

FRANCHISE DISCLOSURE DOCUMENT

TAP INTO LOCAL LLC
A New Jersey Limited Liability Company
560 Central Avenue
New Providence, NJ 07974
(908) 279-0303
www.tapinto.net



TAPinto

The franchise offered is for the operation of a TAPinto® business within a particular geographic territory. The business will consist of the operation of a free local on-line news site and the sale of advertisements for the news site.

The total initial investment necessary to begin operation of your TAPinto® business ranges from \$7,475 to \$11,025. This includes \$6,500 to \$6,800 that must be paid to us or our affiliates.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Michael Shapiro at the above address or (908) 279-0303.

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

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

Issuance Date: April 21, 2022

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising Generally

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in New Jersey. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in New Jersey than in your own state.
2. You must make minimum monthly license fees and other payments regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Sales Performance Required.** You must maintain sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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

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Item 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Disclosure Document, “we,” “us” or “our” means TAP INTO LOCAL LLC, the franchisor. “You” means the person or entity who buys the franchise. If the franchisee is a corporation, partnership or other entity, “you” may also mean its owners. Certain provisions of the Franchise Agreement will apply to your owners and will be noted in this Disclosure Document.

The Franchisor

We are a New Jersey limited liability company formed on August 7, 2018. Our principal business address is 560 Central Avenue, New Providence, NJ 07974; telephone: (908) 279-0303; website: www.tapinto.net. We do business under our LLC name and “TAPinto.” We do not do business or intend to do business under any other names. We are in the business of the administration of our franchise system. We offer franchisees the right to use the Trademarks (defined below) and the proprietary sales and business techniques (“System”) within a particular geographic territory (a “Designated Territory”). These franchises are referred to as “Local” or “Town” franchises. Town or Local franchisees publish free local on-line news sites containing news and articles of local interest and sell advertising for the news site. We have not operated a TAPinto® business. We have offered franchises since February 2019. We have not offered franchises in other lines of business.

Our Parent

We are a wholly owned subsidiary of The Alternative Press, LLC (“Alternative Press”) which was formed in February 2007. Alternative Press has the same principal place of business as us. From January 2012 through August 2013, Alternative Press offered licenses for the right to operate businesses similar to a TAPinto® business. Alternative Press has not operated a TAPinto® business; nor has it offered franchises in this business or any other business.

Our Predecessor and Affiliate

TAP Into LLC is our predecessor and an affiliate. TAP Into LLC was formed on October 1, 2013 and ceased operations on December 1, 2021. TAP Into LLC was a wholly owned subsidiary of Alternative Press. From 2013 to January 1, 2019, TAP Into LLC offered Town franchises similar to the type described in this disclosure document. For the period 2016 through 2021, TAP Into LLC offered franchises for the operation of businesses using the Trademarks and System within a particular subject matter. For the period August 2018 through 2021, TAP Into LLC offered franchises for the operation of businesses using the Trademarks and System within a particular medium. In 2021, Tap Into LLC acquired the one existing subject matter franchise and the one existing medium based franchise. As of December 1, 2021, Tap Into LLC ceased all operations and no longer offers franchises in any business.

In May 2018, TAP Into LLC assigned to Alternative Press, *inter alia*, the right to offer Town franchises as well as all of its interests in all franchise agreements with Town franchisees. As part of that transaction and as of January 1, 2019, TAP Into LLC no longer has the right to sell Town franchises of the type described in this disclosure document. Rather, effective January 1, 2019, we acquired the right to grant third parties the right to operate TAPinto® Town franchises and acquired our predecessor's interest in all existing franchise agreements with Town franchisees.

Our Affiliate

TAP IP LLC is our affiliate. It was formed in August 2018. TAP IP LLC has the same principal place of business as us. TAP IP LLC owns the Trademarks and other IP used in connection with the System which we use and have the right to license to you to use under a license agreement. TAP IP LLC has not operated a business of the type offered in this disclosure document. TAP IP LLC does not offer franchises, nor has it offered franchises in any other line of business.

We do not have any other affiliates that provide products or services to our franchisees and we do not have any other affiliates that offer franchises in any line of business.

Our agents for service of process are disclosed in Exhibit A to this Disclosure Document.

The Franchise

We grant franchises to qualified persons for the right to own and operate a Town franchise ("Business" or "Franchise") using the Trademarks and System within a particular geographic territory (the "Designated Territory") and under the terms of our standard Franchise Agreement, a copy of which is included in this Disclosure Document as Exhibit B. Town franchisees publish free local on-line news sites containing news and articles of local interest and sell advertising for the news site. We grant a license to you to: i) use a template for an on-line section ("Section") of our website; ii) post unique and individual content on the Section; and iii) sell advertising for the Section and TAPinto® website.

You may or may not need to hire sales personnel or additional employees. Each Franchise is an independently owned and operated business and you, as the franchisee, are solely responsible for the day-to-day conduct and activities. However, you must operate the Franchise in compliance with the standards and procedures in our confidential operating manual ("Manual").

You must comply with all local, state and federal laws and regulations in the operation of your Business. We are not aware of any laws that specifically apply to your Business but every municipal body or state may have local laws governing the right to conduct business in their locale.

In addition, you must comply with all copyright laws relating to works of authorship by others. We urge you to make further inquiries about all laws that may be applicable to your Business. It is your responsibility to make sure that you understand how such laws may impact your Business.

You will solicit and sell advertising for inclusion in your Section, primarily from other businesses. Sales will depend, in part, on the demand for the advertising services, your ability to actively solicit advertisers, and your willingness and ability to effectively use the System. You will compete with other businesses performing similar advertising services. You also will compete with television, radio, newspaper and various other media that include advertising. This business is not seasonal. The market for free on-line news sites is developing and the general market for news media sites and other forms of media is developed.

Item 2

BUSINESS EXPERIENCE

Founding Member, President, CEO and Director of Franchise Training: Michael Shapiro

Mr. Shapiro has been our President, CEO and Director of Franchise Training since we were formed in August 2018. Mr. Shapiro has been CEO of our parent and predecessor Alternative Press since October 2008. He is also President and CEO of our affiliate, TAP IP LLC and has been since its formation in August 2018. Mr. Shapiro is also managing member of Hyperlocal Management LLC in Parkland, Florida, and has been since its formation in July 2017. For the period, October 2013 through December 1, 2021, Mr. Shapiro was also President and CEO of TAP Into LLC.

Director of Franchise Operations: Darlene Cullen

Ms. Cullen is our Director of Franchise Operations and has been since February 28, 2022. She is also our bookkeeper and has been since our formation in August 2018. Ms. Cullen is also Bookkeeper for our parent and predecessor Alternative Press and has been since January 2017. Ms. Cullen is also Bookkeeper for our affiliate TAP IP LLC and has been since its formation in August 2018. Ms. Cullen is the owner of Backyard Publishing LLC in South Plainfield, NJ, which has operated TAPinto South Plainfield since June 2013. Ms. Cullen is a real estate agent with ERA in Scotch Plains, New Jersey and has been since June 2017. Ms. Cullen is also vice president of DiFrancesco Enterprises in South Plainfield, NJ and has been since January 2010. For the period January 2017 to December 1, 2021, Ms. Cullen was Bookkeeper for TAP Into LLC. Ms. Cullen is based in South Plainfield, New Jersey.

