SUNUP
INSURANCE SERVICES

FRANCHISE DISCLOSURE DOCUMENT
UNIT FRANCHISE

SUNUP Insurance Services Inc.
A North Carolina Corporation
152 Kinderton Way East
Bermuda Run, NC 27006
Telephone: (844) 377-8687
email:bizzopp@SUNUPinsurance.com
www.SUNUPInsuranceServices.com

SUNUP Insurance Services Inc. d/b/a SUNUP Insurance offers a franchise opportunity to offer insurance products and services.

~~We offer two franchise levels as follows:~~

~~**Powered by SUNUP**~~

_The total investment necessary to begin operation of a ~~Powered by~~ SUNUP Insurance franchise is ~~$29,250-$78,250. This includes $20,000 that must be paid to the franchisor or affiliate.~~

~~**SUNUP Premium**~~

~~The total investment necessary to begin operation of a SUNUP Premium Insurance franchise is~~ $34,250-$83,250. This includes $25,000 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Todd Swicegood 152 Kinderton Way East, Bermuda Run, North Carolina 27006 at (844) 377-8687.

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 to an advisor, like a lawyer or 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 27, 2017 as amended July 20, 2017

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit D for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise.

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION AND LITIGATION ONLY IN NORTH CAROLINA. OUT-OF-STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE AND LITIGATE WITH US IN NORTH CAROLINA THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT NORTH CAROLINA LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE COULD BE A HIGHER RISK INVESTMENT THAN A SYSTEM WITH A LONGER OPERATING HISTORY.

4. YOU WILL BE REQUIRED TO PAY A ROYALTY FEE OF 20% OF GROSS REVENUE. YOU MUST MAKE MINIMUM ROYALTY PAYMENTS, REGARDLESS OF YOUR SALES LEVELS. YOUR INABILITY TO MAKE THE PAYMENTS MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT.

5. YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. IF YOU FAIL TO DO SO, YOU COULD LOSE ANY TERRITORIAL RIGHTS YOU ARE GRANTED OR THE FRANCHISOR COULD TERMINATE YOUR AGREEMENT RESULTING IN THE LOSS OF YOUR INVESTMENT, OR BOTH.

6. THERE MAY BE OTHER RISKS CONCERNING THE FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should make sure to do your own investigation of the franchise.

Effective Date: See the next page for state effective dates.

STATE EFFECTIVE DATES

The following states 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 Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California	~~June 9, 2017~~
Illinois	~~June 19, 2017~~
New York	

MICHIGAN ADDENDUM

TO THE DISCLOSURE DOCUMENT

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, logo type, 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 obligation to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

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

Any questions regarding this notice should be directed to Department of the Attorney General's Office, Consumer Protection Division, Franchise Section, G. Mennen Williams Building, 525 W. Ottawa Street, Lansing, Michigan 48913; telephone number (517) 373-7117.

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

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Exhibits

ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor, and any Parents, Predecessors, and Affiliates. To simplify the language in this disclosure document, the terms "SUNUP," "we," "us," and "our" refer to SUNUP Insurance Services Inc. d/b/a SUNUP Insurance, the Franchisor. The terms "you" and "your" refer to the person or entity that buys this franchise, including any guarantors.

Our principal business address is 152 Kinderton Way East, Bermuda Run, North Carolina 27006.

We do not have any parents, predecessors or affiliates.

We do business as "SUNUP Insurance."

Our agents for service of process are listed in Exhibit D.

We are a North Carolina corporation formed on February 8, 2016.

Our Business and the Franchises Offered. We ~~do not~~ operate ~~businesses~~a business of the type being franchised~~, but we reserve the right to do so~~. We do not engage in other business activities except as disclosed here.

We offer franchises for the offering of insurance products and services ("Franchised Business") ~~at two franchise levels which we describe below:~~

~~**Powered by SUNUP**~~

~~We offer the Powered by SUNUP concept as an addition~~ to existing insurance agents, existing business owners with a storefront ~~location actively engaged in the insurance~~ established business and ~~holding an~~ individuals who wish to make the insurance ~~license.~~

selling business a significant part of their primary business. You ~~will~~can operate under ~~a non SUNUP branded business where insurance is the primary product, and use SUNUP though which to offer approved SUNUP insurance products. You will display SUNUP as the non~~ the SUNUP Insurance Service, Inc primary ~~branding on the storefront.~~

~~You will not receive an exclusive territory. The territory will be a specific address, without a radius~~heading with "your agency name" as secondary, or ~~other area of protection.~~

~~You and other franchisees also may solicit and transact business in any jurisdiction in which~~if you have a well established agency or ~~they are licensed to transact~~ business~~, provided that we may also lawfully transact~~ with significant branding, you can operate your business ~~in that jurisdiction.~~

~~If you desire to relocate the outlet, you must secure our prior approval.~~

~~This franchise level allows you to have 1-2 outlets. If you later want to add additional outlets, you may do so, with our prior approval, upon payment to us of an Access Fee for Additional Powered by SUNUP Outlets in the amount of $5,000 per outlet.~~

~~SUNUP Premium~~

~~We offer the SUNUP Premium concept to franchisees without an existing other line of business or those who have an existing business whose primary business is not insurance.~~

~~You may display "SUNUP" as your primary storefront branding, but are not required to do so.~~

~~We will not allow another SUNUP Premium outlet to open in your territory, but may allow Powered by SUNUP outlets to open in your territory. Your territory will be a 1 mile radius from your outlet.~~

~~You and other franchisees also may solicit and transact business in any jurisdiction in which you or they are licensed to transact business, provided that we may also lawfully transact business in that jurisdiction.~~

~~This franchise level allows you to have up to 4 outlets in your territory.~~under "your agency name" powered by SUNUP.

The General Market. The general market for this service is developed. Your services will primarily be sold to individuals. Sales are year round but certain insurance products have increased sales during specific open enrollment periods.

Laws and Regulations. Insurance agents must have applicable state insurance licenses in order to offer and sell insurance products. You should investigate the application of these laws further.

Competition. Our primary competition comes from other individuals and businesses who sell insurance products and services, which include online portals, insurance companies, brokers, and agents.

Our Prior Business Experience. We have offered franchises of the type offered here since February 2016. Neither we nor an affiliate have offered franchises in any other line of business. We have operated a business of the type you will offer since June 2017.

Area Representatives. We have also offered an Area Representative franchise program since February 2016, pursuant to a separate Franchise Disclosure Document. If your territory is in an Area Representative area, the Area Representative may assist in initial training, site selection, and operational support of your franchise.

We attach here as Exhibit M a list of Area Representatives and further disclosures about them as to Items 2, 3, 4, and 11 of this disclosure document.

ITEM 2
BUSINESS EXPERIENCE

Jerry Todd Swicegood, CEO. Todd Swicegood has served as our CEO since February 2016. Mr. Swicegood has also served as the Chief Marketing and Sales Officer for The Benefits Corner in Greensboro, North Carolina from April 2014 to December 2015. From January 2012 to the present, Mr. Swicegood has served as a Liberty Tax franchisee in Mocksville, North Carolina.

Jeffrey L. Hastings, President of Franchising. Mr. Hastings has served as our President of Franchising since November 2016. Mr. Hastings has also served as the President-Business Coaching of Jeff Hastings Agency, Inc. in Houston, Texas since January 2007. From June 1996 until October 2012, Mr. Hastings also served as a District Manager for Farmers Insurance Group in Houston, Texas.

Frank L. Hursh, President of Insurance Markets. Mr. Hursh has served as our President of Insurance Markets since January 2017. From February 2008 until February 2016, Mr. Hursh served as CEO of Texas Insurance Agency in Katy, Texas.

Karen Swicegood, Secretary. Karen Swicegood has served as our Secretary since January 2016. From January 2012 to the present, Ms. Swicegood has also served as a Liberty Tax franchisee in Mocksville, North Carolina. From 2005 until January 2012, Ms. Swicegood served as a self-employed Realtor in Advance, North Carolina.

Lalo Diaz, Jr., Director of Property & Casualty Markets. Lalo Diaz has served as our Director of Property and Casualty Markets since January 2017. Mr. Diaz has also served as an Area Representative for us in Uvalde, Texas since November 2016. From January 2015 until the present, Mr. Diaz has also served as a Justice of the Peace in Uvalde, Texas. From June 2014 until the present, Mr. Diaz has also served as the Owner of Uvalde Postal Express. From November 2010 until the present, Mr. Diaz has served as a Liberty Tax Service franchisee in Uvalde, Texas. From December 2009 until the present, Mr. Diaz has served as an Agent for Diaz Insurance Agency, Farmers Insurance, in Uvalde, Texas.

Bryan Scott, Director of Onboarding, Licensing and Contracting. Mr. Scott has served as our Director of Onboarding, Licensing and Contracting since August 2016. From July 2014 until August 2016, Mr. Scott served as Regional Director for Empower Brokerage in Ft. Worth, Texas. From March 2012 until July 2014, Mr. Scott served as Benefits Consultant for Hodges Mace in Atlanta, Georgia. From September 2009 until July 2010, Mr. Scott served as Regional Director for Universal Health Care, Inc. in Ste. Petersburg, Florida. From April 2004 until the present, Mr. Scott has served as the Owner of Management Business Solutions, LLC in Canton, Georgia.

John Clark, President of SUNUP University. Mr. Clark has served as the President of SUNUP University since February 2017. From February 2012 until the present, Mr. Clark has also served as an Agent for Farmers Insurance in Liberty Hill, Texas. From December 2007 until January 2012, Mr. Clark served as Division Market Manager for Farmers Insurance in Los Angeles, California. From 1990 until December 2007, Mr. Clark varyingly worked for Farmers Insurance as an Agent, Reserve District Manager, and District Manager in Texas.

Robert Lougen, Chief Operating Officer. Mr. Lougen has served as our Chief Operating Officer since November 2016. From April 2014 until June 2015, Mr. Lougen served as Vice President of Operations for Liberty Tax Services in Virginia Beach, Virginia. From January 2013 until March 2014, Mr. Lougen served as Chief Operating Officer for Asurvest in Baltimore, Maryland. From July 2004 until September 2012, Mr. Lougen served as President of H&R Block Inc. on Calgary, Alberta, Canada.

Larry Pratt, Chief Marketing Officer. Mr. Pratt has served as our Chief Marketing Officer since April 2017. From June 2016 to the present, Mr. Pratt served as Managing Partner for Prospector's Edge in Portland, Oregon. From June 2015 to December 2016, Mr. Pratt served as Chief Operating officer for Greenspan Adjusters in San Francisco, California. From April 2013 to October 2014, Mr. Pratt served as VP Head of NW Territory for Farmers Insurance in Portland, Oregon. From January 2011 to April 2013, Mr. Pratt served as VP Head of California for Farmers Insurance in Los Angeles, California.

ITEM 3
LITIGATION

Franchise Enterprise, LLC, Danny Hewitt, Chad Corman, and JRDC LLC v. Sunup Insurance Services, Inc. and Jerry Todd Swicegood, Case No. CL 17-1453 (Circuit Court of the City of Virginia Beach filed on March 27, 2017). The plaintiffs were parties to a contract with us and filed suit against us for breach of contract, breach of fiduciary duty, tortious interference, and an accounting in equity. The plaintiffs seek damages of $28,857,056 or such amount as is proven at trial, punitive damages of $350,000, an accounting, interest, attorney fees, and costs. On April 19, 2017, the parties reached a tentative settlement whereby we will pay $120,000 over a 3 year period to settle all claims, exchange mutual releases, and the plaintiffs will dismiss the action with prejudice.

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

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this item.

ITEM 5
INITIAL FEES

The initial franchise fee is ~~based upon the franchise level that you acquire as follows:~~

~~**Franchise Level**~~	~~**Initial Franchise Fee**~~
~~Powered by SUNUP~~	~~$20,000~~
~~SUNUP Premium~~	~~$25,000~~

$25,000. ~~We disclose financing terms in Item 10.~~

The initial franchise fee is due to us in full when you return to us signed copies of your Franchise Agreement. The initial franchise fee is fully earned and nonrefundable upon your signing of the franchise agreement and receipt of the funds by us.

We disclose financing terms in Item 10.

ITEM 6
OTHER FEES

Fee	Amount	Due Date	Remarks
Royalty (Note 1)	20% of Gross Revenue subject to the following Minimum Royalties, based upon the number of months after the Effective Date of the Franchise Agreement: 6-12 months $500/mo. 13-18 months $800/mo. 19-30 months $1,200/mo. 30+ months $1,500/mo.	On the ~~15th~~10th of the month following receipt of the Gross Revenue.	"Gross Revenue" means all revenue generated in the in the offer or sale of authorized products through the Franchised Business, including commissions and bonuses. "Gross Revenue" does not include sales tax. See Franchise Agreement, Section 4.2.
Opening Deadline Extension Fee	$500 per month (or portion of month) for which the deadline is extended.	Upon approval of extension	Payable for each month that you are granted an extension beyond the 180 days allowed in your franchise agreement. See Franchise Agreement, Section 4.3.
Brand Fund Fee	1% of Gross Revenues	On the 15th of the month following receipt of the Gross Revenue	See Franchise Agreement, Section 4.4.
~~Access Fee for additional Powered by SUNUP outlets~~Fees to Third Parties	~~$5,000~~Varies	~~Before we approve your opening of an additional Powered by SUNUP outlet~~At time of payment	~~Payable if you desire~~You must pay to ~~open more than 2 Powered by SUNUP locations under a Powered by SUNUP franchise level or if you want to add a Powered by SUNUP outlet to a Storefront franchise level.~~us fees that we incur on your behalf with third parties. See Franchise Agreement, Section 4.5.

Audit Fee	Cost of Audit	On Demand	Payable if audit discloses an underpayment of royalty or fee by 2% of more~~.~~ or a state insurance law violation. See Franchise Agreement, Section 4.6.
Inspection Fee	Reasonable costs associated with inspection of your business (including transportation, lodging and employee wages.)	On Demand	Payable if necessitated by repeated failure to maintain franchise standards, consumer complaints or failure to comply with any provisions of the franchise agreement. See Franchise Agreement, Section 4.7.
Transfer Fee	$5,000 (complete transfer of transfer of a majority interest) $2,000 (transfer of a minority interest)	At the time you transfer the franchise or a majority ownership in it	No fee if transferred from individual to business entity owned by the same owners with the same ownership percentages. See Franchise Agreement, Section 4.8.
Interest	Lessor of 18% or the maximum permitted by law	Owed on past due amounts	See Franchise Agreement, Section 4.10.
Legal Fees and Costs	Varies	As incurred	If we must bring suit to enforce our rights under this Agreement, and we are the prevailing party, you must pay our attorney fees and costs in such suit. See Franchise Agreement, Section 4.11.
Client Refunds	The amount of any fee we refund to a client	At time of payment	If you do not resolve a client service complaint and we believe a reasonable basis exists for a refund to the client of all or a portion of the client fees, we may make the refund and bill you. You agree to pay the charges. See Franchise Agreement, Section 4.12.
Sales, excise or gróss receipts tax	If required by the federal, state or locality in which your franchise is located. Including	At time of payment of fees to us which are subject to any tax	See Franchise Agreement, Section 4.13.

	sales, excise or gross receipts tax or similar type tax on the initial franchise fee, royalty, training, national marketing fee, products, and any other services, products or fees.		
Assistance Fee in the event of death or incapacity	Reimbursement for reasonable expenditures incurred including travel, lodging, per diem and wages.	At time of expense	In the event of your death or incapacity, we are entitled to reimbursement from you or your estate for any reasonable expenses incurred continuing Services. See Franchise Agreement, Sections 4.14 and ~~15~~14.
Indemnity	Our damages, costs, and fees	At the time the debt is incurred	You must indemnify us for dames, costs, and attorney fees which you may cause to us. Franchise Agreement, Section 13.3.
Cost and attorney fees	Actual amount incurred	At time incurred	You must pay our costs and attorney fees if we are the prevailing party in a dispute with you, or if you bring a claim against an Area Representative. Franchise Agreement, Sections 19.11 and 19.15.

*Except where otherwise specified, we uniformly impose and collect all the fees in this table, you pay them to us, and we do not refund them.

Note 1: We require you to execute an Automatic Bank Draft Authorization. We pay to you your commissions, net of royalties and other monies you owe to us, by ACH electronic funds transfer on the ~~15th~~10th of the month following the month in which the commissions were received. To the extent commissions are not sufficient to pay fees owed to us, we also reserve the right to pay any fees owed to us via ACH electronic funds transfer.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT*

~~FRANCHISE LEVEL 1 POWERED BY SUNUP~~

Type of Expenditure	Estimated Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (Note 1)	$~~20~~25,000	Check or wire transfer	Upon entering into franchise agreement	Us
~~Initial Training (Note 2)~~	~~$300-$3,000~~	~~Check/Charge~~	~~Before and during initial training~~	~~Third-party vendors~~
~~Leasehold Improvements (Note 3)~~	~~$0-$10,000~~	~~Check/Charge~~	~~Before opening~~	~~Third-party vendors~~
~~Rent and Security Deposit (Note 4)~~	~~$0-$5,000~~	~~Check~~	~~Monthly~~	~~Landlord~~
~~Signage (Note 5)~~	~~$1,000-$4,000~~	~~Check/Charge~~	~~Before opening~~	~~Third-party vendors~~
~~Equipment and Furniture (Note 6)~~	~~$0-$7,000~~	~~Check/Charge~~	~~Before opening~~	~~Third-party vendors~~
~~Computers and Software (Note 7)~~	~~$1,000-$5,000~~	~~Check/Charge~~	~~Before opening~~	~~Third-party vendors~~
~~Start-up Supplies/Inventory (Note 8)~~	~~$500-$2,500~~	~~Check/Charge~~	~~As incurred~~	~~Third-party vendors~~
~~Grand Opening Marketing (Note 9)~~	~~$1,000-$3,500~~	~~Check/Charge~~	~~As incurred~~	~~Third-party vendors~~
~~Insurance (Note 10)~~	~~$500-$2,000~~	~~Check/Charge~~	~~As incurred~~	~~Third-party vendors~~
~~Professional Fees (Note 11)~~	~~$1,250-$3,750~~	~~Check/Charge~~	~~As incurred~~	~~Accountants, Attorneys~~
~~Utilities (Note 12)~~	~~$200-$1,000~~	~~Check/Charge~~	~~As incurred~~	~~Third-party utilities~~
~~Insurance Licensing Courses and State Insurance Licensing costs (Note 13)~~	~~$500-$2,500~~	~~Check/Charge~~	~~As incurred~~	~~State agencies~~
~~Additional Funds-3 months (Note 14)~~	~~$3,000-$9,000~~	~~Check/Charge~~	~~As incurred~~	~~Third party vendors~~

Type of Expenditure	Estimated Amount	Method of Payment	When Due	To Whom Payment is to be Made
~~TOTAL (Note 15)~~	~~$29,250-$78,250~~			

~~*None of the fees paid to us in this chart are refundable. Whether such fees paid to third parties are refundable would depend upon their policies.~~

~~**Note 1 – Initial Franchise Fee.** We base the initial franchise fee on your purchase of one territory. Depending upon your creditworthiness and industry experience, we may finance up to 50% of the initial franchise over a period of 3-36 months, for an APR of 8-12%. Assuming that you finance $5,000 over 24 months at 8% APR, your monthly payment would be approximately $226.14~~

~~**Remainder of footnotes appear under Table 2 and are equally applicable to both franchise concepts.**~~

~~FRANCHISE LEVEL 2- SUNUP PREMIUM~~

~~Type of Expenditure~~	~~Estimated Amount~~	~~Method of Payment~~	~~When Due~~	~~To Whom Payment is to be Made~~
~~Initial Franchise Fee (Note 1)~~	~~$25,000~~	~~Check~~	~~Upon entering into franchise agreement~~	~~Us~~
Initial Training (Note 2)	$300-$3,000	Check/Charge	Before and during initial training	Third-party vendors
Leasehold Improvements (Note 3)	$0-$10,000	Check/Charge	Before opening	Third-party vendors
Rent and Security Deposit (Note 4)	$0-$5,000	Check	Monthly	Landlord
Signage (Note 5)	$1,000-$4,000	Check/Charge	Before opening	Third-party vendors
Equipment and Furniture (Note 6)	$0-$7,000	Check/Charge	Before opening	Third-party vendors
Computers and Software (Note 7)	$1,000-$5,000	Check/Charge	Before opening	Third-party vendors
Start-up Supplies/Inventory (Note 8)	$500-$2,500	Check/Charge	As incurred	Third-party vendors
Grand Opening Marketing (Note 9)	$1,000-$3,500	Check/Charge	As incurred	Third-party vendors
Insurance (Note 10)	$500-$2,000	Check/Charge	As incurred	Third-party vendors

~~Type of Expenditure~~	~~Estimated Amount~~	~~Method of Payment~~	~~When Due~~	~~To Whom Payment is to be Made~~
Professional Fees (Note 11)	$1,250-$3,750	Check/Charge	As incurred	Accountants, Attorneys
Utilities (Note 12)	$200-$1,000	Check/Charge	As incurred	Third-party utilities
Insurance Licensing Courses and State Insurance Licensing costs (Note 13)	$500-$2,500	Check/Charge	As incurred	State agencies
Additional Funds-3 months (Note 14)	$3,000-$9,000	Check/Charge	As incurred	Third party vendors
TOTAL (Note 15)	$34,250-$83,250			

~~**NOTES APPLICABLE TO BOTH FRANCHISE CONCEPTS:**~~

~~The above tables are based upon opening one outlet in your first 90 days of operation. If you opened more outlets in such a time frame, you would incur additional costs.~~

*None of the fees paid to us in this chart are refundable. Whether such fees paid to third parties are refundable would depend upon their policies.

