIBIT I

RECEIPTS

RECEIPT

(Keep this copy for your records)

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully. If SFCECUS, LLC offers you a franchise, they must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale. Under Michigan, Oklahoma, Rhode Island, or Washington law, if applicable, SFCECUS, LLC must provide this Disclosure Document to you at your first personal meeting to discuss the franchise, if earlier. Under New York law, if applicable, SFCECUS, LLC must provide this Disclosure Document to you at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If SFCECUS, 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 and state law may have occurred and should be reported to the federal trade commission, Washington, D.C, 20580 and the appropriate state agency listed on Exhibit A to the Disclosure Document.

The name, principal business address and telephone number of each franchise seller offering the franchise is:

Craig Mellendorf
627 Grand Avenue
Thiensville, WI 53092
414-885-4587
franchising@sfcestatecoaching.com

The issuance date of this Franchise Disclosure Document is **April 1, 2026**

SFCECUS, LLC authorizes the respective state officials listed on Exhibit A to the Disclosure Document to receive service of process for us in each particular state.

I have received a Franchise Disclosure Document dated **April 1, 2026**, that included the following Exhibits:

Exhibit A – State Agencies/Agents for Service of Process	Exhibit F – Table of Contents of System Standards Manual
Exhibit B – Financial Statements	Exhibit G – State Specific Addenda
Exhibit C – Franchisee List	Exhibit H – State Effective Dates
Exhibit D – Franchisees Who Have Left the System	Exhibit I - Receipts
Exhibit E – Franchise Agreement	

Date: _____

Signature of Prospective Franchisee

Signature of Prospective Franchisee

RECEIPT

(Return this copy to us)

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If SFCECUS, 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 and state law may have occurred and should be reported to the federal trade commission, Washington, D.C, 20580 and the appropriate state agency listed on Exhibit A to the Disclosure Document.

Craig Mellendorf
627 Grand Avenue
Thiensville, WI 53092
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Exhibit D – Franchisees Who Have Left the System	Exhibit I - Receipts
Exhibit E – Franchise Agreement	

Date: _____

Signature of Prospective Franchisee

Signature of Prospective Franchisee

Please sign, date and return this Receipt to Craig Mellendorf at 627 Grand Avenue, Thiensville, WI 53092; franchising@sfcestatecoaching.com.