Item 3

LITIGATION

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

For the first year, you will pay us an Initial License Fee of \$5,000. This fee is payable upon execution of the Franchise Agreement and nonrefundable. Depending on your Designated Territory or other socioeconomic factors, we may agree, in our sole discretion to waive or reduce this fee or allow for payment over time.

In addition to the Initial License Fee, each year you will pay us a monthly license fee ("Monthly License Fee"). The amount of the Monthly License Fee will depend upon the population of your Designated Territory according to the 2010 Census in your Designated Territory. The Monthly License Fee for the first year varies from \$500 (for a Designated Territory with a population of up to 60,000) to \$600 (for a Designated Territory with a population of 60,001 or greater), as further defined in the table in Note 3 of Item 6. Upon execution of the Franchise Agreement, you must pay the first month's Monthly License Fee and payment is nonrefundable. Should you choose to pay the Monthly License Fee by credit card, you must also pay our then current Administrative Fee. If you pay the Monthly License Fee by check and the payment is more than thirty (30) days overdue, we may automatically charge your credit card for the outstanding amount along with the Administrative Fee. Depending on your Designated Territory, we may agree in our sole discretion to reduce the Monthly License Fee but in no event will it be less than \$500.

If you desire to purchase multiple Franchises and we agree in our sole discretion to allow you to do so, you must pay the Initial License Fee and first month's Monthly License Fee for each Franchise upon execution of the Franchise Agreements. The Monthly License Fee for the first Franchise shall be based on your Designated Territory as set forth above. The Monthly License Fee for each additional Franchise shall be \$400 per month during Year 1, increasing at 5% per year thereafter. Depending on your Designated Territory, we may agree in our sole discretion to waive or reduce the Initial License Fee for the additional Franchises beyond the first Franchise.

If you are a current franchisee in good standing under your current Franchise Agreement and we agree in to allow you to purchase additional franchises, you must pay the Initial Franchise Fee for each subsequent Franchise and the first month's Monthly License Fee of \$400 for each additional franchise upon execution of the franchise agreements. The Monthly License Fee for each such additional Franchise shall increase by an amount of 5% each year.

We may pay a referral fee to an existing franchisee or other authorized third party who refers a person to us who then becomes a new franchisee within six months of the referral date. Except as otherwise noted, the fees in this Item 5 are universally imposed.

Item 6

OTHER FEES

Type of Fee (1)	Amount	Due Date (2)	Remarks
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Monthly License Fee	See Note 2	The Monthly License Fee for the first month is paid upon execution of the Franchise Agreement. Thereafter this fee is paid monthly	Can be paid monthly by check or credit. If paid by credit card, the Administrative Fee must also be paid.
Continuing License Fee	55% See Note 3	Monthly	Payable by check or credit card. If paid by credit card, the Administrative Fee must also be paid.
Transfer Fee	At our option to impose; maximum of \$2,000	At time of transfer	We currently do not collect this fee but reserve the right to do so in the future. This amount includes training up to two people.
Interest Charges	The maximum legal rate allowable by applicable law	As incurred	We currently do not collect this fee but reserve the right to do so in the future. Begins accruing 30 days after fee remains unpaid.
Convention Fees and Expenses	The then-current convention fee	As incurred	You also must pay for the salaries, food, lodging and other expenses for you and those attending with you.
Insurance	Currently \$725-\$1,225	As incurred	See Item 7 for more information on insurance.
Administrative Fee	Varies depending on the fees or assessments charged by credit and debit card providers/administrators	As incurred	Currently, this fee is 3.4%.
Additional Training	\$200 per training session	As incurred	The additional Training Fee is paid to us.
Advertising Concierge Service Fee	The then-current fee, currently \$125 per occurrence	As incurred	If we are required or you request that we fix errors made by you to our billing system, prepare email blasts, upload contracts and ad files, or provide other related services we may charge you our then-current Advertising Concierge Service Fee.
Insufficient Funds Fee	\$25	As incurred	Due for each late or dishonored payment.
Management Fee	\$100 per day for each day of operation.	If incurred	We may step in and manage your Business in certain circumstances. We will charge a management fee if we manage your Business and you must reimburse our expenses.
Minimum Revenue Fee	10% of difference between \$30,000 and actual self-generated gross revenue amount	As incurred	In the event you fail to attain \$30,000 in self-generated gross revenue in any year of the term, you must pay us an amount equal to 10% of the difference between your actual self-generated gross revenue amount and \$30,000

Notes:

- (1) You must pay each of these fees to us unless otherwise noted. All fees are nonrefundable. Except as otherwise indicated in the chart above and except with respect to franchisees with more than four franchises, we uniformly impose all fees and expenses listed above.
- (2) The amount of the Monthly License Fee will depend upon the population of your Designated Territory. When you sign the Franchise Agreement, you must pay the first month's Monthly License Fee. Thereafter, commencing thirty days following the date on which your on-line news site is live to the public, you must pay the Monthly License Fee on a monthly basis. The following table shows the amount of the Monthly License Fee for the first three years:

Population in Designated Territory	Monthly License Fee for Year 1	Monthly License Fee for Year 2	Monthly License Fee for Year 3
0 – 60,000	\$ 500	\$ 525	\$ 550
60,001 +	\$ 600	\$ 630	\$ 660

Depending on your Designated Territory, we may, in our sole discretion reduce your Monthly License Fee but in no event will it be less than \$500 per month unless you are an existing franchisee acquiring additional franchises in which case the Monthly License Fee for the additional franchises shall be \$400 per month, increasing annually by 5%.

(3) The Continuing License Fee is paid based on the online advertising you sell. The Continuing License Fee is subject to change. Currently, we charge a Continuing License Fee as follows: for customers who purchase ads from you solely for placement in your Section, the Continuing License Fee is 10% of the revenue derived from that ad. If you provide advertising on your site at less than 50% of the then-current ratecard rate, the Continuing License Fee is 10% of the then-current ratecard rate for that advertising, unless otherwise agreed to by us in writing. If the customer purchases a cross sale ad as described in Item 12, we will receive a Continuing License Fee of 10%, the franchisee who sold the advertisement will receive 45% of the revenue from that sale and the franchisee in whose Section the advertisement is placed, will receive 45% of the revenue from the sale of that advertisement. If we sell the advertisement for placement in your Section only, you will receive 45% of the revenue derived from the placement of that advertisement and we will receive 55% of the revenue derived from the sale of that advertisement which amount includes the Continuing License Fee). We may develop Related Advertising Services as defined in Item 12, and we will establish revenue splits for those Related Advertising Services, which may be changed from time to time and which may be different than the 90%/10% and 45%/45%/10% splits for on-line advertising revenue described above.

Item 7

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial License Fee	\$5,000	As Agreed	On signing the Franchise Agreement	Us
Monthly License Fees -3 months (1)	\$1,500 - \$1,800	As Agreed	Monthly	Us
Computer System, Phone, Supplies and Materials (2)	\$0-\$2,000	As Agreed	As Incurred	Suppliers
Insurance Premiums (3)	\$725 - \$1,225	As Agreed	As Incurred	Insurance Company
Additional Funds– 3 Months (4)	\$250 - \$1,000	As Agreed	As Incurred	Suppliers and Utilities
TOTAL ESTIMATED INITIAL INVESTMENT – 3 months (5)	\$7,475 - \$11,025			

In general, none of the expenses listed in the above chart are refundable. We do not finance any portion of your initial investment.