Note 1 – Initial Franchise Fee. We base the initial franchise fee on your purchase of one territory. Depending upon your creditworthiness and industry experience, we may finance up to 50% of the initial franchise over a period of 3-36 months, for an APR of 8-12%. Assuming that you finance $5,000 over 24 months at 8% APR, your monthly payment would be approximately $226.14

Note 2 - Initial Training. We normally offer initial training in or near Charlotte or Winston Salem, North Carolina or in Liberty Hill, Texas. Travel and living expenses will vary significantly depending upon whether you live within driving distance or whether you must fly, rent a car, or incur lodging expenses. Your costs may vary.

Note 3 - Leasehold Improvements. You will need to operate from an appropriate retail location. The amount of leasehold improvement expense that you will incur will depend upon whether you already have a suitable office location and, if not, the extent to which you will need to make renovations and repairs.

Note 4 - Rent and Security Deposit. You will need to rent a location containing approximately 500-1,000 square feet. The amount of rent that you will incur will depend upon whether you already have a suitable office location and will also vary considerably in different market areas. We estimate rent for the first three months plus a security deposit for one month's rent.

Note 5 – Signage. We provide estimates for exterior signage. Type of signage allowed varies depending on city ordinances, property owner's association covenants, and landlord preferences. Your signage needs and costs will vary.

Note 6 - Equipment and Furniture. You will need telephones, chairs, desks, file cabinets, tables, and other items we specify.

Note 7 – Computers and Software. We require you to have an internet connection, email, a laptop or desktop computer along with Microsoft Office, Word, and Excel. You must use the quoting, rating, and policy management software that we specify and a Point of Sale/Credit Card application. We also recommend that you use Quickbooks Online for your bookkeeping.

Note 8 - Start-Up Supplies/Inventory. Your primary cost for start-up supplies and inventory will be CD's, paper, and general office supplies.

Note 9 – Grand Opening Marketing. We encourage you but do not require you to engage in a Grand Opening Marketing campaign to draw attention to the opening of your business.

Note 10 – Insurance. You will need Errors & Omissions, Commercial General Liability, Rented Premises and Fire Legal Liability, Automobile, Worker's Compensation/Employers Liability, all as we describe in more detail in Item 8.

Note 11 – Professional Expenses. You may incur professional legal and accounting fees to assist with your entity set up, local licensing, and other legal and accounting issues.

Note 12 – Utilities. Utilities rates vary by market areas. Additionally, some utilities such as gas, electric, sewer, water, or trash removal are included in the lease rate and some are not.

Note 13 – Insurance Licensing Courses and State Insurance Licensing costs. You will need to take insurance licensing courses and obtain appropriate state insurance license(s) to offer and sell insurance. The costs vary state by state.

Note 14 - Additional Funds. Additional funds are to pay for permits, employee and agent background checks, carrier appointment fees, miscellaneous expenses, and to maintain sufficient working capital. We base this estimate upon the 20+ years of experience our management team has in the insurance industry and in franchising.

Note 15 - Does not include royalties, interest expenses or taxes.

Note 16 - These figures are estimates of your initial expenses covering the first three months of your operation. We cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on: how well you follow our methods and procedures; your management skills; experience and business acumen; local economic conditions; the local market for our services; the prevailing wage rate; and competition. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The Goods or Services Required to be Purchased or Leased:

Advertising and Marketing. You must use advertising material from us, a vendor that we designate, or we must approve the advertising in writing, prior to its use.

Computers and Software. You must use computer hardware and software we designate. We require you to have an internet connection, email, a laptop or desktop computer along with Microsoft Office, Word, and Excel. You must use the insurance quoting software we specify and a Point of Sale/Credit Card application. We also recommend that you use QuickBooks Online for your record keeping.

Equipment and Furniture. You must purchase equipment and furniture from a supplier that we designate or subject to our specifications.

Insurance. You must maintain insurance policies protecting you and us (as additional insured). The policies must be written by an A.M. Best "A" or better rated insurance company and must include the following types and minimum amounts of coverage as well as any other insurance as may be required by state law. You must purchase Errors & Omissions insurance from our designated provider.

Errors & Omissions: You must procure coverage in the minimum amount of $500,000 per claim with an annual policy limit of $1,000,000.

Commercial General Liability*:* Coverage including bodily injury, property damage, and personal injury. Per occurrence $1,000,000, annual policy aggregate of $2,000,000.

Rented Premise and Fire Legal Liability: Coverage of $200,000.

Automobile: Coverage for all owned, non-owned and hired vehicles of $1,000,000 for uninsured and underinsured motorist, bodily injury and property damage. Must include statutory personal injury protection per individual state requirements.

Workers' Compensation/Employers Liability: As required by statute, workers' compensation coverage for employees and all owner(s) of $500,000 of employer's liability limits of protection.

You must name us and all our officers, directors, members and agents and others as their interest may appear on a primary, noncontributory basis as an additional insured on these policies and send proof of same to us. Certificates of insurance must be sent in upon annual expiration date.

<u>We may designate or make available an insurance carrier from whom to purchase some or all of the coverage listed above.</u>

Insurance Licensing Courses and State Insurance Licensing. You will need to take insurance licensing courses and obtain appropriate state insurance license(s) to offer and sell insurance. You may purchase the insurance licensing courses from any third party vendor and must obtain the state insurance license(s) from the state(s) in which you sell insurance.

Insurance Products for Sale. You must offer those insurance products, lines, and policies from insurance companies that we specify. If you have a line of insurance business, as to which we do not have a carrier relation or specification, you may maintain that line of business. Once we obtain a relationship to support that line of business, we may require you to bring that business to our specified carrier.

Leased Location. You will need a site in which to operate the Franchised Business. We furnish site selection guidelines. We require you to send to us any proposed lease and information as required by us to evaluate the site for our approval before you sign the lease. You may lease from any landlord.

Leasehold Improvements. You may purchase leasehold improvements from any supplier but must build out your location pursuant to our specifications.

Supplies/Inventory. You may purchase miscellaneous office supplies from any vendor and we do not have specifications for these items.

Third Party Marketing Opportunities. From time to time we may specify third party marketing opportunities which you may be allowed or required to offer.

Whether we or our Affiliates are Approved Suppliers:

We are an approved supplier of Advertising and Marketing templates but not the only approved supplier of such items.

Officer Interests in Suppliers:

Our officers, Jerry Todd Swicegood, Karen Swicegood, Jeffrey Hastings, ~~and~~ Robert Lougen, and Larry Pratt own an interest in us.

Alternative Suppliers:

We do not maintain written criteria for approving suppliers and thus these criteria are not available to you or your proposed supplier. We do permit you to contract with alternative suppliers if approved by us and they meet our criteria. We do not charge you any fee to propose another supplier. If you wish to propose to us another supplier, you may submit the proposed supplier that you wish for us to consider in writing. We will examine the quality of the items and the supplier's ability to supply a sufficient quantity in a timely way with good customer service to determine whether to consider adding the supplier to our list of approved vendors. We will notify you within 60 days if we approve or disapprove of an alternative supplier. If we revoke approval for a supplier, we will provide written notice to you.

Issuance and Modification of Specifications:

We issue specifications and standards to franchisees or approved suppliers through our Operations Manual or through informational bulletins we issue from time to time.

Revenue from Required Purchases:

We may derive revenue or other material consideration from required purchases or leases by you.

In our last fiscal year, neither we nor our affiliates earned revenue or other material consideration from required purchases or leases by franchisees.

Required Purchases as a Proportion of Costs:

We estimate that required purchases described above will be approximately 25-50% of all purchases and leases by you of goods and services to establish a franchise and approximately 50-75% of your operating costs.

Supplier Payments to Us:

Designated suppliers may make payments to us from franchisee purchases.

In our last fiscal year, we did not yet receive any supplier rebates but anticipate supplier rebates in the future.

Purchasing or Distribution Cooperatives:

At this time, we do not have any purchasing or distribution cooperatives.

Purchase arrangements:

We negotiate purchase arrangements with suppliers, including price terms, for the benefit of our franchisees.

Material Benefits:

We do not provide material benefits to you based on your use of a particular supplier. However, when you franchise is up for renewal, to continue your franchise rights, we require you to be in compliance with your franchise agreement, which includes compliance with any supplier standards that are contained in our Operations Manual.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Franchisee's Obligations	Section In Franchise Agreement	Item in Disclosure document
a. Site selection and acquisition/lease	3, 6.2	11
b. Pre-opening purchases/leases	6.11, 6.12, 6.13	7, 8
c. Site development and other pre-opening requirements	6.2	11
d. Initial and ongoing training	5.7, 6.1, 6.8	11
e. Opening	6.3	11
f. Fees	4, 15, 19.11, 19.15	5, 6, 7, 11
g. Compliance with standards and policies/Manual	6.4	8, 11
h. Trademarks and proprietary information	7, 8	13, 14
i. Restrictions on products/services offered	6.5	8, 16
j. Warranty and customer service requirements	6.7	6
k. Territorial development and sales quotas	3	12
l. Ongoing product/service purchases	6.11, 6.12, 6.13	8
m. Maintenance, appearance & remodeling requirements	6.14	Not Applicable
n. Insurance	6.9	8
o. Advertising	7	8, 11
p. Indemnification	13.3	6
q. Owner's participation/management/staffing	6.10	15
r. Records and reports	9	11

Franchisee's Obligations	Section In Franchise Agreement	Item in Disclosure document
s. Inspections and Audits	9	11
t. Transfer	14	17
u. Renewal	2.2	17
v. Post-termination obligations	11	15, 16, 17
w. Non-competition covenants	12	15, 16, 17
x. Dispute resolution	19	17

ITEM 10
FINANCING

We may offer financing for a portion of your Initial Franchise Fee if you meet our qualifications. We do not offer any other direct or indirect financing. The following table summarizes the financing we may offer you for the Initial Franchise Fee.

Item Financed	Initial Franchise Fee
Source of Financing	Us
Down Payment*	Minimum 50% down payment required
Amount Financed*	Up to 50%
Interest Rate/Finance Charge*	8 – 12% per annum (including finance charges)
Period of Repayment*	3-36 months
Security Required	None
Whether a Person Other than the Franchisee Must Personally Guarantee the Debt	If the franchisee is an entity, its owners must personally guarantee the debt
Prepayment Penalty	None
Liability Upon Default	Accelerated obligation to pay the entire amount due, pay our court costs and attorney fees incurred in collecting the debt, and termination of the franchise.
Waiver of Defenses or Other Legal Rights	Waiver of right to jury trial; homestead and other exemptions; waiver of presentment, demand, protest, notice of dishonor.

*The required down payment, amount financed, term, and interest rate will vary depending upon your creditworthiness, down payment, desired term, and industry experience.

We do not guarantee your notes, leases, or obligations. We do not have any past or present practice to sell, assign or discount to any third party, any note, contract or other instrument signed by you, but we reserve the right to do so. We do not receive any direct or indirect payments or other consideration for placing financing.

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

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

Before Opening:

Initial Training. We provide an initial training program, currently 5 days long and located in Charlotte or Winston Salem, North Carolina or Liberty Hill, Texas. The topics covered in initial training are described in the chart below in this Item 11. (Franchise Agreement, Section 5.1).

Site Selection. We provide to you site selection criteria, guidelines and counseling to help you select a site. We do not select the site, it is your responsibility to locate and select a suitable site for your Franchised Business. You must submit to us a site selection proposal containing reasonable items required by us to evaluate the site. We must approve any site you select before you sign a lease for that location. We do not generally own the premises and lease it to you. Before you enter into a lease or purchase agreement, you must have the site approved by us. We consider the following factors in approving your site selection: general location, neighborhood, traffic patterns, signage, parking, size, zoning, physical characteristics of the proposed space, demographics, population density of the area and lease terms. We will ~~conduction~~conduct an on-site evaluation if we consider it necessary as part of our evaluation. We will typically approve or disapprove a proposed site within 14 days of your submission to us of the pertinent information required by us on the proposed site. In the unlikely event that you and we cannot agree on a site within the opening timeframe allowed, you can extend the timeline by obtaining our approval and paying the opening deadline extension fee, we can allow you more time to search for a site that we can agree upon or we can terminate the franchise agreement. (Franchise Agreement, Section 5.2(a)).

Plans and Layout. We or our designee will furnish to you a sample site layout plan. (Franchise Agreement, Section 5.2(b)).

Build out. It is your responsibility to conform the premises to federal, state or local ordinances, building codes, licensing requirements and obtain any required permits. (Franchise Agreement, Section 6.2(b)).

Lease. Before you sign a lease, sublet a space, purchase space or make any binding to commitment to do so, we must approve, in writing your proposed lease or purchase agreement. (Franchise Agreement, Sections 5.2(c) and 6.2(d)).

Assistance to obtain equipment, signs, fixtures, opening inventory, and supplies. We provide to you guidance to obtain equipment, signs, fixtures, and supplies. (Franchise Agreement Section 5.3).

Operations Manual. We provide to you access to our Operations Manual ("Manual") to offer guidance in the operation of your Franchised Business. (Franchise Agreement, Section 5.4).

Length of Time Before Opening:

You will typically be open for business 90-120 days from the time both parties execute the franchise agreement. Factors affecting the time length to open for business include: whether you already have a suitable site or you must find a suitable site; weather; lease negotiations; obtaining any needed licenses or permits; performing any needed build out; obtaining furniture, equipment, signs, and software; obtaining insurance license(s); hiring and training any staff; and obtaining any needed occupancy permit. ~~A Powered by SUNUP concept is offered as an addition to an existing business with a storefront location, which should allow for a shortened length of time to open for business.~~

During the Operation of the Franchise:

Operations Manual. We will provide you with electronic access to our Operations Manual. We may provide updates to this Operations Manual from time-to-time as appropriate and provide you with electronic access. You agree to comply with any revised standards and procedures in the updates. (Franchise Agreement, Section 5.4).

Operational Support. We offer assistance with operating problems and issues that you may encounter. (Franchise Agreement, Section 5.5).

Software and Computer Systems. We may specify software and computer systems to assist in the operation of your Franchised Business. (Franchise Agreement, Section 5.6).

Additional Training or Seminars. We may elect to offer and you may elect to attend additional training or seminars. (Franchise Agreement, Section 5.7).

***

Area Representatives. If your territory is in an Area Representative area, the Area Representative may assist in operational support of your franchise.

Advertising Program:

Our Obligation to Conduct Advertising. We may advise you in the advertising, marketing, and promotion of your Franchised Business. We may from time to time, at our sole discretion, produce advertising material and conduct promotional programs. We may use online, radio, television, direct mail, billboards, print or other advertising. We may use local, regional, or national advertising. We may produce advertising material in-house or though outside agencies. We are not required to spend any amount on advertising in the area or territory where you will be located. (Franchise Agreement, Section 5.8).

Private Websites. You are not allowed to have an independent website or obtain or use any domain name (Internet address) for your Franchised Business, without first obtaining our written approval. (Franchise Agreement, Section 7.3).

Digital Marketing. We may create, operate and promote websites, social media accounts (including but not limited to Facebook, twitter, and Instagram), applications, digital advertising (including pay-per-click and display ads) or other means of digital marketing to promote the brand, Franchised Business, marks and franchise opportunities. We have the sole right to control all aspects of any digital marketing including all digital marketing related to your Franchised Business. Unless we consent in writing, you or your employees may not conduct any digital marketing that uses our marks or relates to your Franchised Business, including through an independent website, or social media account. We may withdraw approval at any time and you must immediate modify or delete any digital marketing as required. (Franchise Agreement, Section 7.4).

Use of Your Own Advertising Material. You may use your own advertising materials provided that you submit them to us and we approve them, in writing, and they adhere to federal, state and local law. If our written approval is not received within 14 days from the date we received the material, the material is deemed disapproved. (Franchise Agreement, Section 7.2).

Advertising Council. We do not have an advertising council composed of franchisees that advises us on advertising policy.

Advertising Cooperative. You are not required to participate in a local or regional advertising cooperative.

Brand Fund. We may implement and require you to contribute 1% of Gross Revenues to a Brand Fund. Franchisor owned outlets do not have to contribute to the Brand Fund, but may do so. We administer the Brand Fund. The Fund is not audited. Unaudited financial statements of the Brand Fund will be made available to you upon written request.

In our last fiscal year ending December 31, 2016, we did not raise or spend any Brand Fund fees.

If not all Brand Fund fees are spent in the fiscal year in which they accrue, we will carry over those fees and apply them to the next fiscal year.

We may not use~~ up to 10% of the~~ Brand Fund fees to solicit new franchise sales.

Computer Systems:

We require you to have an internet connection, email, a laptop or desktop computer along with Microsoft Office, Word, and Excel. You must use the quoting, rating, and policy management software that we specify and a Point of Sale/Credit Card application. We also recommend that you use Quickbooks Online for your bookkeeping. Depending on what computer systems and software you already have, these items can be purchased for approximately $1,000- $5,000.

Neither we nor our affiliates or any third party have any obligation to provide ongoing maintenance, repairs, upgrades or updates. You must maintain your computer systems in good working order and must replace, update or upgrade your hardware systems as we require. The estimated annual cost of optional or required maintenance, updating, upgrading, or support contracts to your computer systems is approximately $1,000.

Anti-virus protection. You must use anti-virus protection on your computer. At present, we do not specify a particular vendor, but reserve the right to do so.

Independent Access to Information. We have and you are required to provide independent access to the information that will be generated or stored in your computer systems, which includes, but not limited to, customer, transaction, and operational information. You must at all times give us unrestricted and independent electronic access to your computer systems and information. We have the right to review your business operations, in person, by mail, or electronically, and to inspect your operations and obtain your paper and electronic business records related to the Franchised Business and any other operations taking place through your Franchised Business. If, as part of a review of your business, we request a copy of any business records, you must send us at your expense these records within five business days of receiving our request.

Operations Manual:

Exhibit K contains the Table of Contents to the Operations Manual along with the page count per chapter. The total page count of the Operations Manual is 59 pages.

Initial Training Program

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Introduction/ Company History	½ hour		See Note 1
Starting a Business	½ hour		See Note 1
Site Selection and Build Out	½ hour		See Note 1
Equipment, Furniture, Inventory and Supplies	½ hour		See Note 1
State Insurance Licensing	½ hour		See Note 1
Hiring and Training Employees	½ hour		See Note 1
Sales and Marketing	10 hours	4 hours	See Note 1
Product Training	16 hours	4 hours	See Note 1
Bookkeeping and Reporting	1 hour		See Note 1
Review/ Q&A	1 hour		See Note 1
Totals	31 hours	8 hours	

Note 1: We offer initial training in Charlotte or Winston Salem, North Carolina or Liberty Hill, Texas.

The following Instructors teach our initial training program: John Clark, Lalo Diaz, Frank Hursh, Jeffrey Hastings, and Todd Swicegood. Item 2 above discloses the nature of the Instructors' experience.

The Instructors' length of experience in the field and with us is shown in the following chart:

Instructor	**Years of Experience in the Field***	**Years of Experience with the Franchisor**
John Clark	17	<1
Lalo Diaz	8	1
Frank Hursh	9	<1
Jeffrey Hastings	21	<1
Todd Swicegood	32	<1

We may also have guest speakers, such as representatives from various insurance companies whose products we carry, speak at training. We intend to hold initial training classes quarterly at our headquarters or leased classroom space in Charlotte or Winston Salem, North Carolina or at our Regional Training Center in Liberty Hill, Texas.

We use the Operations Manual, training books, handouts, PowerPoint presentations, and technical hands on training to conduct initial training.

We do not charge for any of this training. However, you are responsible for travel, lodging, transportation, meal costs, and your employees' wages to attend initial training. You and ~~any insurance agents working for you~~your office manager must attend. ~~If you have other office personnel, they may~~We encourage additional staff and agents to attend, but do not require it.

Successful completion of initial training is required to operate a franchise within four months of signing the franchise agreement. We advise you during or immediately after initial training if you have successfully completed the course.

Additional Training or Seminars. We may elect to offer and require you to attend, either live or electronically, additional training and seminars that we may offer.

ITEM 12
TERRITORY

~~Powered by SUNUP~~

~~The territory will be a specific address, without a radius or other area or protection.~~

~~We do not grant you options, rights of first refusal, or similar rights to acquire additional franchises. However, a Powered by SUNUP level franchise comes with the right to open two Powered by SUNUP outlets, at locations subject to our approval, and you may open more outlets, again subject to our approval, and payment to us of the applicable Access Fee for Additional Powered by SUNUP Outlets.~~

~~SUNUP Premium~~

We grant to you a territory of a 1 mile radius from your outlet.

~~We will not allow another SUNUP Premium outlet to open in your Territory, nor allow a company owned outlet offering the same or similar goods or services under the same or a similar trademark, but may allow other Powered by SUNUP outlets to open in your Territory.~~

~~You and other franchisees also may solicit and transact business in any jurisdiction in which you or they are licensed to transact business, provided that we may also lawfully transact business in that jurisdiction.~~

~~You may open up to four SUNUP Premium outlets in your Territory, subject to our approval of the location of each one.~~

~~We do not grant you options, rights of first refusal, or similar rights to acquire additional franchises. However, subject to our approval, you may also open one or more Powered by SUNUP outlets, upon payment to us of the applicable Access Fee for Additional Powered by SUNUP Outlets.~~

~~Disclosures applicable to all territories:~~

We may approve relocation of the franchised business if we feel that conditions have changed such that a relocation represents a sound business decision (e.g., better lease terms, more visibility, or other improvements in the new location).

We do not grant you options, rights of first refusal, or similar rights to acquire additional franchises.

You will ~~not~~ receive an exclusive territory~~. You may face competition from~~, meaning a geographic area within which we promise not to establish either a company-owned or franchised outlet selling the same or similar goods or services under the same or similar trademarks or service marks.

However, you and other franchisees~~, from outlets that we own, or from other channels of distribution or competitive brands~~ may solicit and transact business in any jurisdiction or franchise territory in which you or they are licensed to transact business, provided that we ~~control~~may also lawfully transact business in that jurisdiction.

Minimum Requirements: Continuation of your territorial rights depends on achieving $75,000 in Gross Revenue in the first 18 months of your franchise operations, $125,000 in months 19-30, and $150,000 annually thereafter.

We or an affiliate reserves the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales with your territory using our principal trademarks.

We or an affiliate also reserves the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales with your territory of products or services under trademarks different from the ones that you will use under the franchise agreement.

We are not obligated to pay compensation to you for soliciting or accepting orders from inside your territory.

You may solicit orders from customers outside your territory, including through other channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing, provided the advertising is done pursuant to our specifications or permission and you and we are licensed to solicit such orders there.

Neither we nor an affiliate operates, franchises, or has plans to operate or franchise a business under a different trademark which such business sells or will sell goods or services similar to those you will offer, but we reserve the right to do so.

ITEM 13
TRADEMARKS

The franchise agreement licenses to you the right to use the following principal trademarks ("Marks") registered or applied for with the U.S. Patent and Trademark Office ("USPTO"):

Description of Mark	Principal or Supplemental Register of the USPTO	Registration Number	Registration Date
SUNUP	Principal	5092852	November 29, 2016

We have filed all required affidavits and renewals.

There are currently no effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or any court; or any pending infringement, opposition, or cancellation proceeding in which we unsuccessfully sought to prevent registration of a trademark in order to protect a trademark licensed by the franchisor. There are no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

Karen P. Swicegood, a North Carolina Individual, owns the trademark listed in the chart above and licenses it to us pursuant to a written License Agreement effective February 8, 2016. The License Agreement is perpetual in duration and may be terminated upon a material breach not remedied after 30 days' written notice. If the License Agreement was terminated, you could lose the right to use the trademarks licensed to us under the License Agreement. There are no other currently effective agreements that significantly limit our rights to use or license the use of our trademarks listed in this section.

If you learn of any claim against you for alleged infringement, unfair competition, or similar claims about the Marks, you must promptly notify us. We are not required to take affirmative action when notified of these uses or claims.

We have the sole right to control any administrative proceedings or litigation involving a trademark licensed by us to you. The Franchise Agreement does not require us to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed by us to you or if the proceeding is resolved unfavorably to you.

If we discontinue or modify our Marks, you must adopt and use any new marks as required by us. Any expenses you incur because of adopting and using these marks are your responsibility.

We do not know of any superior prior rights or infringing uses that could materially affect your use of our Marks anywhere.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

At this time, we do not hold any patents. We claim a copyright to our Operations Manual, marketing material such as our website text, and other printed material, although we have not presently filed a registration of those copyrights. We consider all of these items confidential and proprietary. Upon termination of your franchise agreement, you must return to us our Operations Manuals and any confidential information.

You will not directly or indirectly disclose, publish, disseminate or use our "Confidential Information" except as authorized in the Franchise Agreement. You may use our Confidential Information to perform your obligations under the Franchise Agreement, but in doing so you will only allow dissemination of our Confidential Information on a need-to-know basis and only to those individuals that have been informed of the proprietary and confidential nature of such Confidential Information. We may share performance data of your franchised business between us, our employees and affiliates, our franchisees and their employees. You agree to keep such performance data confidential.

"Confidential Information" means information or data (oral, written, electronic or otherwise), including, without limitation, a trade secret, of or about us that is valuable and not generally known or readily available to third parties obtained by you from us during the term of the Franchise Agreement. The Confidential Information of ours includes all intellectual property associated with our Franchise system, all other materials relating to our Franchise system that are not a matter of public record, and all information generated by the parties in the course of the performance of the Franchise Agreement.

"Customer Data" is considered Confidential Information, and includes any and all information about Customers that may be collected in connection with their use of your services, including, but not limited to, name, telephone number, address and email address. We retain all right, title, and interest in and to the Customer Data, including all intellectual property rights.

Upon termination of your franchise agreement, you must return to us our Operations Manuals and any Confidential Information, including Customer Data. You may never - during the initial term, any renewal term, or after the Franchise Agreement expires or is terminated - reveal any of our Confidential Information to any other person or entity or use it for the benefit of any other person or business.

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

You must provide franchise services under your direct supervision and control or under the direct supervision and control of a full time general manager who has attended and passed our initial training and has the necessary state insurance license(s) in those areas of insurance they are supervising. You must be able to pass a criminal background check. Your general manager (if applicable) and all employees that have access to client accounts or as required by local law, must be able to pass a criminal background check.

Principal Owner. You must designate one (1) owner with at least 10% ownership as the "Principal Owner." The Principal Owner is the primary owner responsible for your business and communication with us. The Principal Owner must have authority and license over all transactions and dealings related to your franchised business and must have power to create binding agreements with us.

If the franchisee is a business entity, the general manager does not have to have an equity interest in the franchisee's business.

The Franchise Agreement requires you, including all holders of an ownership interest in a franchisee that is an entity, to a personal guaranty, confidentiality clause, and a covenant not to compete. Furthermore, your general manager must sign an employment contract naming us as a third party beneficiary containing confidentiality requirements and, to the extent permitted by law, a covenant not to compete.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You ~~may~~must offer ~~for sale in your franchised business only the~~those insurance products, lines and ~~services we have approved in writing, or, in the case of a Powered by SUNUP concept, the existing~~policies from insurance companies that we have relationships with. If you have a line of insurance business, as to which we do not have a carrier relation or specification, you may maintain that line of business~~ which you already operate.~~. Once we obtain a relationship to support that line of business, we may require you to bring that business to our specified carrier. We may designate products or services as optional or mandatory. You may not sell any goods or services that we have not authorized or approved. We may designate products or services as optional or mandatory.

Subject to territorial restrictions on where you may market, you may offer your insurance products to any customers.

You are required to sell all goods or services that we authorize unless prohibited by your applicable local law, or approved by us. We may change the types of authorized goods and services sold by franchisees. There are no limits on our right to make changes to the authorized goods and services sold by franchisees. We may, at our sole discretion, revoke approval of a previously approved goods or services, at which case you must immediately stop selling the revoked services or products.

For the duration of your franchise agreement and for two years thereafter, you may not offer competitive services in the states and territories of the United States unless you receive our prior written consent.

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.

Provision	Section In Franchise Agreement	Summary
a. Length of the franchise term	2	5 years.
b. Renewal or extension of the term	2	Can be renewed for successive terms if you are in compliance with your Franchise Agreement ("Agreement").
c. Requirements for you to renew or extend	2	Renewing your Franchise Agreement means that you are able to continue your operations as a franchisee for an additional term. You must sign a general release of claims, notify us in writing at least 180 days before the expiration of the Agreement, and sign our then current Agreement, which may contain materially different terms and conditions than your original contract.
d. Termination by you	10.1	You may terminate the Agreement if you do not renew.
e. Termination by us without cause	None	Not applicable
f. Termination by us with cause	10.2, 10.3	We can terminate only if you default.
g. "Cause" defined – curable defaults	10.3	Violate the Agreement, Manual, any other agreement with us, or owe monies to us more than 30 days past due, and do not cure such breach within 30 days after notice.
h. "Cause" defined – non-curable defaults	10.2	Do not pass initial training, fail to obtain our approval of a site or open on time, become insolvent,

Provision	Section In Franchise Agreement	Summary
		commit a material violation of law, abandon the Franchised Business, submit a materially false Franchise Application, fraud, uncured default of other agreement, fail to pay suppliers an amount exceeding $3,000 for more than 60 days; fail to permit us to inspect or audit your franchise; or commit three or more breaches within 12 months.
i. Your obligations on termination/renewal	11	Cease operating; stop using our marks and assign social media pages with our marks on them to us; deliver to us business records and your book of business; pay debts due to us; ~~cancel or~~ assign telephone numbers to us; assist in lease transfer and our purchase of your assets, at our option; return Manual and Confidential Information to us; cancel fictitious names; adhere to the post-term covenants not to compete or solicit; adhere to other post term duties; execute any necessary documents.
j. Assignment of contract by us	14.1	We may assign to a successor in interest who remains bound by terms of Agreement.
k. "Transfer by you" – definition	14.2	Includes transfer of Franchise Agreement, any interest of the Franchise Agreement, or substantially all of the assets of the Franchised Business.
l. Our approval of transfer by you	14.2	We have the right to approve all transfers.
m. Conditions for our approval of transfer	14.5	You must be: -current in monetary obligations; -in compliance with the Franchises Agreement; -execute any transfer, amendment, or release forms that we may require; -provide to us a copy of the proposed transfer documents; -transferee must meet our criteria; -transferee must execute our then-current Franchise Agreement; -pay to us the Transfer Fee; -transferee must satisfactorily complete our initial training program; -comply with the post-termination provisions; -transferee must obtain necessary licenses and permits; -obtain any lessor approval for transfer; -the transfer must be made in compliance with any laws that apply to the transfer;

Provision	Section In Franchise Agreement	Summary
		-the purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation; -you must request that we provide the prospective transferee with our current franchise disclosure document.
n. Our right of first refusal to acquire your business	14.6	We have a right of first refusal to match any purchase offer for your franchise, any interest in the franchise, or substantially all the assets of the Franchised Business.
o. Our option to purchase your business	14.7	At any time, we may buy out your franchise rights and business at the greater of $75,000 or three times your ~~Gross Revenues~~gross revenue in the prior 12 month period~~—.~~ if you have committed 3 or more breaches of the franchise agreement as to which we have served upon you a Notice to Cure or if you have committed a violation of state insurance regulations.
p. Your death or disability	15	Transfer must be commenced within 60 days, completed within 6 months; we must approve the transferee, transferee must attend and successfully complete training, and sign our current Agreement.
q. Non-competition covenants during the term of the franchise	12	No competition allowed in the United States and its territories.
r. Non-competition covenants after the franchise is terminated or expires	12	No competition for 2 years within the territory, or 30 miles from the boundaries of the territory or other territory we have granted and may not solicit for employment individuals employed during the last 12 months by us, our affiliates, or our franchisees.
s. Modification of the agreement	16	No modifications except to Operations Manual. Revisions to the Manual will not unreasonably affect the franchisee's obligations, including economic requirements, under the Agreement.
t. Integration/merger clause	18	Only the terms in the franchise agreement are binding (subject to federal or state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable. No claim in any franchise agreement(s) is intended to disclaim the express representations made in this Franchise Disclosure Document.

Provision	Section In Franchise Agreement	Summary
u. Dispute resolution by arbitration or mediation	19	You must first attempt to resolve claims against us through mediation. Arbitration does not apply except as provided in State Addenda to the franchise agreement.
v. Choice of forum	19	All claims must be brought before a court of general jurisdiction closest to our corporate office (subject to state law).
w. Choice of Law	19	North Carolina law governs (subject to applicable state law).

ITEM 18
PUBLIC FIGURES

We have not paid any compensation or other benefit to a public figure for the use of their endorsement or recommendation of the franchise to prospective franchisees.

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.

The following are forecasts of what a SUNUP Insurance franchisee can earn for gross revenues for the first three years of operation under three different scenarios: no sales, poor performance, and medium performance.

Please also make sure to read the footnotes that appear under the heading "Material Bases and Assumptions" following the tables as the footnotes are an integral part of the information presented.

Case 1	Based upon doing nothing		
	Year 1	Year 2	Year 3
Auto and Homeowners	0	0	0
Medicare Supplements	0	0	0
Life	0	0	0

Total Gross Revenues (less royalties)	0	0	0

Case I is based upon making no insurance sales at all the first three years of operation.

Case 2	Poor performance		
	Year 1	Year 2	Year 3
Auto and Homeowners	$11,520	$14,976	$18,432
Medicare Supplements	$9,600	$12,000	$14,400
Life	$8,640	$8,640	$8,640
Total Gross Revenues (less royalties)	$29,760	$35,616	$41,472

Case 2 is based upon making the following insurance sales at an average annual premium rate of $1,200:
-5 Auto policies per month for all three years at an average annual premium of $1,200 with a 10% first year commission a 30% renewal rate, and 6% renewal commission
-5 Home Owners policies per month for all three years with a 10% first year commission, 30% renewal rate, and 6% renewal commission
-30 Medicare Supplements per year during open enrollment with a $320 first year commission, 40% renewal rate, and renewal commissions of $160
-3 Life Insurance Policies of $300 Premium monthly, with a $300 commission, and no renewals

Case 3	Medium performance		
	Year 1	Year 2	Year 3
P&C	$19,584	$24,871	$30,158
Medicare	$16,000	$20,000	$24,000
Life	$20,160	$20,160	$20,160
Total Gross Revenues (less royalties)	$55,744	$65,031	$74,318

Case 3 is based upon making the following insurance sales at an average annual premium rate of $1,200:
-10 Auto policies per month for all three years at an average annual premium of $1,200 with a 10% first year commission a 45% renewal rate, and 6% renewal commission
-7 Home Owners policies per month for all three years with a 10% first year commission, 45% renewal rate, and 6% renewal commission
-50 Medicare Supplements per year during open enrollment with a $320 first year commission, 50% renewal rate, and renewal commissions of $160
-7 Life Insurance Policies of $300 Premium monthly, with a $300 commission, and no renewals

Material Bases and Assumptions.

The tables above present pro forma examples of annual gross revenue under three different scenarios. We do not claim that you will perform at any specific level. You should formulate your own estimate with your own business advisors.

The conditions that you would allow you to sell insurance at a given level will vary based upon a number of factors such as: the economic or market conditions which you face in your area, the demographics of your market area, the success of your marketing efforts, and how well you follow our franchise system, among other factors.

To sell insurance at the level of Case 2 above assumes a smaller market area such as a small town or rural area, or you may engage in minimal marketing in a larger, more densely populated market area. Additionally, certain insurance products are considered more optional by consumers- such as Medicare Supplements, annuities, and life insurance- and these will sell better in strong economic times versus weak economic times. Sales at the level of Case 2 would be more likely to occur at weaker economic times.

To sell insurance at the level of Case 3 above assumes at least a medium level of population density such as in a suburban area, or a medium level of marketing execution by you in a densely populated area. Additionally, as noted above, with respect to insurance products considered more optional by consumers, sales at the level of Case 3 would be more likely to occur at moderate to strong economic times.

The sales rates, commission amounts, and renewal rates used in the above tables are based upon 35+ years of insurance industry experience of the principals of the franchisor.

The figures in the tables above are net of royalties you pay to us, but do not include any other expenses that you will incur.