Notes:

- (1) When you sign the Franchise Agreement, you must pay the first month of Monthly License Fees. Monthly License Fees are paid on a monthly basis. This estimate is for the first 3 months of operations. The low end assumes a Monthly License Fee of \$500. The high end assumes a Monthly License Fee of \$600.
- (2) You are not required to purchase specific computer equipment, but you are required to have a phone, access to the internet, a computing device and general office supplies and materials. The low end of the range presumes that you already have the necessary equipment and materials. The high end of the range presumes that you will purchase a cellular telephone, laptop or ipad and business materials and includes estimated costs for the first 3 months of operations. These Payments are nonrefundable unless otherwise noted.
- (3) You must purchase and maintain in full force and effect, solely at your own expense, liability insurance and other insurance of such types and in such minimum amounts as set forth in the Manual from time to time. All insurance coverage must (i) name us as an additional insured, (ii) insure you, us and our parent, affiliates and their respective officers, directors, agents and employees from any and all loss, liability, claim or expense of any kind whatsoever and (iii) provide that we will be given 30 days' prior written notice of material change in or termination or cancellation of the policy. This insurance coverage must commence as of the date you commence operating your Business. As of the date of this Disclosure Document, you may purchase insurance coverages from any insurance company that meets our standards, although media liability coverage may be available to you as part of our policy.

- (4) Because your income will be dependent upon revenue generated from advertising sales, you will not receive any income until you have sold advertisements, which will typically take three to six months. You will use this estimated amount during your first three months of operations for the cost of your automobile, ongoing advertising material purchases, local marketing, insurance premiums, professional services, and other operating costs. This amount may increase or decrease depending upon your sales, geographic area and other economic factors and the population of your Designated Territory. These figures are estimates only and it is possible that you may have additional or greater expenses during this period. This amount is based on our estimate of average costs and market conditions prevailing as of the date of this Disclosure Document, the historical experience of our parent, affiliate and management in operating TAPinto® businesses.
- (5) This total is an estimate of your initial investment. Your actual costs may vary greatly and will depend on factors such as your management skills and experience, your business skills, local economic conditions, the local market for a TAPinto® business, the prevailing wage rate, competition, and the sales level reached during the initial period. These factors can be highly variable and can result in substantial, rapid and unpredictable increases in costs. You must bear any deviation or escalation in costs from the estimates in this Item 7 or estimates that we give during any phase of the development process. We cannot guarantee that you will not have additional expenses starting your business. You should review carefully these figures with your business advisor before making any decision to purchase a Franchise.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To help assure a uniform image and uniform quality of products and services in all TAPinto® businesses, you must maintain and comply with our quality standards. You must use equipment (which includes hardware and software for the computer system), products, supplies, and advertising and sales promotion materials that meet our specifications and/or standards.

You must sell or use only those products and services that we have approved in writing. The purpose of this requirement is to ensure that franchisees adhere to the uniformity and quality standards associated with TAPinto® businesses. Upon request, we will periodically provide you with the names of approved vendors and suppliers for products, goods, supplies and equipment.

We ordinarily establish specifications and/or standards for approved vendors and suppliers or approved products based on our experiences, system standards, the marketplace, competition and other related factors that we deem appropriate. We may modify the standards and specifications for products and services periodically and add or delete from the list of approved vendors and suppliers. We reserve the right to limit the number of vendors and suppliers. We also reserve the right to designate a primary or single source of supply for certain products. We, our parent or an affiliate may be that source.

You may make written requests for approval of a specific product or an additional qualified vendor or supplier. Except as noted below, we may grant our approval if doing so will not create

an inordinate number of suppliers (usually not more than two) of the product or service. In addition, each supplier of a product must meet the following requirements: its product must comply with the applicable specifications and/or standards; the supplier's facilities must be adequate to meet the needs of franchisees; and the supplier and its facilities must be accessible to our periodic evaluation. We do not make these specifications and/or standards generally available to franchisees or vendors/suppliers.

You must initiate the formal approval process to have a specific product of an additional supplier approved. As part of this approval process, we may request that the supplier submit samples of its specific product to us. We then conduct an evaluation of the samples to determine whether the product conforms with the specifications and/or standards. We will notify you and the supplier of our evaluation results by mail usually within 30 days after our receipt of the sample.

As part of the approval process for a specific product, the supplier may be required to sign an applicable supplier agreement. We may revoke our appointment if the supplier is in violation of any of the terms of the applicable supplier agreement or if we determine in our good faith but exclusive judgment that the supplier is not meeting the standards and specifications that we have established for that product or service.

We, our parent or an affiliate also may offer for sale products or services that you will need to operate your Business. We, our parent or an affiliate, or a third-party vendor or supplier may be the only approved supplier for certain products or services. For example, you may be required to purchase graphic designs from our single designated source. Further, you may use only marketing and promotional materials that meet our standards. We reserve the right to receive rebates or other consideration from suppliers in connection with your purchase of goods, products and services. Some of these payments may be based on services we provide to the supplier, while other payments may be calculated on an amount based on products or services sold to you. We will retain and use these payments as we deem appropriate or as required by the vendor.

You will pay the then-current price in effect for any approved supplies or products you purchase from us, our parent or an affiliate. In some instances, the cost of the approved supplies or products you purchase from us, our parent or an affiliate may be higher than the cost of other supplies and products on the market.

Currently, we invoice advertisers on your behalf and we remit to you, your share of advertiser fees received by us but we do not currently charge a separate fee for these services. We also permit our franchisees to acquire, at the suppliers' cost, certain insurance and marketing and promotional materials through us or our parent, Alternative Press. Currently, costs associated with these purchases are strictly pass-through costs. We do not charge an additional fee for these products and materials although we reserve the right to do so in the future. We are wholly owned by our parent, Alternative Press. Michael Shapiro and Darlene Cullen own interests in Alternative Press. Other than as set forth herein, no officer has an ownership interest in any approved supplier.

During our fiscal year ending December 31, 2021, neither we nor our Parent nor any affiliate derived revenues from the sale of products or services to franchisees.

You must purchase and maintain in full force and effect, solely at your expense, liability insurance in a minimum amount designated periodically by us. Whether you operate your Business

in your home, or outside of your home, you need to provide proof of insurance, either through an endorsement to your homeowner's policy (if your Business is in your house and you have no employees) or by securing a business or commercial liability policy. If you can endorse coverage on to your homeowner policy, your homeowner's insurance must include business/commercial liability insurance with a minimum of \$1,000,000 per occurrence. If this is not possible, then you must secure commercial insurance that provides (i) broad form general liability of \$1,000,000 per occurrence with an annual aggregate of \$2,000,000; (ii) workers' compensation insurance; (iii) auto insurance (owned and non-owned vehicles) with combined single limit of \$1,000,000; and (iv) any other insurance we may specify in the Manual from time to time, including media liability with a minimum \$1,000,000 policy limit. You also must purchase and maintain any other insurance required by any agreement related to the franchise business or by law. You must furnish to us copies of all insurance policies. All liability insurance policies must name us as an additional insured. You may purchase insurance coverages from any insurance company that meets our standards, although media liability coverage may be available to you as part of our policy. You must furnish to use copies of all insurance policies. All liability insurance policies must name us, our parent and any affiliate as additional insureds.