These figures are only estimates of what we think you may earn. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation for this financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Todd Swicegood, CEO, at 152 Kinderton Way East, Bermuda Run, North Carolina 27006; (844) 377-8687, 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 2014 to 2016

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2014	0	0	0
	2015	0	0	0
	2016	0	4	+4
Company-Owned	2014	0	0	0
	2015	0	0	0
	2016	0	1	+1
Total Outlets	2014	0	0	0
	2015	0	0	0
	2016	0	5	+5

Table No. 2

Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2014 to 2016

State	Year	Number of Transfers
All States	2014	0
	2015	0
	2016	0
Total	2014	0
	2015	0
	2016	0

Table No. 3

Status of Franchised Outlets
For Years 2014 to 2016*

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired By Franchisor	Ceased Opera-tions-Other Reasons	Franchised Stores Operating at Year End
Georgia	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
North Carolina	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
South Carolina	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Texas	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
Total	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	4	0	0	0	0	4

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

Table No. 4

Status of Company-Owned Outlets
For Years 2014 to 2016

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
North Carolina	2014	0	0	0	0	0	0
	2015	0	0	0	0	0	0
	2016	0	1	0	0	0	1
Total	2014	0	0	0	0	0	0
	2015	0	0	0	0	0	0
	2016	0	1	0	0	0	1

Table No. 5

Projected Openings as of December 31, 2016

State	Franchise Agreements Signed But Outlet Not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	2	0
Arizona	0	1	0
Colorado	0	2	0
Florida	0	5	0
Georgia	0	5	0
Louisiana	0	2	0
North Carolina	0	10	0
Ohio	0	2	0
South Carolina	0	5	0
Tennessee	0	2	0
Texas	0	15	0
TOTALS	0	51	0

Exhibit H contains a list of the names of all current franchisees and the address and telephone number of each of their outlets.

Exhibit I contains a list of the names, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who have 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.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

We are not aware of any trademark-specific franchisee organizations associated with the franchise system being offered.

ITEM 21
FINANCIAL STATEMENTS

Exhibit J contains our audited financial statements as of February 10, 2016 and December 31, 2016. We have not been in business for three years or more, and cannot include all financial statements required of this item.

Our fiscal year end is December 31.

ITEM 22
CONTRACTS

The proposed agreements regarding this franchise offering are included as exhibits to this Disclosure Document as follows:

Exhibit B - Franchise Agreement
- Schedule A- Territory and Approved Locations
- Schedule B- Holders of Ownership Interest in the Franchise
- Schedule C- State Addenda

Exhibit C- Promissory Notes

Exhibit E - Confidentiality and Non-Disclosure Agreement

Exhibit F - Automatic Bank Draft Authorization

Exhibit G - Closing Acknowledgment

Exhibit L - Release

ITEM 23
RECEIPT

Exhibit N contains two copies of a Receipt of our Disclosure Document.

EXHIBIT A

STATE ADDENDA TO DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM
TO THE DISCLOSURE DOCUMENT

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

The "Risk Factors" on the second page of the Disclosure Document are amended to also include the following:

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

Item 3 of the Disclosure Document is amended by adding the following paragraph:

Neither we nor any person or franchise broker in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling these persons from membership in this association or exchange.

Item 5 of the Disclosure Document is amended by adding the following sentence:

We defer collection of initial fees until after we have completed our initial obligations to you.

Item 17 of the Disclosure Document is amended by adding the following paragraphs:

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

Item 17.g. of the Disclosure Document is modified to state that, in addition to the grounds for immediate termination specified in Item 17.h., the franchisor can terminate upon written notice and a 60 day opportunity to cure for a breach of the Franchise Agreement.

Item 17.h. of the Disclosure Document is modified to state that the franchisor can terminate immediately for insolvency, abandonment, mutual agreement to terminate, material misrepresentation, legal violation persisting 10 days after notice, repeated breaches, judgment, criminal conviction, monies owed to the franchisor more than 5 days past due, and imminent danger to public health or safety.

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.

The franchise agreement requires application of the laws of the state of North Carolina. This provision may not be enforceable under California law.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF CORPORATIONS BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

YOU MUST SIGN A GENERAL RELEASE OF CLAIM IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE §31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CODE §§31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE §20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§20000 THROUGH 20043).

Our Website is located at www.SUNUPInsuranceServices.com.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

HAWAII ADDENDUM
TO THE DISCLOSURE DOCUMENT

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

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHSIOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process:

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

ILLINOIS ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Illinois Franchise Disclosure Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.u. is modified to provide that dispute resolution is by arbitration.

2. Item 17.v. is modified to provide that arbitration shall take place in the location of our corporate headquarters.

3. Item 17.w. is modified to provide that Illinois law applies.

4. Any condition, stipulation, or provision of the Franchise Agreement purporting to bind you to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.

5. The conditions under which your Franchise Agreement can be terminated and your rights upon nonrenewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.

6. Items 5 and 7 are modified to also provide that we defer collection of all initial fees until we have satisfied our pre-opening obligations to you and you have commenced doing business under the Franchise Agreement. The Illinois Attorney General's Office imposed this deferral requirement due to our financial condition.

MARYLAND ADDENDUM
TO THE DISCLOSURE DOCUMENT

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.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.

2. 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."

3. 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."

~~MICHIGAN ADDENDUM~~
~~TO THE DISCLOSURE DOCUMENT~~

~~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, logo type, 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 obligation to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.~~

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

~~Any questions regarding this notice should be directed to Department of the Attorney General's Office, Consumer Protection Division, Franchise Section, G. Mennen Williams Building, 525 W. Ottawa Street, Lansing, Michigan 48913; telephone number (517) 373-7117.~~

MINNESOTA ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) 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 agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

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

- 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.

  Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may <u>seek</u> injunctive relief. See Minn. Rules 2860.4400J.

  Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

NEW YORK ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the New York franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT D OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW BUREAU OF INVESTOR PROTECTION AND SECURITIES 120 BROADWAY, 23RD FLOOR NEW YORK, N.Y. 10271

THE FRANCHISOR MAY, IF CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE SET THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3 except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark.

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

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

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

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

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:
The initial franchise fee constitutes part of our general operating funds and will be ised as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**". However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

You may terminate the agreement on any grounds available by law.

7.The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by franchisor**":

However, no assignment will be made except to an assignee who, in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

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

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

York.

NORTH DAKOTA ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the North Dakota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

General Release: Any requirement that the franchisee sign a general release upon renewal of the franchise agreement does not apply to franchise agreements covered under North Dakota law. Restrictive Covenants: To the extent that covenants not to compete apply to periods after the term of the franchise agreement, they are generally unenforceable under North Dakota law.

Choice of Venue: Provisions designating venue outside of North Dakota do not apply to franchise agreements covered under North Dakota law.

Applicable Laws: North Dakota law will govern the Franchise and Area Developer Agreement.

Waiver of Trial by Jury: Any waiver of a trial by jury will not apply to North Dakota Franchises.

Waiver of Exemplary & Punitive Damages: Any waiver of punitive damages will not apply to North Dakota Franchises.

Limitations of Claims: Any limitation period requiring claims to be brought within one year shall not apply to claims by North Dakota Franchises.

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

RHODE ISLAND ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Rhode Island Franchise Investment Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Item 17.m. of the Disclosure Document is revised to provide:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act prohibits a franchisee to be restricted in choice of jurisdiction or venue. To the extent any such restriction is purported to be required by us, it is void with respect to all franchisees governed under the laws of Rhode Island.

Item 17.w. of the Disclosure Document is revised to provide:

> Rhode Island law applies.

WISCONSIN ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Wisconsin Fair Dealership 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 also provide,

If the franchise agreement contains any provisions that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

SUNUP INSURANCE SERVICES INC.

FRANCHISE AGREEMENT

EXHIBIT B

TABLE OF CONTENTS

WHEREAS, SUNUP Insurance Services Inc. d/b/a SUNUP Insurance ("SUNUP Insurance," "we," "us," or "our") offers a franchise program to offer insurance products and services ("System"). Our system utilizes specified marketing techniques and operating procedures; and

WHEREAS, Franchisee and all Signators identified on the signature page to this Agreement, in your personal capacity, (collectively "Franchisee," "you," or "your") desire to utilize our System and our trade names, service marks, and trademarks (collectively, the "Marks"); and

NOW, THEREFORE, for value received, we and Franchisee ("the Parties") agree as follows:

1. GRANT OF FRANCHISE

Subject to the terms of this franchise agreement ("Agreement" or "Franchise Agreement"), we grant to you a SUNUP Insurance franchise ("Franchised Business") using our system and our Marks in the territory described in Schedule A ("Territory"). You agree to abide by the terms of this Agreement.

~~We offer three franchise levels which we describe below. A mark by the level you are purchasing will indicate which franchise level and associated rights that you are purchasing:~~

~~**Powered by SUNUP**~~

~~We offer the Powered by SUNUP concept as an addition to existing business owners with a storefront location.~~

~~You will operate under a non SUNUP branded business where insurance is the primary product, and use SUNUP though which to offer approved SUNUP insurance products. You will display SUNUP as the non-primary branding on the storefront.~~

~~You will not receive an exclusive territory. The territory will be a specific address, without a radius or other area or protection.~~

~~You can market your business anywhere but must do so under your primary business name with SUNUP as simply a product offered. Our Operations Manual will contain detailed guidelines on where and how you can market with respect to other franchisee territories.~~

~~If you desire to relocate the outlet, you must secure our prior approval.~~

~~This franchise level allows you to have 1-2 outlets. If you later want to add additional outlets, you may do so, with our prior approval, upon payment to us of an Access Fee for Additional Powered by SUNUP Outlets in the amount of $5,000 per outlet.~~

~~**SUNUP Premium**~~

~~We offer the SUNUP Premium concept to franchisees without an existing other line of business or those who have an existing business whose primary business is not insurance.~~

~~You may display "SUNUP" as your primary storefront branding, but are not required to do so.~~

~~We will not allow another SUNUP Premium outlet to open in your territory, but may allow Powered by SUNUP outlets to open in your territory. Your territory will be a 1 mile radius from your outlet.~~

~~The territory rights include exclusive rights in your territory to marketing that is under SUNUP primary branding. You can market your business only in your Territory, except where we provide prior written consent. Our Operations Manual will contain detailed guidelines on where and how you can market with respect to other franchisee territories.~~

~~This franchise level allows you to have up to 4 outlets in your territory.~~

2. TERM AND RENEWAL

2.1. Term. This Agreement will be effective for a five-year term beginning on the Effective Date specified in this Agreement.

2.2 Renewal. You may renew for another term by signing our then current franchise agreement if you are in compliance with this Agreement and meet the other conditions for renewal. You may also renew future franchise agreements if you are in compliance with such agreements and meet the other conditions for renewal by signing our then current franchise agreement. To renew, you must exercise a general release of all claims that you might have against us. Other terms, conditions, and fees may vary. If you wish to renew, you must notify us in writing at least 180 days before the expiration of this Agreement.

3. TERRITORY

~~Powered by SUNUP~~

~~The territory will be a specific address, without a radius or other area or protection.~~

~~We do not grant you options, rights of first refusal, or similar rights to acquire additional franchises. However, a Powered by SUNUP level franchise comes with the right to open two Powered by SUNUP outlets, at locations subject to our approval, and you may open more outlets, again subject to our approval, and payment to us of the applicable Access Fee for Additional Powered by SUNUP Outlets.~~

~~SUNUP Premium~~

We grant to you a territory of a 1 mile radius from your outlet~~.~~

~~We will not allow another SUNUP Premium outlet to open~~, as specified in ~~your Territory, nor allow a company owned outlet offering the same or similar goods or services under the same or a similar trademark, but may allow other Powered by SUNUP outlets to open in your Territory.~~ Schedule A to this Franchise Agreement.

~~You and other franchisees also may solicit and transact business in any jurisdiction in which you or they are licensed to transact business, provided that we may also lawfully transact business in that jurisdiction.~~

~~You may open up to four SUNUP Premium outlets in your Territory, subject to our approval of the location of each one.~~

~~We do not grant you options, rights of first refusal, or similar rights to acquire additional franchises. However, subject to our approval, you may also open one or more Powered by SUNUP outlets upon payment to us of the applicable Access Fee for Additional Powered by SUNUP Outlets.~~

~~Disclosures applicable to all territories:~~

We may approve relocation of the franchised business if we feel that conditions have changed such that a relocation represents a sound business decision (e.g., better lease terms, more visibility, or other improvements in the new location).

We do not grant you options, rights of first refusal, or similar rights to acquire additional franchises.

You will ~~not~~ receive an exclusive territory~~. You may face competition from~~, meaning a geographic area within which we promise not to establish either a company-owned or franchised outlet selling the same or similar goods or services under the same or similar trademarks or service marks.

However, you and other franchisees~~, from outlets~~ may solicit and transact business in any jurisdiction or franchise territory in which you or they are licensed to transact business, provided that we ~~own, or form other channels of distribution or competitive brands~~may also lawfully transact business in that ~~we control~~jurisdiction.

Minimum Requirements: Continuation of your territorial rights depends on achieving \$75,000 in Gross Revenue in the first 18 months of your franchise operations, \$125,000 in months 19-30, and \$150,000 annually thereafter.

We or an affiliate reserves the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales with your territory using our principal trademarks.

We or an affiliate also reserves the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales with your territory of products or services under trademarks different from the ones that you will use under the franchise agreement.

We are not obligated to pay compensation to you for soliciting or accepting orders from inside your territory.

You may solicit orders from customers outside your territory, including through other channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing, provided the advertising is done pursuant to our specifications or permission and you and we are licensed to solicit such orders there.

4. FEES AND PAYMENTS

4.1 Initial Franchise Fee. The initial franchise fee is ~~based upon the franchise level that you acquire as follows:~~

~~**Franchise Level**~~	~~**Initial Franchise Fee**~~
~~Powered by SUNUP~~	~~$20,000~~
~~SUNUP Premium~~	~~$25,000~~

$25,000. The initial franchise fee is due to us in full when you return to us signed copies of your Franchise Agreement. The initial franchise fee is fully earned and nonrefundable upon your signing of the franchise agreement and receipt of the funds by us.

4.2 Royalty. You must pay to us a royalty of 20% of Gross Revenue subject to the following Minimum Royalties, based upon the number of months after the Effective Date of the Franchise Agreement:

6-12 months: $500/month

13-18 months: $800/month

19-30 months: $1,200/month

30+ months: $1,500/month

"Gross Revenue" means all revenue generated in the in the offer or sale of authorized products through the Franchised Business, including commissions and bonuses.

"Gross Revenue" does not include sales tax.

4.3 Opening Deadline Extension Fee. You must pay us an opening deadline extension fee of $500 for each month, or portion of month, that you are granted an extension beyond the 180 days allowed in this agreement.

4.4 Brand Fund Fee. We may implement and require you to contribute 1% of Gross Revenues to a Brand Fund.

If not all Brand Fund fees are spent in the fiscal year in which they accrue, we will carry over those fees and apply them to the next fiscal year.

We may not use ~~up to 10% of the~~ Brand Fund fees to solicit new franchise sales.

~~**4.5 Access Fee for Additional Powered by SUNUP Outlets.** If you own a Powered by SUNUP level franchise and you wish to add a third or further outlet, or if you want to add a Powered by SUNUP outlet to a Storefront franchise level, and in either case if we approve of the addition and location of the proposed outlet, you must pay to us $5,000 before we allow you to open the additional Powered by SUNUP outlet.~~

4.5 Fees to Third Parties. You must pay to us fees that we incur on your behalf with third parties.

4.6 Audit Fee. If we perform an audit of the Franchised Business and the audit reveals an underpayment of royalty to us of 2% or more for the time period audited or a state insurance law violation, you must pay to us our costs in performing the audit.

4.7 Inspection Fee. If you fail to maintain franchise standards, have repeated consumer complaints or fail to comply with provisions of this Agreement, you may be charged reasonable costs associated with inspection of your business, including transportation, lodging, per diem and employee wages.

4.8 Transfer Fee. You must pay to us a Transfer Fee of $5,000 if you wish to transfer ownership of the rights under this Franchise Agreement, or a majority of the ownership of this Agreement or in an entity holding this Agreement. You must pay to us a Transfer Fee of $2,000 for a transfer of a minority ownership interest in this Agreement or in an entity holding this Agreement. We do not charge a transfer fee if the owners of this Agreement transfer this Agreement into an entity owned by the same owners with the same ownership percentages.

4.9 Renewal Fee. We do not charge a renewal fee to enter into another Franchise Agreement with us at the expiration of the term of this Agreement.

4.10 Interest. You must pay interest of 18% (compounded daily) per year, or the maximum permitted by law, if less, on any amounts owed to us that are more than 30 days past due.

4.11 Legal Fees and Costs. If we must bring suit to enforce our rights under this Agreement, and we are the prevailing party, you must pay our attorney fees and costs in such suit.

4.12 Client Refunds. If you do not resolve a client service complaint and we believe a reasonable basis exists for a refund to the client all or a portion of the client's fees, we may pay the client directly and bill you. You agree to pay the charges.

4.13 Sales, Excise or Gross Receipts Tax. If required by the federal government, state or locality in which your Franchised Business is located, the initial franchise fee, royalty, training, development fee, national marketing fee, products and possibly other services, products or fees may be subject to sales, excise, gross receipts or similar type tax, which you must pay to us at the same time and in the same manner as you pay these fees to us.

4.14 Assistance Fee in the event of Death or Incapacity. In the event of your death or incapacity, you agree we are entitled to reimbursement from you or your estate for any reasonable expenses incurred continuing operation of your Franchised Business.

4.15 Sales, Income, and Other Taxes. You shall be solely responsible for paying all sales, income, and other taxes imposed upon you with respect to your operation of the Franchised Business. We do not charge royalty or national marketing fees on sales tax.

4.16 Fees to Third Parties. You are solely responsible for fees to third parties for insurance licensing courses, state insurance licenses, insurance carrier appointment fees (when you obtain an insurance carrier's permission to offer their products), background check fees on agents and employees, and software costs.

4.17 Payment Period and Method. ~~You must pay to us royalties and Brand Fund fees on the 15th of the month following receipt of the Gross Revenue.~~ We require you to execute an Automatic Bank Draft Authorization. We pay to you your commissions, net of royalties and other monies you owe to us, by ACH electronic funds transfer on the ~~30th~~ 10th of the month ~~(or in the case of February, the 28th)~~ following the month in which the commissions were received. To the extent commissions are not sufficient to pay fees owed to us, we also reserve the right to pay any fees owed to us via ACH electronic funds transfer. We reserve the right to modify the payment methods and schedule in our Operations Manual.

5. OBLIGATIONS OF FRANCHISOR

5.1. Initial Training. We provide you with an initial training, currently a five (5) day initial training course in Charlotte, North Carolina or such other location as we designate.

5.2 Site Selection and Build Out.

(a) Site Selection. We provide to you criteria to help you select a site. We must approve any site you select before you sign a lease for that location. We do not select the site. We will typically approve or disapprove a proposed site within 14 days of your submission to us of the information required by us on the proposed site. In the unlikely event that you and we cannot agree on a site within the opening timeframe allowed, you can extend the timeline by obtaining our approval and paying the opening deadline extension fee, we can allow you more time to search for a site that we can agree upon or we can terminate the franchise agreement.

(b) Plans and Layout. We or our designee will furnish to you a sample site layout plan.