We estimate that your purchase of products, supplies, and marketing materials that meet our specifications and standards will represent approximately 50% to 65% or more of the cost to establish the Franchise and 50% to 65% or more of the cost to operate the Franchise on an ongoing basis. The costs may vary depending on whether you operate your Franchise out of your home and if you hire employees.

There currently are no purchasing or distribution cooperatives. We may negotiate prices for products for the benefit of the franchise system but not on behalf of individual franchisees. We may try to receive volume discounts for the franchise system. We do not provide material benefits to you based on your purchase of particular products or services or use of particular suppliers; provided, however, that when your franchise is up for renewal or you apply for an additional franchise, among the factors we consider are your compliance with your Franchise Agreement and support of our programs and policies, which would include compliance with the requirements described in this Item 8.

Item 9

FRANCHISEE'S OBLIGATIONS

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

Obligation		Section in Franchise Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	2	11 and 12
b.	Pre-opening purchases/lease	5A-C	7 and 8
c.	Site development and other pre-opening requirements	2	7 and 11
d.	Initial and ongoing training	6A-B	11

Obligation		Section in Franchise Agreement	Disclosure Document Item
e.	Opening	2	11
f.	Fees	7	5, 6 and 7
g.	Compliance with standards and policies/Operating Manual	5	8 and 11
h.	Trademarks and proprietary information	3 and 5	13 and 14
i.	Restrictions on products/services offered	2 and 5	16
j.	Warranty and customer service requirements	5G	16
k.	Territorial development and sales quotas	2	12
l.	Ongoing product/service purchases	5	8
m.	Maintenance, appearance and remodeling requirements	5	6 and 11
n.	Insurance	8C	6, 7 and 8
o.	Advertising	5M	6, 7 and 11
p.	Indemnification	8C	Not Applicable
q.	Owner's participation/management/staffing	6A	11 and 15
r.	Records/reports	7C-E	6
s.	Inspections/audits	7E	6
t.	Transfer	12 and 13	6 and 17
u.	Renewal	4	6 and 17
v.	Post-termination obligations	8 and 11	17
w.	Non-competition covenants	8D	17
x.	Dispute resolution	11	17
y.	Guaranty	Section 14 and Appendix B	15
y.	Other	Not Applicable	Not Applicable

Item 10

FINANCING

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

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

Pre-opening Assistance. Before you operate your Business, we will

- (1) Grant to you a license to operate your Business in a Designated Territory (subparagraph 2.A of the Franchise Agreement and Appendix A to the Franchise Agreement) including a license to use a template for an on-line Section of our website created and owned by us;
- (2) Provide training as described below in this Item 11 (subparagraph 6.B of the Franchise Agreement);
- (3) Upon your request, furnish to you a list of approved products and suppliers for your Business (subparagraphs 5.A and 5.B of the Franchise Agreement); and
- (4) Loan to you one copy of our Manual for your Business containing mandatory and suggested specifications, standards and operating procedures for your Business (subparagraph 5.C of the Franchise Agreement).

Site Selection. We do not select or approve the site for your Business and you may operate your Business from your home if local laws, regulations and ordinances permit. We do not provide assistance with conforming the premises to local ordinances and building codes or obtaining any required permits and/or constructing, remodeling, or decorating the premises and/or hiring and training any employees. We do not generally own the site for your Business. You are solely responsible for selecting a Designated Territory that meets our standards and criteria and that is acceptable to us. We generally will respond within 30 days of your request for approval of a proposed Designated Territory. If we do not approve the Designated Territory you propose, we will permit you to examine alternative search areas for your Designated Territory. We will not sign a Franchise Agreement with you until we agree upon a Designated Territory. When approving a Designated Territory, we may consider local population in the Designated Territory. We do not guarantee or warrant the financial success of your Business or any site from which you conduct your Business.

Development Time. The length of time between the signing of the Franchise Agreement and the opening of your Business is typically two to twelve weeks. Factors affecting this length of time include successfully completing training and other possible factors. You must open the Franchise and begin business no later than 3 months after signing the Franchise Agreement.

You should not expend funds or make any other commitment in connection with the Franchise and should not resign from existing employment, relocate or take any similar action until our approval of the franchise, which we will specifically communicate to you in writing.

Ongoing Assistance. During the operation of your Business, we may

- (1) Invoice advertisers on your behalf and remit to you your share of advertiser fees received by us (subparagraphs 5.G and 7.E of the Franchise Agreement);
- (2) Evaluate your Business as necessary in our discretion (subparagraph 7.F of the Franchise Agreement); and

- (3) Provide additional training in our discretion (subparagraph 6.B of the Franchise Agreement).

Ongoing Assistance. During the operation of your Business, we will

- (4) Furnish you from time to time with updated and revised material for the Manual (subparagraph 5.C of the Franchise Agreement);
- (5) Furnish you from time to time with updated and revised products and suppliers lists (subparagraph 5.A and 5.B of the Franchise Agreement);

Marketing Programs. You must use your best efforts to promote your Business. You must use only the marketing materials as we furnish, approve or make available to you, and the materials must be used only in a manner that we prescribe. We will not unreasonably withhold approval of any marketing materials, provided that they are factual and dignified and include proper usage of the Trademarks. You may not separately register any domain name or operate any website or social media page containing any of the Trademarks, nor market or sell products or services similar to our products and services, without our written approval. Any local advertising materials you submit to us will be deemed disapproved if we do not approve or comment on the materials within 10 business days of receipt. There are no local or regional advertising cooperatives in the System and we do not intend to establish or require you to participate in any local or regional advertising cooperatives.

As of the date of this Disclosure Document, we do not have any advertising fund, advertising council, or any minimum advertising expenditures and we do not intend to establish any minimum advertising expenditures in the future.

Computer System. You must use an iPad or other approved laptop computer in the operation of your Business with sufficient capacity to interface with our website, to operate the on-line news site and to compile information about customers and their businesses but we do not require you to use a specific electronic cash register or computer system. There are no contractual limitations on our access to the data on your computer or the data you upload onto our computer system. Our technology may change over time and you must update, at your cost, your computer hardware and software as we direct, such as purchasing more memory or disk space, new network operating systems, Internet service providers, new file servers and/or new computer hardware so as to ensure that your computer system can interface with our technology. There are no contractual limitations on the frequency or cost of the computer hardware and software updates that you must make at our request. We will have direct independent access to your computer data uploaded onto our computer system and will have independent access to the data on your computer hard drive via modem. You will need to have high-speed Internet connection. You will use our website to operate your on-line news site.

We will provide you with our proprietary software at no cost to you. We estimate the annual cost of optional and/or required maintenance, updating, upgrading or support contracts for the computer system will range from \$0 to \$500.

Manual. Attached as Exhibit D to this Disclosure Document is the table of contents for the Manual, which currently has a total of 151 pages.

Training. Unless you have previously completed our initial training program you must attend and satisfactorily complete our initial training program. Except as noted below, we do not charge a separate fee for attending our initial training program. Training is available to you and one other person. The initial training will take place on-line or by telephone as determined by us. We do not currently have an established schedule for offering our training program. Should you request training for new hires after the initial training is provided to you, we can impose an additional training fee at our then-current rate which will not exceed \$200 per training session.

You must pay the salaries, benefits, payroll taxes, unemployment compensation, workers' compensation insurance and all other expenses for yourself and each of your employees who attend training. The initial training program is mandatory, and you must successfully complete the initial training program before you open your Business.

We may require you to attend additional mandatory training programs the content and duration of which may vary, depending on the circumstances, although we will not require your attendance at these programs more than four times a year. We will not charge a convention fee of more than \$200 per person per day for these programs, and this fee must be paid whether or not you attend. You must also pay the travel and living expenses, salaries and any other costs for you and any of your employees in attendance.

After the initial training program, you must participate in weekly telephone calls where additional training takes place. Participation includes listening to the call live or listening to the recording within 72 hours of the call taking place. There may also be continuing education programs offered on-line, in New Providence, New Jersey or at another location.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Sales Training	2	0	On-line or by telephone
Editorial Training	1	0	On-line or by telephone
Site and Statistics Training	2	0	On-line or by telephone
Social Media Training	2	0	On-line or by telephone
Computer Training	3	0	On-line or by telephone
TOTAL	10	0	

Michael Shapiro is our Director of Training and is fully familiar with the operation of a Franchise and the subjects taught in our training programs. He has thirteen years of experience in the industry and he has been our President and CEO since our formation in August 2018. He will be assisted by other people in our organization who have experience in some aspect of operating a TAPinto® business. As of the date of this Disclosure Document, Darlene Cullen and Adam Darsky are instructors. Ms. Cullen has 25 years' experience in banking and finance and nine years with the TAPinto® / Alternative Press system. Mr. Darsky has more than 20 years of experience in journalism and more than six months with the TAPinto® / Alternative Press System.

Item 12

TERRITORY

We grant you the right to operate a Business within a particular Designated Territory. The Designated Territory will generally be based on population as determined by us based on United States census data but may be located within specific zip codes, cities, counties or other natural boundaries. We will assign you a Designated Territory as we deem appropriate for your Business and with a minimum of 5,000 people. You will not receive an exclusive territory. As noted below and in your Franchise Agreement in certain circumstances, we and other franchisees may sell advertising services in your Designated Territory. You may face competition from other franchisees, from outlets we own or from other channels of distribution or competitive brands that we control.

We do not select the site for your Business, as the Franchise is granted for the right to operate a Business serving a particular Designated Territory. You are solely responsible for selecting a Designated Territory that meets our standards and criteria and that is acceptable to us. We generally will respond within 30 days of your request for approval of a proposed Designated Territory. If we do not approve the Designated Territory you propose, we will permit you to examine alternative search areas for your Designated Territory. We will not sign a Franchise Agreement with you until we agree upon a Designated Territory. When approving a Designated Territory, we will consider local population and the number of businesses in the Designated Territory.

During the term of your Franchise Agreement, provided you are not in default under the terms of your Franchise Agreement, we will not modify your Designated Territory without your consent. We will not establish, nor license another to establish a TAPinto® business serving the Designated Territory provided that you are in compliance with the terms and conditions of your Franchise Agreement.

Except as expressly noted in this Item 12 and the Franchise Agreement, you may market, solicit and service advertising customers located inside your Designated Territory. You may, sell advertising and marketing services to customers inside the Designated Territory for another franchisee's on-line site with their express permission and as otherwise in accordance with our Manual. You may also sell advertising and marketing services to customers outside the Designated Territory so long as it is not already franchised and in accordance with our Manual.

We, our parent and our affiliates retain all rights that are not expressly granted to you under the Franchise Agreement. Further, we, our parent and our affiliates may, among other things, on any terms and conditions we deem advisable, without compensation to any franchisee and without granting you any rights therein:

- (i) establish and/or license others to establish franchised or company-owned TAPinto® Local or Town franchises in any territory outside the Designated Territory regardless of the proximity of such territory to your Designated Territory;
- (ii) sell marketing and advertising services (“Related Advertising Services”), to any customers no matter where located, for placement other than on the TAPinto® website, as set forth in our Manual or otherwise in writing by us; and
- (iii) establish and sell advertising services to National and Regional Accounts. National and Regional Accounts are accounts where an advertiser has offices and/or business operations in two or more designated territories or is otherwise designated a National or Regional Account by us in our sole discretion. You must obtain our pre-approval prior to soliciting, selling and/or placing forms of advertising for or on behalf of a National or Regional Account which approval we may withhold or withdraw in our sole discretion. If we approve your request, you must comply with our policies and procedures relating to National or Regional Accounts as are set forth in the Manual or otherwise in writing by us.

We are not required to pay you if we exercise any of the rights specified above.

You do not have any options, rights of first refusal or similar rights to acquire additional franchises. You do not have the right to change your Designated Territory or otherwise relocate the business.

Although we, our parent and our affiliates have the right to do so (as described above), we, our parent and our affiliates have not operated or franchised, and have no plans to operate or franchise, other businesses selling or offering similar products or services under different trademarks.

The continuation of your franchise is not dependent upon achieving a certain sales volume, market penetration or other contingency other than your franchise must attain \$30,000 in self-generated gross revenue each year of the term of your Franchise Agreement. If you fail to attain \$30,000 in self-generated gross revenue during any year of existence, you will be required to pay the Minimum Revenue Fee and we may terminate the Franchise Agreement, or reduce the size and scope of your Designated Territory.

Item 13

TRADEMARKS

The Franchise Agreement licenses to you the right to use the Trademarks. The term Trademarks as used in this Disclosure Document means the symbols, trademarks, tradenames, services marks, logos, emblems, commercial symbols and other indicia of origin that we license to you (collectively, the “Trademarks”). We also claim common law trademark rights for all of the Trademarks.

The existing registered Trademarks (registered on the Principal Register of the United States Patent and Trademark Office) consist of:

Mark	Registration Number	Registration Date	Register
TAP INTO (words)	4,546,719	June 10, 2014	Principal
TAP INTO (logo)	4,685,788	February 10, 2015	Principal

All required affidavits for the Trademarks have been filed. The Trademarks and the federal trademark registration applications are owned by our affiliate, TAP IP LLC. We have entered into a Non-Assignable Intellectual Property License Agreement with TAP IP LLC dated December 31, 2018, which grants us the non-exclusive right to use and sublicense to our franchisees the right to use the Trademarks. The term of this license agreement will remain in effect until the expiration of the last valid claim to expire of the IP unless terminated by us for any reason. The license agreement can also be terminated for our material breach of the license agreement, bankruptcy or if we cease to be an affiliate of TAP IP LLC or otherwise cease operations. Upon termination of the license agreement, TAP IP LLC or such new licensee as appointed by TAP IP LLC shall assume our obligations under the franchise agreements then in effect.

We have the right to change the Trademarks from time to time. Your use of the Trademarks and any goodwill is to our exclusive benefit and you retain no rights in the Trademarks. You also retain no rights in the Trademarks upon expiration or termination of your Franchise Agreement. You are not permitted to make any changes or substitutions of any kind in or to the use of the Trademarks unless we direct in writing.