(c) Lease. Before you sign a lease, sublet a space, purchase space or make any binding to commitment to do so, we must approve, in writing your proposed lease or purchase agreement.

(d) Relocation Review. We will evaluate locations you propose to us to relocate your Franchised Business. We will typically approve or disapprove a relocation site within 14 days of your submission to us of the information required by us on the proposed site. You must submit to us a site selection proposal containing reasonable items required by us to evaluate the site.

5.3 Supply Source. We offer guidance or a supply source to you to obtain furniture, fixtures, equipment, and supplies to conduct the Franchised Business.

5.4 Operations Manual. We provide you access to our proprietary and confidential Operations Manual, as well as any other manuals and writings prepared by us for your use in operating a Franchised Business ("Manual"). We may disseminate the Manual electronically. We may revise the Manual from time to time to adjust for legal or technological changes, competition, or attempts to improve in the marketplace.

5.5 Operational Support. We provide support to you in operational problems and issues that you may encounter in the operation of your Franchised Business.

5.6 Software and Computer Systems. We may specify software and computer systems to assist in the operation of your Franchised Business.

5.7 Additional Training or Seminars. We may elect to offer and require you to attend, either live or electronically, additional training or seminars that we may offer.

5.8 Advertising and Marketing. We may advise you in the advertising, marketing, and promotion of your Franchised Business. We may from time to time, at our sole discretion, produce advertising material and conduct promotional programs. We may use online, radio, television, direct mail, billboards, print or other advertising. We may use local, regional, or national advertising. We may produce advertising material in-house or though outside agencies. We are not required to spend any amount on advertising in the area or territory where you will be located.

6. OBLIGATIONS OF FRANCHISEE

6.1 Training. You must successfully complete our initial training within four (4) months of the Effective Date of this Agreement and before you may operate the Franchised Business.

6.2 Site Selection and Build Out.

(a) Site Selection. You must select a site for operation of your Franchised Business pursuant to our guidelines. You agree to obtain our written approval for your proposed site. You may operate the Franchised Business only at the accepted site.

(b) Buildout. It is your responsibility to conform the premises to federal, state or local ordinances, building codes, licensing requirements and obtain any required permits.

(c) Plans and Layout. You are required to submit the layout and have it approved by us. We will typically approve or disapprove a proposed layout within 14 days of your submission to us. Once approved by us, it is your responsibility to remodel the premises and install the furniture, fixtures and equipment accordingly.

(d) Lease. Before you sign a lease, sublet a space, purchase space or make any binding to commitment to do so, we must approve, in writing your proposed lease or purchase agreement.

(e) Relocation Review. You must obtain our approval if you wish to relocate. We will evaluate locations you propose to us to relocate your Franchised Business. You must submit to us a site selection proposal containing reasonable items required by us to evaluate the site.

6.3 Starting Date. You agree to be operational within 180 days of the Effective Date of this Agreement.

6.4 Operations Manual. You agree to operate the Franchised Business according to the then current Operations Manual as well as information bulletins and guidance that we disseminate electronically.

6.5 Authorized Products and Services Only. You ~~may~~must offer ~~for sale in your franchised business only the~~those insurance products, lines and ~~services we have approved in writing.~~ policies from insurance companies that we have relationships with. If you have a line of insurance business, as to which we do not have a carrier relation or specification, you may maintain that line of business. Once we obtain a relationship to support that line of business, we may require you to bring that business to our specified carrier. We may designate products or services as optional or mandatory. You may not sell any goods or services that we have not authorized or approved. We may designate products or services as optional or mandatory.

You are required to sell all goods or services that we authorize unless prohibited by your applicable local law, or approved by us. We may change the types of authorized goods and services sold by franchisees. There are no limits on our right to make changes to the authorized goods and services sold by franchisees. We may, at our sole discretion, revoke approval of a previously approved goods or services, at which case you must immediately stop selling the revoked services or products.

6.6 Insurance Licensing Courses and State Insurance Licensing. You will need to take insurance licensing courses and obtain appropriate state insurance license(s) to offer and sell insurance. You may purchase the insurance licensing courses from any third party vendor and must obtain the state insurance license(s) from the state(s) in which you sell insurance.

6.7 Client Service. You shall interact with prospective and actual clients in a professional and respectful businesslike manner and diligently fulfill your obligations to them when they engage your services.

6.8 Employee Training. You shall train your agents and employees to competently and professionally carry out their duties and offer excellent customer service. You shall ensure that your agents and employees have any training, licenses, or certifications required by applicable law, including necessary state insurance license(s). You are solely responsible for hiring, firing, compensating, paying applicable payroll taxes and day-to-day supervision and control over your agents and employees.

6.9 Insurance. You are required to have insurance as may be required by your state laws and as we may specify in the Operations Manual. You must name us and all our officers, directors, members and agents and others as their interest may appear on a primary, noncontributory basis as an additional insured on these policies and send proof of same to us. Certificates of insurance must be sent in upon annual expiration date. If you suffer a loss to your franchise, such as fire or theft, you are required to use the insurance proceeds to replace or repair the premises or property damaged or lost.

6.10 Participation.

(a) Supervision. You agree that the services of the Franchised Business will be provided under your direct supervision and control or under the direct supervision and control of a full time general manager who has been approved by, and not later disapproved by us. We will not approve a general manager prior to their successful completion of our initial training.

(b) Principal Owner. You must designate one (1) owner with at least 10% ownership as the "Principal Owner." The Principal Owner is the primary owner responsible for your business and communication with us. The Principal Owner must have authority over all transactions and dealings related to your Franchised Business and must have power to create binding agreements with us.

6.11 Furniture, Fixtures, Equipment and Supplies. You agree to use furniture, fixtures, equipment, and supplies as we specify to operate the franchise.

6.12 Software and Computer Systems. You are required to purchase or use such software and computer systems to operate your Franchised Business as we may specify.

6.13 Telephone Number. You agree to maintain a dedicated telephone number for your Franchised Business.

6.14 Brand Image and Remodeling. You agree to keep your Franchised Business clean and well maintained in order to uphold the image and goodwill of our franchise system. You agree to remodel your Franchised Business if and when we request, at your cost, pursuant to our guidelines at the time. However, we promise not to require you to do a full remodel of your Franchised Business more than once every ten years.

6.15 Minimum Days and Hours. You agree to agree to be open for business, at a minimum, the days and hours that we specify in the Operations Manual.

6.16 Laws and Regulations. You agree to comply with all federal, state, and local laws, and regulations. You agree to secure all necessary permits, certificates, licenses, and consents to operate your business.

7. ADVERTISING

7.1 Use of our Marks. We allow and require you to use our Marks to hold out your Franchised Business to the public. You agree to use only our Marks as we develop them for this purpose. Use of our Marks must be in accordance with our Operations Manual.

7.2 Local Advertising and Promotions. Your advertising and promotions shall conform to the following requirements:

a) You shall advertise and promote only in a manner that will reflect favorably on us;

b) You shall use our advertising templates or, if you wish to use your own material, you shall submit to us for written approval all advertising and promotional material, including proposed signage, prior to its use. If our written approval is not received within 14 days from the date we received the material, the material is deemed disapproved.

c) You agree to participate in all promotional programs and that we create, offer or advertise. You agree to accept gift certificates, coupons, vouchers, corporate discounts, memberships and other promotional programs as we create and develop from time to time. You agree you will not be entitled to receive payment or be reimbursed for any expenses, lost revenue or costs associated with such.

d) Your advertising must comply with federal, state, and local laws.

7.3 Private Websites. You are not allowed to have an independent website or obtain or use any domain name (Internet address) for your Franchised Business, without first obtaining our written approval.

7.4 Digital Marketing. We may create, operate and promote websites, social media accounts (including but not limited to Facebook, twitter, and Instagram), applications, digital advertising (including pay-per-click and display ads) or other means of digital marketing to promote the brand, Franchised Business, marks and franchise opportunities. We have the sole right to control all aspects of any digital marketing including all digital marketing related to your Franchised Business. Unless we consent in writing, you or your employees may not conduct any digital marketing that uses our marks or relates to your Franchised Business, including through an independent website, or social media account. We may withdraw approval at any time and you must immediate modify or delete any digital marketing as required.

7.5 Entity Name Requirements. You may not use the words "SUNUP" or "SUNUP Insurance" or any confusingly similar words, as any part of the name of a corporation, LLC or other entity. However, "SUNUP Insurance" followed by your entity number, or such other designation as we shall specify, shall be your "doing business as" name for an entity which owns this franchise, sometimes also called your "assumed name," "trading as" name, or "fictitious name."

7.6 No Confusingly Similar Marks. You agree not to use any marks that could be confused with our Marks.

7.7 Update to our Marks. We may replace, modify, or add to our Marks. If we replace, modify, or add additional marks, you agree to update or replace your supplies, etc. to reflect the new marks, at your expense, in the time frame we provide at the time of such an update.

7.8 Publicity. Except as required by law, you may not make any press release or other public announcement respecting the subject matter of this Agreement without our written consent as to the form of such press release or public announcement.

7.9 Name and Likeness. You give us permission to use your name and likeness in all forms and media for advertising, trade, and any other lawful purposes.

8. CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS

8.1 Definition. "Confidential Information" means information or data (oral, written, electronic or otherwise), including, without limitation, a trade secret, of or about us that is valuable and not generally known or readily available to third parties obtained by you from us during the Term of this Agreement. The Confidential Information of ours includes all intellectual property associated with our Franchise system, all other materials relating to our Franchise system that are not a matter of public record, and all information generated by the parties in the course of the performance of this Agreement.

8.2 Confidentiality. You will not directly or indirectly disclose, publish, disseminate or use our Confidential Information except as authorized herein. You may use our Confidential Information to perform your obligations under this Agreement, but in doing so will only allow dissemination of our Confidential Information on a need-to-know basis and only to those individuals that have been informed of the proprietary and confidential nature of such Confidential Information.

8.3 Return of Information. Upon termination or expiration of this Agreement, you will return to us all of our Confidential Information embodied in tangible form, and will destroy, unless otherwise agreed, all other sources that contain or reflect any such Confidential Information. Notwithstanding the foregoing, you may retain Confidential Information as needed solely for legal, tax, and insurance purposes, but the information retained will remain subject at all times to the confidentiality restrictions of this Agreement.

8.4 Customer Data. We retain all right, title, and interest in and to the Customer Data, including all intellectual property rights therein and thereto. However, you may use the Customer Data during the Term of this Agreement as permitted by this Agreement or our Manual. "Customer Data" means any and all information about Customers that may be collected in connection with their use of your franchise services, including, but not limited to, name, telephone number, address and email address. Customer Data shall be considered Confidential Information for purposes of this Agreement.

8.5 Intellectual Property Ownership. We own the Franchise system and all intellectual property associated with it. To the extent you have or later obtain any intellectual property, other property rights, or interests in the Franchise system by operation of law or otherwise, you hereby disclaim such rights or interests and will promptly assign and transfer such entire interest exclusively to us. You will not undertake to obtain, copyright, trademark, service mark, trade secret, patent rights or other intellectual property right with respect to the Franchise system.

8.6 Suggestions. You agree that we may incorporate into our business operations any suggestions, enhancement requests, recommendations, or other feedback provided by you or anyone else and we shall have sole rights and title to such suggestions.

8.7 Performance Data. You agree that we may share performance data from your Franchised Business between our employees, franchisees and their employees. You agree to keep such performance data confidential.

9. REPORTS AND REVIEW

9.1 Reports. You must send us such reports in the time and manner we may specify in the Operations Manual.

9.2 Profit and Loss. By January 30 of each year, you must send us an unaudited profit and loss statement of the Franchised Business, in the manner and form we specify, for the 12-month period ending the prior December 31.

9.3 Reviews. We have the right to review your business operations, in person, by mail, or electronically, and to inspect your operations and obtain your paper and electronic business records related to the Franchised Business and any other operations taking place through your Franchised Business. This includes the right to inspect and copy all tax returns and bank statements that may show revenues from the Franchised Business. We also have the right to require that you implement a plan to resolve issues that we discern from any review we conduct.

9.4 Time Frame to Furnish Documents. If, as part of a review of your business operations, we request a copy of any business records related to the Franchised Business, you must send us at your expense these records within five (5) business days of receiving our request.

9.5 Independent Access to Information. You agree that we have and that you will provide independent access to the information that will be generated or stored in your computer systems, which includes, but not limited to, customer, transaction, and operational information. You must at all times give us unrestricted and independent electronic access to your computer systems and information.

10. TERMINATION

10.1 Termination by You. You may terminate this Agreement by not renewing; that is by notifying us in writing of your desire to not renew at least 180 days prior to the expiration of this Agreement. If you terminate pursuant to this paragraph, you must still comply with all of the provisions of this Agreement that require performance post-termination.

10.2 Termination by Us. We may terminate this Agreement without notice and the opportunity to cure for any of the following reasons:

a) If you do not pass our initial training in accordance with our passing standards;

b) If you fail to obtain our approval of a site or open on time;

c) If you become insolvent, meaning unable to pay your bills in the ordinary course as they become due;

d) If you commit a material violation of any law, ordinance, rule, or regulation of a governmental agency or department reasonably associated with the operation of the Franchised Business or if you are convicted of, or plead guilty or no contest to a felony;

e) If you abandon the Franchised Business or discontinue the active operation of the Franchised Business for three or more business days, except when active operation is not reasonably possible, such as because of a natural disaster;

f) If you include a materially false representation or omission of fact in your Confidential Franchise Application to us;

g) If you or your principals commit any fraud or misrepresentation in the operation of the Franchised Business;

h) If you or your principals materially breach any other agreement with us or any of our affiliates, or threaten any material breach of any such agreement, and fail to cure such breach within any permitted period for cure;

i) You fail to pay suppliers an amount exceeding $3,000 for more than 60 days;

j) You fail to permit us to inspect or audit your franchise; or

k) If you commit three or more breaches of this Agreement, the Operations Manual, or any other agreement with us, in any 12-month period regardless of whether such breaches were cured after notice.

10.3 Termination by Us with Opportunity to Cure. We may terminate this Agreement, after sending you notice and an opportunity to cure within thirty (30) days, if:

a) You violate any other term or condition of this Agreement, the Operations Manual, or any other agreement with us; or

b) Any amount owing to us from you is more than 30 days past due.

10.4 No Refund of Initial Fee. We have no obligation to return or refund any fee to you upon termination of this Agreement.

11. POST TERMINATION OBLIGATIONS

If this Agreement expires, is not renewed, or is terminated for any reason by any party, including a sale of the Franchised Business, you must immediately:

a) Cease operating the Franchised Business and discontinue use of any aspects of our System or Confidential Information;

b) Stop identifying yourself as a franchisee of ours ~~and~~, discontinue using any of our Marks or any marks which are likely to be confused with our Marks, and assign social meadia pages with our marks on them to us;

c) Deliver to us the original and all copies, both paper and electronic, of the business records of your Franchised Business (retaining only such copies as you need for legal or tax purposes), as well as the book of insurance business and clients you are handling, and all future rights to service them and receive commissions on the insurance policies sold to them through your franchise;

d) Pay to us all amounts owing to us;

e) At our request, ~~cancel or~~ assign to us all telephone numbers used in the Franchise Business;

f) Reimburse customers for any fees paid for services not yet rendered;

g) At our option, and upon our request, use your best efforts to assist in our taking over the lease of the location of your Franchised Business, whether it be through a new lease or assignment;

h) At our option, offer to us the right to purchase your furniture, equipment, signage, fixtures, and supplies within 30 days of the date of termination for the adjusted book value, which is the undepreciated book value of the assets on your most recently filed federal tax return prior to the date of the termination or expiration;

i) Deliver to us any paper and electronic copies of the Operations Manual and any Confidential Information;

j) Cancel all fictitious name or other listings which you have filed for use of any of the Marks;

k) Adhere to the provisions of the post-term covenants not to compete and not to solicit;

l) Abide by any other covenant in this Agreement that requires performance by you after you are no longer a franchisee; and

m) Execute, from time to time, any necessary papers, documents, and assurances to effectuate the intent of this Section 11.

12. NON-COMPETE AND NO SOLICITATION.

12.1 Non-Compete.

a) **In-Term**. You will not, during the Term of this Agreement, in the United States or its Territories, directly or indirectly offer insurance products or services except in the provision of such services through the Franchised Business.

b) **Post-Term**. You will not, for a period of two years after expiration or termination of this Agreement, in the Territory or within thirty (30) miles of the boundaries of the Territory or another Territory franchised by us and in operation at that time, directly or indirectly, for a fee or charge, offer insurance products or services to clients of your franchised business.

12.2 No Solicitation of Employees. You will not, in the Territory or within thirty (30) miles of the boundaries of the Territory, directly or indirectly, either during the term of this Agreement, or for a period of two years after its expiration or termination, (1) attempt to induce any employee of ours or an affiliate of ours to leave their employment; or (2) solicit any such employee to work for you or any entity you control which provides insurance products or services.

12.3 No Solicitation of Customers. You will not, for a period of two years after expiration or termination of this Agreement, in the Territory or within thirty (30) miles of the boundaries of the Territory, directly or indirectly solicit the patronage of any client served by your prior Franchised Business during the last 24 months that you were a franchisee, or such shorter time as you were a franchisee, for the purpose of offering such person or entity, for a fee or charge, insurance products or services.

12.4 Waiver of Bond. You agree that if we bring suit to enforce Sections 11, 12.1, 12.2, or 12.3 above, you agree to waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

12.5 Severability. If any covenant or provision of Section 12.1, 12.2, or 12.3 is determined to be void or unenforceable, in whole or in part, it shall be deemed severed and removed from this Agreement and shall not affect or impair the validity of any other covenant or provision. Further, these obligations are considered independent of any other provision in this Agreement and the existence of any claim or cause of action by either party to this Agreement against the other, whether based upon this agreement or otherwise, shall not constitute a defense to the enforcement of these obligations.

13. ADDITIONAL IN-TERM AND POST-TERM COVENANTS

13.1 Maintenance of Goodwill. You agree not to disparage us or our current and former employees, agents, members, or directors. During the term of this Agreement, you agree not to do any act harmful, prejudicial, or injurious to us.

13.2 Independent Contractor. You and we are independent contractors to each other. Neither you nor we is an agent, fiduciary, partner, employee, or a participant in a joint venture, and neither you nor we has the authority to hold out as such to third parties. You do not have any authority to bind or obligate us. We are not and will not be liable for any act, omission, debt, or other obligation of yours.

13.3 Indemnity. You are responsible for all loss or damage and for all contractual liability to third parties originating in or in connection with the operation of the Franchised Business and for all claims or demands for damage directly or indirectly related. You agree to defend, indemnify, and hold harmless us and our employees, officers, directors, and members with respect to any such claim, loss, or damage, including our costs and attorney fees.

14. TRANSFER

14.1 Assignment by Us. We may assign this Agreement to an assignee who agrees to remain bound by its terms. We do not permit a sub-license of the Agreement.

14.2 Transfer by You. You may transfer this Franchise Agreement, any interest under this Agreement, or substantially all the assets of the Franchised Business only if we approve, and you comply with the provisions in this Section 14. We shall not unreasonably withhold approval. If this Agreement is held by joint tenants or tenants in common, all joint tenants or tenants in common must join in any transfer of an ownership interest in this Agreement, except any person who is deceased or under a legal disability.