There currently are no effective material determinations by the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving the Trademarks. Other than the license agreement described above, there currently are no agreements in effect that significantly limit our rights to use or license the use of any Trademarks in any manner material to the franchise. There are no infringing uses actually known to us that could materially affect your use of the Trademarks.

We are not obligated to protect you against infringement or unfair competition claims arising out of your use of the Trademarks, or to participate in your defense or indemnify you. We reserve the right to control any litigation related to the Trademarks and we have the sole right to decide to pursue or settle any infringement actions related to the Trademarks. You must notify us promptly of any infringement or unauthorized use of the Trademarks of which you become aware.

If we decide to change the Trademarks or determine that a trademark infringement action requires changes or substitutions to the Trademarks, you must make these changes or substitutions at your own expense.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Our affiliate TAP IP LLC owns the application for a utility patent for a Revenue Sharing and Reporting System (“Revenue System”), application number 15710264. The Revenue System calculates the revenue owed to franchisees. The patent application is pending and has not yet been approved.

By agreement dated December 31, 2018, TAP Into IP LLC licensed to us the non-exclusive right to use the Revenue System in the operation of our business. The term of this license agreement will remain in effect until the expiration of the last valid claim to expire of the IP unless terminated by us for any reason. The license agreement can also be terminated for our material breach of the license agreement, bankruptcy or if we cease to be an affiliate of TAP IP LLC or otherwise cease operations.

Other than as set forth above, there are no patents, patent applications or copyrights currently registered or pending that are material to the franchise, although we do claim copyright ownership and protection for our website and the content on it, the Manual and for various sales, promotional and other materials published from time to time.

There are no currently effective determinations of the Copyright Office (Library of Congress), United States Patent and Trademark Office, Board of Patent Appeals and Interferences, or any court, or any pending infringement, opposition or cancellation proceeding or any pending material litigation involving any patents or copyrights. There are currently no agreements in effect that significantly limit our rights to use or license the use of any patents or copyrights in any manner material to the franchise. There are no infringing uses actually known to us that could materially affect your use of the patents or copyrights.

We are not obligated to protect you against infringement or unfair competition claims arising out of your use of any patents or copyrights, or to participate in your defense or indemnify you. We reserve the right to control any litigation related to any patents and copyrights and we have the sole right to decide to pursue or settle any infringement actions related to the patents or copyrights. You must notify us promptly of any infringement or unauthorized use of any of our patents or copyrights of which you become aware.

You must keep confidential during and after the term of the Franchise Agreement all proprietary information, including the Manual. Upon termination of your Franchise Agreement, you must return to us all proprietary information, including the Manual and all other copyrighted material. You must notify us immediately if you learn about an unauthorized use of proprietary information. We are not obligated to take any action and we have the sole right to decide the appropriate response to any unauthorized use of proprietary information. You must comply with all changes to the Manual at your cost.

If you or your owners develop any new concept, process, product or improvement in operating or promoting the Business, you must promptly notify us and provide us with any information, samples or instructions we request without charge. Such new concept, process, product or improvement will become our exclusive property if we approve it for use in the System. We may then freely distribute such concept, process, product or improvement to other franchisees without compensation to you.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

If you are an individual, you must directly supervise and manage your Business. If you are a corporation, partnership or other business entity, you must designate in writing to us an individual who will directly supervise and manage the operation of your Business. The individual who will directly supervise and manage the operation of your Business must complete our initial training program. This individual need not have an ownership interest in the franchisee entity; however, he or she (as well as all of your employees) must sign a written agreement maintaining confidentiality of proprietary information and abiding by the non-compete covenants.

Each individual who owns an interest in the franchisee entity must sign the personal undertaking and guarantee attached to the Franchise Agreement. These people agree to discharge all obligations of the franchisee under the Franchise Agreement and are bound by all its terms and conditions, including maintaining confidentiality of proprietary information and abiding by the non-compete covenants.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those products and services that we have approved. There are no limits on our right to make modifications to the approved products and services from time to time as stated in the Manual or otherwise in writing. Any failure to comply with these standards may result in termination of your Franchise Agreement.

You will be responsible for complying with all local, state, and federal laws in the operation of your Business including but not limited to all copyright laws. There may be laws or ordinances that regulate certain product offerings in your Designated Territory. We urge you to make further inquiries about all of these laws that may be applicable to your Business. It is your responsibility to make sure that you understand how these laws may impact your Business.

You may use only marketing and promotional materials that we have approved. You also must conduct yourself in a professional manner. You may only accept advertisements for your Section that meet our standards. Any news content that you post must be objective, appropriate and conform to journalistic principles as set forth in the Society of Professional Journalists Code

of Ethics. You may not author editorials or opinion pieces for publication on TAPinto® news sites. The quality of the content and news reporting must be reasonably equivalent to that of the news reporting by other franchisees. You must publish at least one original local news story per day. You also must adopt and implement the Content requirements and Social Media requirements which are set forth in our Manual. To protect the reputation and viability of TheAlternativePress.com (or successor website) and the System, we have the right to remove or edit your content on, and restrict your access to your Section, TheAlternativePress.com (or successor website), your TAPinto® social media page(s) and our TAPinto® social media pages at any time and also have the right to require preapproval by us of your content.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision		Section in Franchise Agreement	Summary
a.	Term of the franchise	Article 4	4 years
b.	Renewal or extension of the term	Article 4	If you satisfy renewal requirements, you may renew for additional four year terms.
c.	Requirements for you to renew or extend	Article 4	You must be in compliance with your Franchise Agreement, be current with all monetary obligations, and attend any necessary training. You also must give us notice, maintain or obtain suitable premises for the Business, sign a release and sign our then-current form of Franchise Agreement. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new Franchise Agreement that contains terms and conditions materially different from those in your previous Franchise Agreement, such as different fee requirements and territorial rights. Upon renewal we will not increase the Monthly License Fee by more than 5% per year. Fee is capped after 6 years or after attaining \$100,000 in self-generated revenue in a calendar year.
d.	Termination by you	Section 9B	Commencing after the second anniversary of the date of the Franchise Agreement, you have the right to terminate provided you give us at least 60 days' notice. Otherwise, you can only terminate the Franchise Agreement for good cause and 30 days opportunity to cure.
e.	Termination by us without cause	Not Applicable	Not applicable.
f.	Termination by us with cause	Sections 9A	We can terminate only if you default.