14.3 Transfer to a Controlled Entity. A "Controlled Entity" is an entity in which you are the beneficial owner of 100% of each class of voting ownership interest. A transfer to a Controlled Entity shall not trigger the Right of First Refusal, described in Section 14.6 below. At the time of the desired transfer of interest to a Controlled Entity, you must notify us in writing of the name of the Controlled Entity and the name and address of each officer, director, shareholder, member, partner, or similar person and their respective ownership interest. We do not charge a transfer fee for this change.

14.4 Transfer within an Entity. A transfer of interest within an entity shall not trigger the Right of First Refusal described in Section 14.6 below if only the percentage ownership, rather than the identity of the owners, is changing. Prior to the time of the desired transfer of interest within an entity, you must notify us in writing of the name and address of each officer, director, shareholder, member, partner or similar person and their respective ownership interest. Each such person of the Controlled Entity shall sign the then current amendment and release forms and/or Franchise Agreement as required by us, and you shall pay to us the applicable transfer fee specified in Section 4 above.

14.5 Conditions for Approval of Transfer. We may condition our approval of any proposed sale or transfer of the franchised business or of your interest in this Agreement upon satisfaction of the following occurrences:

14.5.1 You are current in all monetary obligations to us, our affiliates, and our designated/approved suppliers and vendors;

14.5.2 You are in full compliance with this Agreement;

14.5.3 You execute any transfer, amendment, or release forms that we may require;

14.5.4 You or the transferee will provide to us a copy of the proposed documents as we may request to evidence the transfer;

For a transfer under Section 14.2 above, the following conditions also apply:

14.5.5 The transferee must be approved by us and demonstrate to our satisfaction that s/he meets our educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the business to be transferred; and has adequate financial resources and capital to meet the performance obligations under this Agreement;

14.5.6 The transferee must execute our then-current Franchise Agreement;

14.5.7 You or the transferee must pay to us the Transfer Fee specified in Section 4 above;

14.5.8 The transferee must satisfactorily complete our initial training program at the transferee's expense within the time frame we establish;

14.5.9 You must comply with the post-termination provisions of this Agreement;

14.5.10 The transferee must obtain within the time limits set by us and maintain thereafter, all permits and licenses required for operation of the Franchised Business;

14.5.11 To the extent required by the terms of any leases or other agreements, the lessors or other parties must have consented to the proposed transfer;

14.5.12 The transfer must be made in compliance with any laws that apply to the transfer, including state and federal laws governing the offer and sale of franchises;

14.5.13 The purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation and performance under its franchise agreement;

14.5.14 You must request that we provide the prospective transferee with our current franchise disclosure document;

14.5.15 Our approval of the transfer will not constitute a waiver of any claims we may have against the transferring party;

14.5.16 We will have the right to disclose to any prospective transferee such revenue reports and other financial information concerning the Franchised Business as you have supplied us hereunder; and

14.5.17 In any event, we may withhold or condition our consent to any transfer as we deem appropriate based on the circumstances of the transfer or otherwise.

14.6 Right of First Refusal. If you have received and desire to accept a signed, bona fide offer to purchase or otherwise transfer the Franchise Agreement, any interest in it, or substantially all the assets of the Franchised Business, you shall grant us the option (the "Right of First Refusal") to purchase the Franchised Business as provided here:

a) Within fourteen (14) days of receipt of the offer, you shall offer the Right of First Refusal to us by notice in writing, including a copy of the signed offer to purchase which you received ("Notice"). We shall have the right to purchase the Franchised Business or interest in the Franchised Business at and for the price and upon the terms set out in the Notice, except that we may substitute cash for any non-cash form of payment proposed and we shall have 60 days after the exercise of our Right of First Refusal to close the said purchase. Should we wish to exercise our Right of First Refusal, we will notify you in writing within 15 days from its receipt of the Notice. Upon the giving of such notice by us, there shall immediately arise between us and you, or its owners, a binding contract of purchase and sale at the price and upon the terms contained in the Notice.

b) If we do not exercise our Rights of First Refusal, you may transfer the Franchised Business or ownership interest therein according to the terms set forth in the Notice, provided that you satisfy the conditions in Section 14.5 above and complete the sale within 90 days from the day on which we received the Notice. If you do not conclude the proposed sale transaction within the 90-day period, the Right of First Refusal granted to us shall continue in full force and effect.

14.7 Our Purchase Option. At any time, we may buy out your franchise rights and business at the greater of $75,000 or three times your gross revenue in the prior 12 month period if you have committed 3 or more breaches of the franchise agreement as to which we have served upon you a Notice to Cure or if you have committed a violation of state insurance regulations. If we do so, you agree to cooperate with us to transfer the servicing of your clients to us.

15. DEATH OR INCAPACITY

In the event of your death or incapacity, you, or your estate, as the case may be, must actively begin the process to seek a transfer of your rights under this Agreement within 60 days and must complete the transfer within 6 months of your death or incapacity. If you or your estate fails in either respect, then we may terminate this Agreement. The new Franchisee must pay the transfer fee specified above, meet our qualifications, complete initial training, and enter into a new Franchise Agreement. And we are entitled to reimbursement from you or your estate for any reasonable expenses incurred continuing Services from the date of your death or incapacity until transfer or termination. The term "incapacity" means a condition that prevents you from reasonably carrying out your duties under this Agreement.

16. MODIFICATION

No modifications to this Agreement will have any effect unless such modification is in writing and signed by you and by our authorized officer. We may, however, modify the provisions of the Manual, without your consent, as discussed in Section 5.

17. NON-WAIVER OF BREACH

The failure of either party to enforce any one or more of the terms or conditions of this Agreement shall not be deemed a waiver of such terms or conditions or of either party's rights thereafter to enforce each and every term and condition of this Agreement.

18. FULL UNDERSTANDING

This Agreement, including the schedules, is the entire agreement between the parties. This Agreement supersedes all other prior oral and written agreements and understandings between you and us with respect to the subject matter of this Agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document we furnished to you.

19. GOVERNING LAW

19.1 Choice of Law. This Agreement is effective upon its acceptance in North Carolina by our authorized officer. Except as to claims governed by federal law, North Carolina law governs all claims that in any way relates to or arises out of this Agreement or any of the dealings of the parties ("Claims"). However, no laws regulating the sale of franchises or governing the relationship between franchisor and franchisee shall apply unless the jurisdictional requirements of such laws are met independently of this paragraph.

19.2 Jurisdiction and Venue. You and we agree that venue and jurisdiction for any Claims shall be proper solely in the state and federal court nearest to our corporate headquarters, presently located in Charlotte, North Carolina.

19.3 Jury Waiver. In any trial between any of the parties as to any Claims, you and we agree to waive our rights to a jury trial and instead have such action tried by a judge.

19.4 Class Action Waiver. You agree to bring any Claims, if at all, individually and you shall not join such claim with claims of any other person or entity or bring, join or participate in a class action against us.

19.5 Punitive Damages Waiver. As to any Claims, you and we agree to waive our rights, if any, to seek or recover punitive damages.

19.6 Limitation of Actions. You agree to bring any Claims against us, if at all, within one (1) year of the occurrence of the facts giving rise to such Claims, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

19.7 Prior Notice of Claims. As a condition precedent to commencing an action for a Claim, you must notify us within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

19.8 Internal Dispute Resolution. You must first bring any Claim to our CEO, after providing notice as set forth in Section 19.7 above. You must exhaust this internal dispute resolution procedure before you may bring your Claim before a third party.

19.9 Mediation. Before you may bring any Claim against us in court, you agree to try for a period of 60 days to mediate such claim before a mutually agreed to mediator in the city or county where our headquarters are located. If we can not mutually agree on a mediator, you and we agree to use the mediation services of the American Arbitration Association ("AAA"), and split any AAA and mediator fees equally.

19.10 Waiver of bond. You agree that if we are forced to bring suit to enforce any provision of this Agreement, you agree to waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

19.11 Attorney Fees. If we are the substantially prevailing party as to any Claims, you agree to reimburse our costs and attorney fees incurred in pursuing or defending the Claims.

19.12 Third Party Beneficiaries. Our officers, directors, members, shareholders, agents, and employees are express third party beneficiaries of the terms of the Governing Law provisions contained herein.

19.13 Survival. All of the covenants contained in this Agreement that may require performance after the termination or expirations of this Agreement will survive any termination or expiration of this Agreement.

19.14 Severability Clause. If any covenant or provision in this Agreement is determined to be void or unenforceable, in whole or in part, it shall be deemed severed and removed from this Agreement and shall not affect or impair the validity of any other covenant or provision of this Agreement.

20. RELEASE OF PRIOR CLAIMS

By executing this Agreement, the undersigned entity, if any, and individuals, on behalf of yourselves and your heirs, legal representatives, successors and assigns, and each assignee of this Agreement, forever releases and discharges us, our past and present employees, agents, members, area developers, officers, and directors, including any of our parent, subsidiary and affiliated entities, their respective past and present employees, agents, members, officers, and directors, from any and all claims relating to or arising out of any franchise agreement between the parties executed prior to the date of this Agreement, and all other claims relating to any dealings between any of the parties. However, this release does not apply to any claim you may have arising from representations in our Franchise Disclosure Document, or its exhibits or amendments.

21. NOTICES

You shall give any required notice or request in writing by mail or courier, postage fully prepaid, delivered personally, or by facsimile, to our CEO, at our corporate office, presently 152 Kinderton Way East, Bermuda Run, North Carolina 27006. Telephone: (844) 377-8687. We may also give any such notice to you in the same manner at the address indicated below your signature on this Agreement, such other more current address as we may have for you, or by e-mail.

22. ACKNOWLEDGMENTS

You acknowledge that you have read our Franchise Disclosure Document and this Agreement and that you are familiar with their contents. You acknowledge that you have independently investigated the business offered hereunder and base your decision to purchase solely on such investigation. You acknowledge that we have recommended, and that you have had the opportunity to obtain, review of this Agreement and our Franchise Disclosure Document ("FDD") by your lawyer, accountant or other business advisor prior to execution. Except as may be stated in Item 19 of our Franchise Disclosure Document, you acknowledge that no person is authorized to make and no person has made any representations to you as to the actual, projected or potential sales, volumes, revenues, profits or success of our franchise. You further acknowledge and agree that you are not a third party beneficiary to any agreement between us and any other franchisee.

23. GUARANTY

The Franchisee named at the top of the following page agrees to abide by the terms of this Agreement. The signature of an individual or individuals as sole proprietors, joint tenants, or tenants in common constitutes their personal agreement to such terms. The signature of an individual or individuals on behalf of an entity constitutes the entity's agreement to such terms.

In addition, the signatures of all individuals below, in any capacity, also constitute their personal joint and several agreement to perform all the obligations in and relating to this Agreement, including, but not limited to, the obligations stated in **Paragraphs 11-13 above,** the obligation to make specified payments, and pay any other debts due to us. All Signators below waive any right to presentment, demand, notice of non-performance, or the right to require us to proceed against the other Signators.

Franchisee: ____ **Entity Number:** ______________

Type: ___________________________ **(Sole Proprietor, LLC, Corp., Joint Tenants with Right of Survivorship ("JTROS"), Tenants in Common, Partnership).***

SIGNATORS:

By: ________________________________
(Signature)

____
(Printed Name)

Title: ________________________________

Address: ________________________________

____

Ownership Percent: _____ % (see note below)

By: ________________________________
(Signature)

____
(Printed Name)

Title: ________________________________

Address: ________________________________

____

Ownership Percent: _____ % (see note below)

By: ________________________________
(Signature)

____
(Printed Name)

Title: ________________________________

Address: ________________________________

____

Ownership Percent: _____ % (see note below)

By: ________________________________
(Signature)

____
(Printed Name)

Title: ________________________________

Address: ________________________________

____

Ownership Percent: _____ % (see note below)

SUNUP Insurance Services Inc.

By: ________________________________
Todd Swicegood, CEO

Effective Date: ________________________

***Joint Tenants with Right of Survivorship is typically for married couples and must be owned equally by each tenant, 50-50 for two owners, and if one spouse passes away, the other automatically receives the decedent's share. Tenants in common is normally for non-spouses and if one passes away, his or her share passes by will or state law to his or her heirs.**

SCHEDULE ~~"~~A~~"~~ TO THE FRANCHISE AGREEMENT
TERRITORY AND APPROVAL LOCATIONS

~~Powered by SUNUP:~~

Your Approved Location shall be:

____

____

~~SUNUP Premium:~~

Your Territory shall be ~~as follows:~~a 1-mile radius around the Approved Location.

____

____

SCHEDULE "B" TO THE FRANCHISE AGREEMENT

HOLDERS OF OWNERSHIP INTEREST IN THE FRANCHISEE

Please list ALL persons who hold any ownership interest in the franchisee:

***Please note per Section 14.2 of your Franchise Agreement, you may transfer your interest in the franchisee or any entity holding the franchise only if we approve**

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________
Percentage of ownership: _________%

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________
Percentage of ownership: _________%

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________
Percentage of ownership: _________%

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________
Percentage of ownership _________%

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________
Percentage of ownership _________%

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________
Percentage of ownership _________%

Principal Owner: Your designated Principal Owner (pursuant to Section 6.9(b) of the Franchise Agreement) shall be:
Name:____
Percentage of ownership _________%
Primary Contact Phone Number: _____________________
E-mail Address: __________________________________
Primary Address: ________________________________
____
____

SCHEDULE "C" TO THE FRANCHISE AGREEMENT
STATE ADDENDA

CALIFORNIA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. The Franchise Agreement is modified to also provide that we defer collection of initial fees until after we have completed our initial obligations to you and the franchise is open for business.

2. Sections 10.2 and 10.3 are deleted and in their place are substituted the following:

10.2 Termination by Us Without Right to Cure. We may terminate this Agreement without notice and the opportunity to cure for any of the following reasons:

(a) The franchisee or the business to which the franchise relates has been judicially determined to be insolvent, all or a substantial part of the assets thereof are assigned to or for the benefit of any creditor, or the franchisee admits his or her inability to pay his or her debts as they come due;

(b) The franchisee abandons the franchise by failing to operate the business for five consecutive days during which the franchisee is required to operate the business under the terms of the franchise, or any shorter period after which it is not unreasonable under the facts and circumstances for the franchisor to conclude that the franchisee does not intend to continue to operate the franchise, unless such failure to operate is due to fire, flood, earthquake, or other similar causes beyond the franchisee's control;

(c) The franchisor and franchisee agree in writing to terminate the franchise;

(d) The franchisee makes any material misrepresentations relating to the acquisition of the franchise business or the franchisee engages in conduct which reflects materially and unfavorably upon the operation and reputation of the franchise business or system;

(e) The franchisee fails, for a period of 10 days after notification of noncompliance, to comply with any federal, state, or local law or regulation, including, but not limited to, all health, safety, building, and labor laws or regulations applicable to the operation of the franchise;

(f) The franchisee, after curing any failure in accordance with Section 10.3 engages in the same noncompliance whether or not such noncompliance is corrected after notice;

(g) The franchisee breaches the franchise agreement three or more times in a 12-month period, whether or not corrected after notice;

(h) The franchised business or business premises of the franchise are seized, taken over, or foreclosed by a government official in the exercise of his or her duties, or seized, taken over, or foreclosed by a creditor, lienholder, or lessor, provided that a final judgment against the franchisee remains unsatisfied for 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 the franchise agreement or upon any property used in the franchised business, and it is not discharged within five days of such levy;

(i) The franchisee is convicted of a felony or any other criminal misconduct which is relevant to the operation of the franchise;

(j) The franchisee fails to pay any franchise fees or other amounts due to the franchisor or its affiliate within five days after receiving written notice that such fees are overdue; or

(k) The franchisor makes a reasonable determination that continued operation of the franchise by the franchisee will result in an imminent danger to public health or safety.

10.3 Termination by Us with Opportunity to Cure. We may terminate this Agreement, after sending you notice and a 60 day opportunity to cure, for any other breach of this Agreement.

Sections 11(f) concerning lease assignment is deleted

FRANCHISEE: **SUNUP Insurance Services Inc.**

By:___________________________

By:___________________________

By:___________________________
Todd Swicegood, CEO

Date:__________________________

ILLINOIS ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. Illinois law governs the Franchise Agreement.

2. You agree to bring any claim against us, including our present and former employees and agents, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association in the city or county where our National Headquarters office is located.

3. 815 ILCS 705/41 provides as follows: "Sec. 41. Waivers void. Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void."

4. The Franchise Agreement is modified to also provide that we defer collection of all initial fees until we have satisfied our pre-opening obligations to you and you have commenced doing business under the Franchise Agreement. The Illinois Attorney General's Office imposed this deferral requirement due to our financial condition.

FRANCHISEE:	**SUNUP Insurance Services Inc.**
By:________________________	By:________________________ Todd Swicegood, CEO
By:________________________	Date:________________________

MARYLAND ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. A 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.

2. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

3. The acknowledgment or representations of the franchisee made in the Franchise Agreement which disclaim the occurrence or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

4. You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

FRANCHISEE:	**SUNUP Insurance Services Inc.**
By:_______________________	By:_______________________ Todd Swicegood, CEO
By:_______________________	Date:_______________________

MINNESOTA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) 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 agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

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

- 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.

  Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- 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.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

FRANCHISEE:	**SUNUP Insurance Services Inc.**
By:________________________	By:________________________ Todd Swicegood, CEO
By:________________________	Date:________________________

**NORTH DAKOTA ADDENDUM
TO THE FRANCHISE AGREEMENT**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. You are not required to sign a general release upon renewal of the franchise agreement.

2. The franchise agreement is amended to also provide as follows:

> "Covenants not to compete are generally considered unenforceable in the State of North Dakota."

3. The provisions concerning choice of law, jurisdiction and venue, limitation of action, jury waiver, and waiver of punitive damages are hereby deleted and in their place is substituted the following language:

> "You agree to bring any claim against us, including our present and former employees, agents, and affiliates, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association."

4. North Dakota law governs any cause of action arising out of the franchise agreement.

5. Any requirement in the Franchise Agreement that requires you to pay all costs and expenses incurred by us in enforcing the agreement is void. Instead, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees

FRANCHISEE:	**SUNUP Insurance Services Inc.**
By:__________________________	By:__________________________ Todd Swicegood, CEO
By:__________________________	Date:__________________________

RHODE ISLAND ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the franchise agreement contains any provisions that conflict with the Rhode Island Franchise Investment Act, the provisions of this Addendum shall prevail to the extent of such conflict.

2. Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

3. Any provision in the franchise agreement requiring the application of the laws of a state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

4. The Rhode Island Franchise Investment Act stipulates that you cannot release or waive any rights granted under this Act. Any provision of this franchise agreement, which constitutes a waiver of rights granted under the Act, is superseded.

5. You agree to bring any claim against us, including our present and former employees and agents, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association.

FRANCHISEE:	**SUNUP Insurance Services Inc.**
By:__________________________	By:__________________________ Todd Swicegood, CEO
By:__________________________	Date:__________________________

SOUTH DAKOTA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. The Franchise Agreement is clarified to also indicate that 50% of the initial franchise fee and 50% of royalties are deemed paid for the use of our Marks and 50% are deemed paid for our training, support, and franchise system.

FRANCHISEE:	**SUNUP Insurance Services Inc.**
By:________________________	By:________________________ Todd Swicegood, CEO
By:________________________	Date:________________________

WASHINGTON ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

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

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

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

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

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

The undersigned does hereby acknowledge receipt of this addendum.