Provision		Section in Franchise Agreement	Summary
g.	“Cause” defined - defaults that can be cured	Sections 9A-B	You have 30 days to cure non-submission of reports, non-payment of amounts due and owing, failure to abide by our standards and requirements, failure to meet our requirements and specifications regarding goods and services, and any other default not listed in Section 10.B(2)-(3) (subject to state law).
h.	“Cause” defined - defaults that cannot be cured	Sections 9A-B	Non-curable defaults: dishonest, unethical or unprofessional conduct adversely affecting our goodwill or the goodwill of the Trademarks, failure to achieve required revenue levels, failure to launch your site within 3 months of execution of the franchise agreement, abandonment, insolvency, assignment for the benefit of creditors, conviction of offenses, deception of customers regarding goods, willful falsification of reports, repeated audits because of underreporting, repeated defaults within 12-month period even if cured, and failure to cure within 24 hours’ notice of default that adversely affects the goodwill associated with us or the Trademarks (subject to state law).
i.	Your obligations on termination/non-renewal	Sections 8D, 10	Obligations include complete de-identification, payment of amounts due, discontinue or assign business phone number, return of Manual and proprietary information, and compliance with non-compete.
j.	Assignment of contract by us	Article 13	No restriction on our right to assign. Assignee must fulfill our obligations under the Franchise Agreement.
k.	“Transfer” by you - definition	Article 12	Includes any transfer of your interest in the Franchisee, Franchise Agreement or Business.
l.	Our approval of transfer by franchisee	Article 12	We have the right to approve all transfers but will not unreasonably withhold approval, provided all transfer conditions are satisfied.
m.	Conditions for our approval of transfer	Article 12	New franchisee qualifies, you are not in default under the Franchise Agreement, transfer fee paid, all amounts owed by you are paid, training completed, non-compete agreements signed, a release signed by you and guarantees, and assignee signs our then-current form of franchise agreement.
n.	Our right of first refusal to acquire your business	Section 12E	We can match any offer for your Business.
o.	Our option to purchase your business	Not Applicable	Not applicable.
p.	Your death or disability	Section 12D	Upon your death, disability or incapacity, franchise can be transferred to third party approved by us. Transfer conditions apply (see m, above).

Provision		Section in Franchise Agreement	Summary
q.	Non-competition covenants during the term of the franchise	Section 8D	You, your owners, guarantors and their immediate family members cannot divert any customer of TAPinto® to any competitor and no direct or indirect ownership involvement by you, your owners, guarantors and immediate family members in the operation of any advertising placement business or any other business selling products and services similar to those offered or sold by your Business.
r.	Non-competition covenants after the franchise is terminated or expires	Section 8D	No competing business for one year within your Designated Territory, within a 25-mile radius of the Designated Territory, and within the Designated Territory of another franchisee whose Designated Territory is within 25 miles of yours.
s.	Modification of the agreement	Section 14B	No modifications generally, but we may change Manual and list of Trademarks.
t.	Integration/ merger clause	Section 14B	Only the terms of the Franchise Agreement are binding (subject to state law). Any statements or promises not in the Franchise Agreement or this Disclosure Document should not be relied upon and may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Article 11	Except for certain claims, the parties agree to submit their disputes to mediation and if not resolved through mediation, disputes will be arbitrated or litigated in the city in which our headquarters are located at the time of the mediation or arbitration (subject to state law).
v.	Choice of forum	Article 11	Litigation must be brought in the Federal District Court for the District of New Jersey or in State Court, Union County, New Jersey (subject to state law).
w.	Choice of law	Section 14I	The laws of the State of New Jersey govern the Franchise Agreement.

Item 18

PUBLIC FIGURES

We do not use any public figure to promote the franchise. No public figure is involved in our actual management or control.

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 that you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for

example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting our CEO, Michael Shapiro at 560 Central Avenue, New Providence, New Jersey 07974, telephone (908) 279-0303, the Federal Trade Commission and any appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION*

Table No. 1

Systemwide Outlet Summary For Years 2019 to 2021

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2019	77	77	0
	2020	77	82	+5
	2021	82	87	+5
Company-Owned	2019	1	1	0
	2020	1	4	+3
	2021	4	3	-1
Total Outlets	2019	78	78	0
	2020	78	86	+8
	2021	86	90	+4

Table No. 2

**Transfers of Outlets From Franchisees to New Owners
(Other than the Franchisor, our Parent or an Affiliate)
For Years 2019 to 2021**

State	Year	Number of Transfers
New Jersey	2019	2
	2020	4
	2021	1
Total	2019	2
	2020	4
	2021	1

Table No. 3

**Status of Franchised Outlets
For Years 2019 to 2021**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Florida	2019	1	0	0	0	0	0	1
	2020	1	1	0	0	0	0	2
	2021	2	0	0	0	0	0	2
New Jersey	2019	68	3	0	0	1	0	70
	2020	70	5*	0	0	3	0	72
	2021	72	7	0	0	1	0	78
New York	2019	6	0	0	0	0	0	6
	2020	6	1	0	0	0	0	7
	2021	7	0	0	0	0	0	7
Pennsylvania	2019	1	0	0	0	0	1	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
South Carolina	2019	1	0	0	0	0	1	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Texas	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	1	0
Total	2019	77	3	0	0	1	2	77
	2020	77	8	0	0	3	0	82
	2021	82	7	0	0	1	1	87

*One Site had several changes of ownership during the fiscal year 2020. In January 2020, the Edison Site was reacquired by the franchisor from its owner-franchisee and then resold to a new franchisee in or about March 2020.

Table No. 4

**Status of Company-Owned Outlets
For Years 2019 to 2021**

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
New Jersey	2019	1	1	0	1	0	1
	2020	1	0	3	0	0	4
	2021	4	0	0	0	1	3
Total	2019	1	1	0	1	0	1
	2020	1	0	3	0	0	4
	2021	4	0	0	0	1	3

Table No. 5

Projected Openings as of December 31, 2021

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Florida	0	3	0
New Jersey	1	10	0
New York	0	0	0
Pennsylvania	0	1	0
Total	1	14	0

Exhibit F includes a list of franchisees as of December 31, 2021. Exhibit F also includes a list of franchisees that had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during our most recently completed fiscal year. No franchisees have failed to communicate with us in the 10 weeks prior to the 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.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with TAPinto®. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

As of the date of this Disclosure Document, we do not know of a trademark-specific franchisee organization associated with the System that is required to be disclosed in this Disclosure Document.

Item 21

FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit C are our audited financial statements for the years ending December 31, 2019, December 31, 2020 and December 31, 2021 which comprise the balance sheets as of December 31, 2019, 2020 and 2021 and the related statements of income and members' equity and cash flows for each of the years then ended and the related notes to the financial statements.

Item 22

CONTRACTS

Exhibit B to this Disclosure Document includes a sample of the Franchise Agreement.

This Disclosure Document also includes a Sample Release (Exhibit E).

As a prospective franchisee, you should obtain the independent legal and financial advice concerning the franchise offering as you deem appropriate before making any commitment.

Item 23

RECEIPTS

Exhibit H contains detachable pages acknowledging your receipt of this Disclosure Document.

EXHIBIT A

List of State Agencies and Agents for Service of Process

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NEW YORK	Office of the New York State Attorney General Investor Protection Bureau Franchise Section 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8236 Phone (212) 416-6042 Fax	New York Department of State One Commerce Plaza 99 Washington Avenue, 6 th Floor Albany, NY 12231-0001 (518) 473-2492

EXHIBIT B

Franchise Agreement with Appendices A (Designated Territory), B (Guaranty) C
Acknowledgment Addendum) D (SBA Addendum)

TAP INTO LOCAL
FRANCHISE AGREEMENT
BETWEEN
TAP INTO LOCAL LLC
AND

Name(s) of Franchisee

Street

City State Zip

Telephone

YOUR DESIGNATED TERRITORY
(AS FURTHER DESCRIBED IN THE ATTACHED APPENDIX A/DATA SHEET):

FRANCHISE AGREEMENT

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APPENDICES:

Appendix A	DATA SHEET
Appendix B	GUARANTY
Appendix C	ACKNOWLEDGEMENT ADDENDUM
Appendix D	SBA ADDENDUM

TAP INTO® FRANCHISE AGREEMENT

This Franchise Agreement (“Agreement”) is between TAP INTO LOCAL LLC, a New Jersey limited liability company (“we” or “us”), and _____, a(n) _____ (“you”) and is effective as of _____.