FRANCHISEE:	**SUNUP Insurance Services Inc.**
By:________________________	By:________________________ Todd Swicegood, CEO
By:________________________	Date:________________________

WISCONSIN ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the Franchise Agreement contains any provision that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

2. The Franchise Agreement is amended to also include the following language:

   With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days' prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

FRANCHISEE:	**SUNUP Insurance Services Inc.**
By:____________________	By:____________________ Todd Swicegood, CEO
By:____________________	Date:____________________

EXHIBIT C

PROMISSORY NOTES

EXHIBIT C
PROMISSORY NOTE- SOLE PROPRIETORSHIP, JOINT TENANTS, TENANTS IN COMMON

$____________________ Date ________________
Bermuda Run, North Carolina

For and in consideration of good and valuable consideration, the undersigned promises to pay to the order of SUNUP Insurance Services Inc. ["Holder"] at 152 Kinderton Way East, Bermuda Run, NC 27006 or at Holder's option, at such other place as may be designated from time to time by Holder, the amount stated above, together with interest at the rate of ____ percent (___%) per annum on the unpaid balance computed from the date provided above, payable as follows:

[insert repayment terms]

Interest under this Note will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The undersigned represents and warrants to Holder that the loan evidenced by this Note is being made for business, commercial or investment purposes. The undersigned may prepay this Note, in whole or in part, without penalty, at any time.

The undersigned agrees to pay all attorney fees and other costs and expenses that Holder may incur in connection with the collection or enforcement of this Note or the preservation or disposition of any collateral for the payment of this Note.

Each person liable on this Note in any capacity, whether as maker, endorser, surety, guarantor or otherwise, and any holder (collectively hereafter "Obligor"), waives the benefit of the homestead exemption and of all other exemptions available to him and also waives presentment, demand, protest, notice of dishonor and all other notices of every kind and nature to which he would otherwise be entitled under the applicable law. Each Obligor agrees that Holder may take any one or more of the following actions, on one or more occasions, whether before or after the maturity of this Note, without any notice to such Obligor, without any further consent to such actions, and without releasing or discharging such Obligor from liability on the Note: (a) any extension or extensions of the time of payment of any principal, interest or other amount due and payable under this Note; (b) any renewal of this Note, in whole or in part; (c) any full or partial release or discharge from liability under this Note of any other Obligor; (d) any waiver of any default under this Note or other agreement between the Lender and any Obligor relating to the indebtedness evidenced by this Note; or (e) any agreement with the Maker changing the rate of interest or any other term or condition of this Note.

TIME IS OF THE ESSENCE with regard to the payment of any amounts due under this Note and the performance of the covenants, terms and conditions of this Note.

Any one or more of the following shall constitute an event of default under this Note: (a) any default in the payment of any installment or payment of principal, interest, or other amounts due and payable under this Note; (b) the death, dissolution, merger, consolidation or termination of existence of any Obligor; (c) any default by Obligor in the performance of, or compliance with, any provision in this Note or other agreement, document or instrument to which any Obligor and Holder are parties; (d) any Obligor is unable to pay debts as they become due, or is or becomes insolvent or makes an assignment for the benefit of creditors; (e) any Obligor files or becomes the subject of any petition or other pleading for relief under the Federal bankruptcy laws or any state insolvency statute; or (f) a receiver is appointed for, or a writ or order of attachment, levy or garnishment is issued against, any Obligor or the property, assets or income of any Obligor.

If an event of default shall occur or if the undersigned shall fail to pay this Note in full at maturity, the entire unpaid balance of this Note and all accrued interest shall become immediately due and payable, at the option of Holder, without notice or demand to any Obligor. The remedies provided in this Note upon default and in other agreement between Holder and any Obligor are cumulative and not exclusive of any other remedies provided under any other agreement or at law or in equity.

Each Obligor hereby waives trial by jury in any action or proceeding to which such Obligor and Holder may be parties, arising out of, in connection with or in any way pertaining to, this Note. It is agreed and understood that this waiver constitutes a waiver of trial by jury of all claims against all parties to such action or proceeding, including claims against parties who are not parties to this Note. This waiver is knowingly, willingly and voluntarily made by each Obligor, and each Obligor hereby represents that no representations of fact or opinion have been made by any individual to induce this waiver of trial by jury and that each Obligor has been represented in the signing of this Note and in the making of this waiver by independent legal counsel, or has had the opportunity to be represented by independent legal counsel selected of its own free will, and that it has had the opportunity to discuss this waiver with its counsel.

The covenants, terms and conditions of this Note shall be binding upon the heirs, personal representatives, successors and assigns of each Obligor and shall inure to the benefit of Holder, its successors and assigns.

This Note shall be construed in all respects and enforced according to the laws of the State of North Carolina.

WITNESS the following signature(s) and seal(s):

____
Signature of Maker

____
Printed Name of Maker

Home Address:

____

____

____

____
Signature of Maker

____
Printed Name of Maker

Home Address:

____

____

____

EXHIBIT C
PROMISSORY NOTE- ENTITY

$____________________ Date _______________
Bermuda Run, North Carolina

For and in consideration of good and valuable consideration, the undersigned promises to pay to the order of SUNUP Insurance Services Inc. ["Holder"] at 152 Kinderton Way East, Bermuda Run, NC 27006, or at Holder's option, at such other place as may be designated from time to time by Holder, the amount stated above, together with interest at the rate of ____ percent (___%) per annum on the unpaid balance computed from the date provided above, payable as follows:

[insert repayment terms]

Interest under this Note will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The undersigned represents and warrants to Holder that the loan evidenced by this Note is being made for business, commercial or investment purposes. The undersigned may prepay this Note, in whole or in part, without penalty, at any time.

The undersigned agrees to pay all attorney fees and other costs and expenses that Holder may incur in connection with the collection or enforcement of this Note or the preservation or disposition of any collateral for the payment of this Note.

Each person liable on this Note in any capacity, whether as maker, endorser, surety, guarantor or otherwise, and any holder (collectively hereafter "Obligor"), waives the benefit of the homestead exemption and of all other exemptions available to him and also waives presentment, demand, protest, notice of dishonor and all other notices of every kind and nature to which he would otherwise be entitled under the applicable law. Each Obligor agrees that Holder may take any one or more of the following actions, on one or more occasions, whether before or after the maturity of this Note, without any notice to such Obligor, without any further consent to such actions, and without releasing or discharging such Obligor from liability on the Note: (a) any extension or extensions of the time of payment of any principal, interest or other amount due and payable under this Note; (b) any renewal of this Note, in whole or in part; (c) any full or partial release or discharge from liability under this Note of any other Obligor; (d) any waiver of any default under this Note or other agreement between the Lender and any Obligor relating to the indebtedness evidenced by this Note; or (e) any agreement with the Maker changing the rate of interest or any other term or condition of this Note.

TIME IS OF THE ESSENCE with regard to the payment of any amounts due under this Note and the performance of the covenants, terms and conditions of this Note.

Any one or more of the following shall constitute an event of default under this Note: (a) any default in the payment of any installment or payment of principal, interest, or other amounts due and payable under this Note; (b) the death, dissolution, merger, consolidation or termination of existence of any Obligor; (c) any default by Obligor in the performance of, or compliance with, any provision in this Note or other agreement, document or instrument to which any Obligor and Holder are parties; (d) any Obligor is unable to pay debts as they become due, or is or becomes insolvent or makes an assignment for the benefit of creditors; (e) any Obligor files or becomes the subject of any petition or other pleading for relief under the Federal bankruptcy laws or any state insolvency statute; or (f) a receiver is appointed for, or a writ or order of attachment, levy or garnishment is issued against, any Obligor or the property, assets or income of any Obligor.

If an event of default shall occur or if the undersigned shall fail to pay this Note in full at maturity, the entire unpaid balance of this Note and all accrued interest shall become immediately due and payable, at the option of Holder, without notice or demand to any Obligor. The remedies provided in this Note upon default and in other agreement between Holder and any Obligor are cumulative and not exclusive of any other remedies provided under any other agreement or at law or in equity.

Each Obligor hereby waives trial by jury in any action or proceeding to which such Obligor and Holder may be parties, arising out of, in connection with or in any way pertaining to, this Note. It is agreed and understood that this waiver constitutes a waiver of trial by jury of all claims against all parties to such action or proceeding, including claims against parties who are not parties to this Note. This waiver is knowingly, willingly and voluntarily made by each Obligor, and each Obligor hereby represents that no representations of fact or opinion have been made by any individual to induce this waiver of trial by jury and that each Obligor has been represented in the signing of this Note and in the making of this waiver by independent legal counsel, or has had the opportunity to be represented by independent legal counsel selected of its own free will, and that it has had the opportunity to discuss this waiver with its counsel.

The covenants, terms and conditions of this Note shall be binding upon the heirs, personal representatives, successors and assigns of each Obligor and shall inure to the benefit of Holder, its successors and assigns.

This Note shall be construed in all respects and enforced according to the laws of the State of North Carolina.

WITNESS the following signature(s) and seal(s):

Maker:______________________________
(Enter Name of Entity Here)

By:______________________________

Printed Name:________________________ Title:________________________

Guarantors:

________________________	________________________
Signature of Guarantor	Signature of Guarantor
________________________	________________________
Printed Name of Guarantor	Printed Name of Guarantor
Home Address:	Home Address:
________________________	________________________
________________________	________________________
________________________	________________________

Signature of Guarantor

Printed Name of Guarantor

Home Address:

Signature of Guarantor

Printed Name of Guarantor

Home Address:

EXHIBIT D

State Administrators and Agents for Service of Process

State	State Administrator	Agent for Service of Process
California	Department of Business Oversight Division of Corporations 320 West 4th Street Los Angeles, CA 90013 1515 K Street, Suite 200, Sacramento, CA 95814 1-866-275-2677	Department of Business Oversight Division of Corporations 320 West 4th Street Los Angeles, CA 90013
Connecticut	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299
Hawaii	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706
Indiana	Secretary of State, Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204 (317) 232-6681	Secretary of State, Securities Division West Washington Street, Room E-111 Indianapolis, IN 46204
Kentucky	Kentucky Attorney General 700 Capitol Avenue Frankfort, Kentucky 40601-3449 (502) 696-5300	
Maryland	Office of the Attorney General Securities Commissioner	Maryland Securities Commissioner

	200 St. Paul Place Baltimore, MD 21202 (410) 576-6360	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Department of Attorney General Consumer Protection Division – Franchise Unit 525 W. Ottawa Street G. Mennen Building Lansing, MI 48913 (517) 373-7117	Department of Attorney General 525 W. Ottawa Street G. Mennen Building Lansing, MI 48913
Minnesota	Minnesota Commissioner of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198
Nebraska	Nebraska Department of Banking and Finance 1200 N Street-Suite 311 Post Office Box 95006 Lincoln, Nebraska 68509 (402) 471-3445	
New York	Office of the New York State Attorney General Investor Protection Bureau Franchise Section 120 Broadway, 23rd Floor New York, New York 10271-0332 (212) 416-8236 Phone	New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492 Phone
North Dakota	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capital, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capital, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Avenue, Bldg. 69-1 Cranston, RI 02920 (401) 462-9588	Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Avenue, Bldg. 69-1 Cranston, RI 02920 (401) 462-9588
South Dakota	Department of Labor and Regulation Division of Securities	Department of Labor and Regulation Division of Securities

	124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823	124 South Euclid, Suite 104 Pierre, SD 57501
Texas	Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769	
Utah	Department of Commerce Division of Consumer Protection 160 East 300 South Salt Lake City, Utah 84111-0804 (801) 530-6601	
Virginia	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Securities Administrator Washington State Department of Financial Institutions 150 Israel Rd., SW Tumwater, WA 98501 (360) 902-8760	Securities Administrator Washington State Department of Financial Institutions 150 Israel Rd., SW Tumwater, WA 98501
Wisconsin	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703 (608) 266-8557	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703

EXHIBIT E
CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT ("Agreement") is made on the date entered below between SUNUP Insurance Services Inc. ("Company") and the below named recipient ("Recipient").

WHEREAS, Company has or is about to undertake discussions with Recipient regarding a franchise business opportunity (the "Opportunity"); and

WHEREAS, in connection with the Opportunity, Company may grant to Recipient access to Confidential Information, which such Confidential Information, including its existence and terms, the Company does not want made public, except as may be required by law;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Definition. Confidential Information shall include all oral, written, and electronic information which is furnished by Company to Recipient in connection with the Opportunity and which is not available to the public, including but not limited to all business information, agreements, manuals, operating materials, and data.

2. Restricted Use. Recipient agrees that the Confidential Information will not be used or disclosed to any third party except business advisors such as CPA's or attorneys with a need to know, or in response to a lawful summons, subpoena, or discovery request, without the express prior written consent of Company.

3. Injunctive Relief. Recipient acknowledges that the remedy at law for any breach by it of the terms of this Agreement shall be inadequate and that the damages resulting from such breach are not readily susceptible to being measured in monetary terms. Accordingly, in the event of a breach or threatened breach by Recipient of the terms of this Agreement, Company shall be entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach. Nothing herein shall be construed as prohibiting Company from pursuing any other remedies available to Company for such breach or threatened breach, including the recovery of damages from Recipient. Recipient further represents that it understands and agrees that the provisions of this Agreement shall be strictly enforced and construed against it.

4. Non-Waiver. No failure or delay by Company in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

5. North Carolina Law. This Agreement is effective upon its acceptance in North Carolina by Company's authorized personnel. North Carolina governs all claims that in any way relates to or arises out of this Agreement or any of the dealings of the parties ("Claims").

6. Jurisdiction and Venue. In any suit over any Claims, the parties agree to the sole and exclusive venue and personal jurisdiction in the state and federal court located nearest to our Company's National Office, presently located in Mocksville, North Carolina.

7. Jury Waiver. In any trial between any of the parties, as to any Claims, the parties agree to waive their rights to a jury trial and instead have such action tried by a judge.

8. Class Action Waiver. Recipient agrees that any Claim Recipient may have shall be brought individually and Recipient shall not join with claims of any other person or entity or bring, join or participate in a class action against Company.

9. Punitive Damages Waiver. In any Claim, the parties agree to waive their rights, if any, to seek or recover punitive damages.

10. Attorney Fees. In any Claim, in the event that Company is the prevailing party, Company shall be entitled to recover its costs and attorney fees.

IN WITNESS WHEREOF, the parties have executed this Confidentiality Agreement on the date below.

Recipient:	**SUNUP Insurance Services Inc.**
By:____________________________	By:____________________________ Todd Swicegood, CEO
By:____________________________	Date:____________________________

EXHIBIT F
AUTOMATIC BANK DRAFT AUTHORIZATION

ACH Origination Authorization

Please complete the following with your banking information and attach a voided check:

Company Name:____

Name of Financial Institution:____

Address of Financial Institution:____

Routing Number:____

Account Number:____

I hereby authorize SUNUP Insurance Services Inc. and the financial institution named above to initiate entries to my checking or savings accounts as identified above in accordance with the terms of my franchise agreement and, if necessary, to initiate adjustments for any transactions credited in error. This authority will remain in effect until I notify either SUNUP Insurance Services Inc. or the above-named financial institution in writing to cancel it in such time as to afford a reasonable opportunity to act on such instructions. I can stop payment of any entry by notifying the above-named financial institution at least 3 days before my account is scheduled to be charged. I can have the amount of an erroneous charge immediately credited to my account for up to 15 days following issuance of my statement by the above-referenced financial institution or up to 60 days after deposit, whichever occurs first.

Signature: ____

Printed Name of Person Signing: ____________________________

Title (if any):____

Application Date: ____

Telephone Number: ____

Applicant's Address: ____

____

EXHIBIT G
CLOSING ACKNOWLEDGEMENTS

You and we are preparing to enter into a Franchise Agreement. This Acknowledgement is to determine whether any statements or promises were made to you that we did not authorize or are untrue, inaccurate or misleading, to ensure you have been properly represented, and that you understand the limitations on claims you may make relating to your franchise. **You cannot sign or date this Acknowledgement the same day as the Receipt for the Franchise Disclosure Document. You must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses. If you answer "Yes" to any of the questions below, please explain your answer on the back of this sheet.

Yes__ No__ 1. Have you received and personally reviewed the Franchise Agreement and each attachment or schedule attached to it?

Yes__ No__ 2. Do you understand all the information contained in the Franchise Agreement?

Yes__ No__ 3. Have you received and personally reviewed the Franchise Disclosure Document we provided?

Yes__ No__ 4. Do you understand all the information contained in the Franchise Disclosure Document?

Yes__ No__ 5. Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor?

Yes__ No__ 6. Do you understand the risks of developing and operating this franchise?

Yes__ No__ 7. Do you understand that your investment involves substantial business risks and that there is no guarantee that your business will be profitable?

Yes__ No__ 8. Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, the economy, labor and supply costs and other relevant factors?

Yes__ No__ 9. Do you acknowledge that the success of your franchise in large part relies upon your ability as an independent business person and your active participation in the day to day operation of the business?

Yes__ No__ 10. Do you agree that no employee or other person speaking on our behalf has made any statement, promise, or agreement, that is contrary to or different from what is stated in the Franchise Disclosure Document and Franchise Agreement?

Yes__ No__ 11. Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue you will generate, that is not contained in Item 19 of the Franchise Disclosure Document or that is contrary to, or different from, the information contained in Item 19 of the Franchise Disclosure Document, and that you have not made a decision to purchase your franchise based on any such representations?

Yes__ No__ 12. Do you understand that the Franchise Agreement and attachments to the Franchise Agreement contain the entire agreement between us and you concerning this franchise, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments to the Franchise Agreement will not be binding?

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

By signing below, you are representing that you have responded truthfully to the above questions.

____
Name of Applicant (please print)

____
Signature

Date: __________________________

<u>Explanation of any negative responses (Refer to Question Number):</u>

EXHIBIT H

CURRENT FRANCHISEES

The following is a list of the names of all Franchisees and the address and telephone number of each of their outlets as of the end of our most recently completed fiscal year.

Georgia

Amer Awad
224 Bullsbboro Drive, Suite A
Newman, GA 30263
(404) 542-8929

North Carolina

Karen Swicegood
256 Lakeview Road
Mocksville, NC 27028
(336) 978-4822

South Carolina

Mark Williams
123 S. Herlong Avenue
Rock Hill, SC 29715
(803) 524-3399

Texas

Kim Hastings
15912 Rosethorn Court
Cypress, TX 77429
(832) 746-9090

Franchise Agreement Signed But Outlet Not Yet Open

None

EXHIBIT I

FORMER FRANCHISEES

The following is a list of Franchisees who had an outlet terminated, cancelled, not renewed or otherwise ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who had not communicated with us within ten weeks of the date of the disclosure document issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

None

EXHIBIT J

Financial Statements

Edwards Falls Renegar, PLLC

Independent Auditor's Report

To the Shareholder of
SUNUP Insurance Services, Inc.

We have audited the accompanying financial statements of SUNUP Insurance Services, Inc., (a North Carolina corporation) which comprise the balance sheet as of December 31, 2016 and the related statement of income, changes in shareholder's equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SUNUP Insurance Services, Inc. as of December 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note A to the financial statements, the Company's significant operating loss raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to that matter.

Edwards Falls Renegar, PLLC

Winston-Salem, North Carolina
April 25, 2017

4540 Country Club Road, Winston-Salem, NC 27104
Phone: 336.765.8377 • Fax: 336.765.8325
efrcpa.com

SUNUP Insurance Services, Inc.

Balance Sheet
December 31, 2016

Assets	
Current assets	
Notes receivable	$ 115,000
Accrued interest receivable	1,958
Total current assets	116,958
Noncurrent Assets	
Notes receivable	256,000
Property and equipment, net	35,746
	291,746
Other assets	
Intangible assets, net	15,333
Due from related party	25,000
Due from Shareholder	99,334
	139,667
Total assets	$ 548,371
Liabilities and Shareholder's Deficit	
Current liabilities	
Current maturities of long-term debt	$ 281,947
Bank overdraft	4,475
Accrued interest payable	13,612
Total current liabilities	300,034
Long-term debt	583,500
Deferred revenue	207,500
Total liabilities	791,000
Shareholder's Equity/ (Deficit)	
Common Stock - 1,000,000 shares authorized, no par, 1,000 shares issued and outstanding	1,000
Retained earnings	(543,663)
Total shareholder's equity/ (deficit)	(542,663)
Total liabilities and shareholder's equity/ (deficit)	$ 548,371

The accompanying notes and accountant's report should be read with these financial statements.

SUNUP Insurance Services, Inc.

Statement of Income
For the Year Ended December 31, 2016

Franchise revenue	$	173,500
Commissions Revenue		32,200
		205,700
Cost of goods sold - consultants		295,078
Gross profit		(89,378)
General and administrative expenses		422,266
Loss from operations		(511,644)
Other income (expenses)		
Interest income		1,958
Interest expense		(33,977)
Net loss	$	(543,663)

The accompanying notes and accountant's report should be read with these financial statements.

SUNUP Insurance Services, Inc.

Statement of Changes in Shareholder's Equity
For the Year Ended December 31, 2016

	Common Stock	Retained Earnings	Total Shareholder's Equity
Balances, February 10, 2016	$ 1,000	$ -	$ 1,000
Net loss	-	(543,663)	(543,663)
Balances, December 31, 2016	$ 1,000	$ (543,663)	$ (542,663)

The accompanying notes and accountant's report should be read with these financial statements.

SUNUP Insurance Services, Inc.

Statement of Cash Flows
Increase (Decrease) in Cash
For the Year Ended December 31, 2016

Cash flows from operating activities		
Net loss	$	(543,663)
Adjustments to reconcile net income		
to net cash provided by operating activities		
Depreciation expense		3,856
Amortization expense		12,667
Changes in operating assets and liabilities		
Accrued interest receivable		(1,958)
Deferred revenue		207,500
Accrued interest payable		13,612
Net cash used by operating activities		(307,986)
Cash flows from investing activities		
Issuance of notes receivable		(371,000)
Purchase of capital assets		(39,602)
Acquisition of intangible asset		(28,000)
Loan to related party		(25,000)
Loan to shareholder		(99,334)
Net cash used by investing activities		(562,936)
Cash flows from financing activities		
Proceeds from long-term debt		875,447
Repayment of long-term debt		(10,000)
Net cash provided by financing activities		865,447
Net increase (decrease) in cash		(5,475)
Cash, beginning of year		1,000
Cash, end of year	$	(4,475)
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	$	33,977

The accompanying notes and accountant's report should be read with these financial statements.

Note A - Nature of Business and Significant Accounting Policies

Nature of business: SUNUP Insurance Services, Inc. is a North Carolina Corporation formed February 8, 2016. The Company sales insurance franchises offering insurance services and insurance marketing. The various insurance services ultimately offered by SUNUP include property and casualty, commercial, life, health insurance and annuities.

Going Concern, Liquidity and Management's Plan

The Company incurred a substantial loss in its initial year and had negative cash flow from operating activities for the year ended December 31, 2016. These losses were financed through borrowings to various individuals. SUNUP's current operating plan projects profitable operations for 2017 and beyond due to the following:

1. 2016 Was the initial year of operations and significant one time non recurring expenses to develop technology and the sales network were incurred.
2. Projected sales are to increase in all three profit centers more fully described below.

The uncertainty of management's projections raise the possibility of SUNUP's ability to meet its obligations as they become due within one year of this report.

Revenue is generated through three profit centers.

1. Master franchise licenses are available allowing franchise holders (or area representatives) to build a team of franchisees on a regional or national level. A master franchise license allows access to the SUNUP technology platform delivering marketing materials and sales support information. The master franchise agreement typically sales for $120,000. A master franchise license is not geographically limited and allows area representatives to do business in any area SUNUP is licensed. SUNUP offers financing over a three year period at a typical 8% interest rate. One half of the master franchise fee is considered earned at closing with the remaining half of the fee earned over a five to seven year period. The unearned revenue of the master agreement is deferred revenue until management determines SUNUP has met their obligations under the license.
2. Independent insurance storefronts are available for $15,000. SUNUP provides a technology platform to operate an independent insurance store. Revenue is recognized upon the sale of a store front. The unit holders of the storefronts have access to potential customers generated through insurance carriers who have contracted with SUNUP to provide insurance lines.
3. SUNUP receives a twenty per cent (20%) commission on all store front insurance sales. Under the master license agreement discussed, SUNUP has a contractual obligation to pay twenty-five per cent (25%) of the earned commission to the area representatives owning the master license(s). All commissions are earned when paid by the unit holders owning and operating the insurance storefronts.

Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent events: The Company evaluates subsequent events for disclosure or adjustment through the date that financial statements are issued.

SUNUP Insurance Services, Inc.

Note B - Concentrations of Credit Risk

Financial instruments which potentially subject the Company to credit risk include notes receivable. Note receivables are generated from financing of master franchise licenses sales. Credit risk with respect to notes receivable is limited by ongoing credit evaluations of its customers.

Note C – Notes Receivables

In the initial year of operations, SUNUP sold and financed five master franchise agreements.

As of December 31, 2016, the Company was due five notes receivable generated from master franchise license sales. These five notes have varying maturity dates and bear interest from 0% to 8%.

		2016
Notes receivable - current	$	115,000
Notes receivable - noncurrent		256,000
	$	371,000
Maturity dates follow		
2017	$	115,000
2018		-
2019		56,000
2020		200,000
	$	371,000

Note D - Property and Equipment

The following is an analysis of the Company's capital assets by major category:

Vehicle	$	35,941
Office furniture		3,661
		39,602
Less accumulated depreciation		3,856
	$	35,746

Note E – Long Term Debt

As of December 31, 2016, the Company owed seven notes to five individuals. The notes have varying maturity dates and bear interest from 8% to 10%. Interest is payable monthly with the principal curtailed at maturity.

Current maturity long-term debt	$	281,947
Long-term debt		583,500
	$	865,447

Maturity dates follow		
2017	$	281,947
2018		195,500
2019		388,000
	$	865,447

Note F – Income Taxes

SUNUP Insurance Services, Inc. operates as an S corporation whereby the earnings and other tax attributes of the corporation flow through to the shareholder and become part of his individual income tax returns. Accordingly, no provision for income taxes has been included in the accompanying financial statements. As of the statement issuance date, tax year 2016 (initial year) remains open and subject to examination by taxing authorities.

Note G – Related Party Transaction

The Company loaned $25,000 to a limited liability company which is 100% owned by the sole shareholder of SUNUP Insurance Services, Inc. This loan bears no stated interest rate and is payable upon demand.

Independent Auditor's Report on Supplementary Information

To the Members of
SUNUP Insurance Services, Inc.

We have audited the financial statements of SUNUP Insurance Services, Inc. as of and for the year ended December 31, 2016, and our report thereon dated April 25, 2017, which expressed an unmodified opinion (and related going concern emphasis) on those financial statements, appears on page one. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of general and administrative expenses is presented for purposes of additional analysis and are not required parts of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Edwards Falls & Renegar PLLC
Winston Salem, North Carolina
April 25, 2017

4540 Country Club Road, Winston-Salem, NC 27104
Phone: 336.765.8327 · Fax: 336.765.8325
efrcpa.com

SUNUP Insurance Services, Inc.

Schedule of General and Administrative Expenses
For the Year Ended December 31, 2016

Rent	$	28,032
Utilities		6,124
Technology development		64,491
Taxes and licenses		16,887
Dues and subscriptions		2,211
Education and seminars		31,240
Telephone		2,074
Advertsing		72,812
Tradeshows		14,700
Insurance - other		3,218
Office Expense		3,741
Legal fees		33,970
Accounting fees		3,026
Contract Labor		24,400
Travel		62,035
Meals and entertainement		22,673
Depreciation and amortization		3,856
Amortization		12,667
Repairs and maintenance		6,337
Bank charges		7,772
Total general and administrative expenses	$	422,266

Edwards Falls Renegar, PLLC

Independent Auditor's Report

To the Shareholder
of Sunup Insurance Services, Inc.
Mocksville, North Carolina

We have audited the accompanying balance sheet of Sunup Insurance Services, Inc. (a North Carolina corporation), and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Sunup Insurance Services Inc. as of February 10, 2016 in accordance with accounting principles generally accepted in the United States of America.

Edwards Falls Renegar, PLLC

Winston-Salem, North Carolina
February 18, 2016

4540 Country Club Road, Winston-Salem, NC 27104
Phone: 336.765.8327 · Fax: 336.765.8325
efrcpa.com

Sunup Insurance Services Inc.

Balance Sheet
February 10, 2016

Assets

Current assets		
Cash	$	1,000
Total current assets		1,000
Total assets	$	1,000

Liabilities and Shareholder's Equity

Contributed capital	$	1,000
Total shareholder's equity		1,000
Total liabilities and shareholder's equity	$	1,000

See accompanying notes to financial statements.

Sunup Insurance Services, Inc.

Notes to Financial Statement

Note A - Nature of Business and Summary of Significant Accounting Policies

Sunup Insurance Services, Inc. is a North Carolina corporation formed for the purpose of obtaining a franchise for the franchising of other insurance offices.

Basis of accounting: The accompanying financial statement of the Company was prepared in accordance with accounting principles generally accepted in the United States of America.

Revenue and Cost Recognition: Revenues will be from the sale of franchise fees and receipt of royalties on the cash basis of accounting. Similarly, expenses will be recognized when paid.

Use of estimates: The prepartion of the financial statement in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. No accounting assumptions or estimates have been identified as of February 10, 2016.

Income taxes: The Company has elected S Corporation status whereby the earnings and other tax attributes flow through and become part of the shareholder's personal tax return. The income tax return is subject to be examined by the federal and state tax authority for up to three years from the date that the return is filed. 2016 will be the initial tax return required for Sunup Insurance Services, Inc. As a result, no provision for income taxes has been included in the financial statement.

Note B – Concentration of Risk

Federal Deposit Insurance Corporation (FDIC) generally provides insurance coverage for up to $250,000 of cash held by the Company in each separate FDIC insured bank and savings institution. As of February 10, 2016, the Company did not have an amount in excess of the insured limit.

Note C – Subsequent Event

The Company has evaluated subsequent events for potential recognition and/or disclosure in the February 10, 2016 financial statement through February 18, 2016, the date the financial statement was available to be issued.

EXHIBIT K

Table of Contents to Operations Manual

EXHIBIT L
RELEASE

THIS RELEASE is made and given by ____, ("Releasor") with reference to the following facts:

1. Releasor and SUNUP Insurance Services Inc. (Releasee) are parties to one or more franchise agreements.

2. The following consideration is given:

   _______ the execution by Releasor of a successor Franchise Agreement or other renewal documents renewing the franchise (the "Franchise"); or

   _______ Releasor's consent to Releasee's transfer of its rights and duties under the Franchise Agreement; or

   _______ Releasor's consent to Releasee's assumption of rights and duties under the Franchise Agreement; or

   ____ [insert description]

3. Release- Franchisee and all of Franchisee's guarantors, members, employees, agents, successors, assigns and affiliates fully and finally release and forever discharge Releasee, its past and present agents, employees, officers, directors, members, Franchisees, successors, assigns and affiliates (collectively "Released Parties") from any and all claims, actions, causes of action, contractual rights, demands, damages, costs, loss of services, expenses and compensation which Franchisee could assert against Released Parties or any of them up through and including the date of this Release.

4. THIS IS A SPECIFIC RELEASE GIVING UP ALL RIGHTS WITH RESPECT TO THE TRANSACTIONS OR OCCURRENCES THAT ARE BEING RELEASED UNDER THIS AGREEMENT.

5. California Releasor- You represent and warrant that YOU EXPRESSLY WAIVE ANY AND ALL RIGHTS AND BENEFITS UNDER CALIFORNIA CIVIL CODE §1542, which provides as follows:

   A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

6. The above Release shall not apply to any liabilities arising under the California Franchise Investment Law, the California Franchise Relations Act, Indiana Code § 23-2-2.5.1 through 23-2-2.7-7, the Maryland Franchise Registration and Disclosure Law, Michigan

Franchise Investment Law, Minnesota Franchise Act, North Dakota franchise laws, and the Rhode Island Investment Act.

Franchisee:	**SUNUP Insurance Services Inc.**
By:____________________________	By:____________________________ Todd Swicegood, CEO
Printed Name:_____________________	Date:___________________________
Title:___________________________	

EXHIBIT M
Area Representative Disclosures

The following constitutes disclosures about our Area Representatives as to Items 2, 3, 4, and 11:

Item 2 Business Experience

Lalo Diaz, Jr., Area Representative. Lalo Diaz has served as our Director of Property and Casualty Markets since January 2017. Mr. Diaz has also served as an Area Representative for us in Uvalde, Texas since November 2016. From January 2015 until the present, Mr. Diaz has also served as a Justice of the Peace in Uvalde, Texas. From June 2014 until the present, Mr. Diaz has also served as the Owner of Uvalde Postal Express. From November 2010 until the present, Mr. Diaz has served as a Liberty Tax Service franchisee in Uvalde, Texas. From December 2009 until the present, Mr. Diaz has served as an Agent for Diaz Insurance Agency, Farmers Insurance, in Uvalde, Texas.

Cynthia Fehr, Area Representative. Ms. Fehr has served as an Area Representative for us through Associates for Financial Solutions LLC in Austintown, Ohio since November 2016. From August 2010 until the present, Ms. Fehr has also served as the Owner of Associates for Insurance Solutions, LLC in Canfield, Ohio.

Julio Garcia, Area Representative. Ms. Garcia has served as an Area Representative for us in Lake Jackson, Texas since November 2016. From October 2016 to the present, Mr. Garcia has also served as Agency Manager for Farmers Insurance in Lake Jackson, Texas. From February 2014 to September 2016, Mr. Garcia served as Chief Financial Officer for Pinnacle Dream Homes in Conroe, Texas. From May 2013 until January 2014, Mr. Garcia was self-employed for Julio Garcia Insurance in Austin, Texas. From July 2011 until April 2013, Mr. Garcia was a District Office Trainer for Farmers Insurance in Austin, Texas.

Justin McDaniel, Area Representative. Mr. McDaniel has served as an Area Representative for us in Charlotte, North Carolina since December 2016. From February 2016 until November 2016, Mr. McDaniel served as a Sales Representative for Liberty Mutual in Charlotte, North Carolina. From May 2015 until February 2016, Mr. McDaniel served as a Financial Planner for Prudential in Charlotte, North Carolina. From March 2000 until May 2015, Mr. McDaniel served as a Field Sales Leader for Allstate in Charlotte, North Carolina.

SUNUP ENC LLC:

Jeff Serbus, Area Representative. Mr. Serbus has served as an Area Representative for us through SUNUP ENC LLC since December 2016 in Jacksonville, North Carolina. From

January 2008 until March 2017, Mr. Serbus served as a franchisee for Liberty Tax Service in Jacksonville, North Carolina.

David Martz, Area Representative. Mr. Martz has served as an Area Representative for us through SUNUP ENC LLC in Jacksonville, North Carolina since December 2016. From October 2015 to the present, Mr. Martz has also served as a franchisee for Liberty Tax Service in Chesapeake, Virginia. From May 2014 until November 2015, Mr. Martz worked as a Sales Representative for Liberty Tax Service in Virginia Beach, Virginia. From March 2012 to May 2014, Mr. Martz worked as a Recruiter for Next Financial in Virginia Beach, Virginia.

Item 3 Litigation

No litigation is required to be disclosed in this Item.

Item 4 Bankruptcy

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

Item 11 Franchisor's Assistance, Advertising, Computer Systems, and Training

The Area Representatives listed above may offer certain assistance to you with respect to site selection and operational support.

EXHIBIT N
RECEIPT

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

If SUNUP Insurance Services Inc. offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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

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

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit D.

The franchisor is SUNUP Insurance Services Inc. located at 152 Kinderton Way East, Bermuda Run, NC 27006.

Issuance Date: April 27, 2017 as amended July 20, 2017.

The Franchise Seller for this offering is:

____ Todd Swicegood, 152 Kinderton Way East, Bermuda Run, NC 27006; (844) 377-8687
____ Jeffrey Hastings, 152 Kinderton Way East, Bermuda Run, NC 27006; (844) 377-8687

We authorize the respective state agencies identified in Exhibit D to receive service of process for us in the particular state.

I have received a disclosure document dated April 27, 2017~~.~~ as amended July 20, 2017, that included the following Exhibits:

A. State Addenda to the Disclosure Document
B. Franchise Agreement
    Schedule A- Territory and Approved Locations
    Schedule B- Holders of Ownership Interest in the Franchise
    Schedule C- State Addenda
C. Promissory Notes

D. List of State Administrators and Registered Agents
E. Confidentiality and Non-Disclosure Agreement
F. Automatic Bank Draft Authorization
G. Closing Acknowledgments
H. List of Current Franchisees
I. List of Former Franchisees
J. Financial Statements
K. Table of Contents of Operations Manual
L. Release
M. Area Representative Disclosures
N. Receipt

PROSPECTIVE FRANCHISEE:

____
Date you received this Disclosure Document

If an individual:

____
Signature

____
Printed Name

____
Address

____

______________________________ **(Telephone number)**

If a business entity:

____
Name of Business Entity

By: ______________________________
Signature

____
Printed Name/Title

____
Address

____

______________________________ **(Telephone number)**

Please sign, date and retain this copy for your records.

EXHIBIT N
RECEIPT

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

If SUNUP Insurance Services Inc. offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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

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

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit D.

The franchisor is SUNUP Insurance Services Inc. located at 152 Kinderton Way East, Bermuda Run, NC 27006.

Issuance Date: April 27, 2017~~.~~ as amended July 20, 2017.

The Franchise Seller for this offering is:

____ Todd Swicegood, 152 Kinderton Way East Bermuda Run, NC 27006, (844) 377-8687

____ Jeffrey Hastings, 152 Kinderton Way East, Bermuda Run, NC 27006; (844) 377-8687

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H. List of Current Franchisees
I. List of Former Franchisees
J. Financial Statements
K. Table of Contents of Operations Manual
L. Release
M. Area Representative Disclosures
N. Receipt

PROSPECTIVE FRANCHISEE:

____
Date you received this Disclosure Document

If an individual:	**If a business entity:**
	______________________________ **Name of Business Entity**
______________________________ **Signature**	By: ______________________________ **Signature**
______________________________ **Printed Name**	______________/______________ **Printed Name/Title**
______________________________ **Address**	______________________________ **Address**
______________________________	______________________________
(Telephone number)	**(Telephone number)**

Please sign, date, and return this copy to us.