RECITALS

A. We have expended time, effort, skill and financial resources in developing and establishing the TAP INTO System, as defined below.

B. The System is identified by means of the TAPinto® trademark and certain other trade names, trademarks, logos, symbols, emblems and indicia of origin as are now designated and may hereinafter be designated by us (“Trademarks”).

C. You wish to obtain the right to use the System and Trademarks in the operation of your TAPinto® Business, as defined below.

D. You have had a full and adequate opportunity to be advised thoroughly of the terms and conditions of this Agreement by legal counsel or other advisors, and have had sufficient opportunity to evaluate and investigate the System, the financial investment requirements, and the business risks associated with owning and operating a TAPinto® business.

In consideration of the foregoing and the covenants and consideration below, you and we agree as follows:

DEFINITIONS

1. For purposes of this Agreement, the terms set forth below have the following definitions (other terms are defined throughout the Agreement):

A. “Business” means your TAPinto® Business developed and operated pursuant to this Agreement. Your Business licensed under this Agreement is for the publication of a local on-line news site and the solicitation of advertising for the Business and includes standards, specifications and procedures for operations, consistency and uniformity requirements.

B. “Confidential Information” means our proprietary information, knowledge and know-how, including processes, materials, methods, procedures, suggested selling techniques, specifications and other data concerning the methods of operation for your Business.

C. “Designated Territory” means the geographic area described in Appendix A in which we grant you the right and license to operate your Business.

D. “Manual” means the confidential Operating Manual and other written materials provided to you relating to services and products offered as part of your Business, or the financial management, and operations of your Business. We may revise and update the Manual from time to time.

E. “Section” means the portion of TAPinto® website where you will post news and articles of local interest to people in the Designated Territory and post advertising.

F. “System” means the TAPinto® System which consists of the operation of a TAPinto® business using our distinctive and proprietary products and services under our Trademarks and utilizing certain distinctive types of supplies, services, sales techniques and procedures, and marketing programs, all of which we may modify and change from time to time.

GRANT OF LICENSE

2. The following provisions control with respect to the license granted to you:

A. Rights Granted. We hereby grant to you, subject to the terms and conditions of this Agreement, the right and license to engage in and conduct a TAPinto® Business identified by the Trademarks in the Designated Territory described in the Data Sheet attached as Appendix A. More specifically, we grant to you a personal license to: (i) use a template for an on-line Section created by us and owned by us for the Designated Territory identified in Appendix A; (ii) post unique and individual content on your Section; and (iii) sell authorized advertising for your Section and TAPinto® website in the manner we designate from time to time in writing.

You hereby accept this license and undertake the obligation to operate your Business faithfully, honestly and diligently, using the System in compliance with our standards and specifications (“System Standards”). The license granted in this Agreement is limited to the right to solicit customers only within your Designated Territory. You may not solicit or accept advertising placements from or for businesses located outside of the Designated Territory except in compliance with our cross sales and revenue sharing policies set forth in the Manual.

You do not have the right to subfranchise, sublicense, assign or transfer your rights under this Agreement, except as specifically provided in this Agreement.

B. Licensed Rights; Our Reservation of Rights. During the term of this Agreement and provided you are in compliance with your obligations under the Franchise Agreement, we will not (i) modify your Designated Territory without your consent, or (ii) establish either a company-owned or franchised local on-line newspaper business serving your Designated Territory. You acknowledge that other third parties we license under the Trademarks or other marks may sell advertising services in your Designated Territory through our cross sales and revenue sharing policies. Other than the rights we specifically grant to you, we reserve all other rights to use or license the use of the Trademarks or conduct business in any manner we deem appropriate without any compensation to you including but not limited to the right to establish and/or license others to establish franchised or company-owned TAPinto® businesses in any territory outside the Designated Territory regardless of the proximity of such territory to your Designated Territory;; sell marketing and advertising services (“Related Advertising Services”) to any customers no matter where located, for any services including placement of advertisements other than on the TAPinto® website. We also reserve all rights to develop National or Regional Accounts as described in the Manual. National or Regional Accounts are accounts where an advertiser has offices and/or business operations in two or more designated territories or is otherwisedesignated a National or Regional Account by us in our sole discretion. You must obtain our pre-approvalprior to soliciting, selling and/or placing forms of advertising for or on behalf of a National or Regional Account which approval we may withhold or withdrawn at any time in our sole discretion. If we approve yourrequest, you must comply with our policies and procedures relating to National or Regional Accounts as areset forth in the Manual or otherwise in writing by us. We may withdraw our approval of your request at anytime in our sole discretion and if we do so, you must cease soliciting, selling and/or placing forms of advertising for or on behalf of National or Regional Accounts in accordance with ourdirections.

TRADEMARK STANDARDS AND REQUIREMENTS

3. You hereby acknowledge and agree that the Trademarks are our property and that your right to use the Trademarks is specifically conditioned upon the following terms and conditions:

A. Trademark Ownership. The Trademarks are our valuable property, and we, our Parent and/or affiliates are the exclusive owners of all right, title and interest in and to the Trademarks, including all uses of the Trademarks in any form of social media that we create for you or you use in connection with the Trademarks, and all past, present or future goodwill of your Business that is associated with or attributable to the Trademarks. We also will own any social media account (e.g., Facebook and Twitter) that you use in the Business. Your use of the Trademarks will inure to our benefit. You may not, during or after the term of this Agreement, engage in any conduct directly or indirectly that would infringe upon, harm or contest our rights in any of the Trademarks or the goodwill associated with the Trademarks, including any use of the Trademarks in a derogatory, negative, or other inappropriate manner in any media. Further, we reserve the right to require you to cease placing certain types of advertisements if we determine that the advertisements could harm the goodwill associated with the Trademarks.

B. Trademark Use. You may not use, or permit the use of, any trademarks, trade names or service marks in connection with your Business, except as we direct in writing. You must comply with all trademark, trade name and service mark notice marking requirements. You must use the Trademarks only in association with products and services approved by us and that meet our standards or requirements with respect to quality and production, service standards and methods of operation.

C. Business Identification. You must use the name TAPinto® as the trade name of your Business, as further set forth in the Data Sheet, and no other mark or words may be used to identify your Business without our prior written consent. You may not use the term TAPinto® or any of the other Trademarks as part of the name of your corporation, partnership, limited liability company or other similar entity. You must hold yourself out to the public as an independent contractor operating your Business pursuant to a license from us. You must clearly indicate on your business checks, stationery, purchase orders, receipts, and other written materials that you are the owner of your Business and that you are a TAPinto® franchisee. You may use the Trademarks on various materials, such as business cards, stationery, purchase orders and checks, provided you: (i) obtain our pre-approval; (ii) accurately depict the Trademarks on the materials; (iii) include a statement on the materials, indicating that you independently own and operate your Business; and (iv) do not use the Trademarks in connection with any other trademarks, trade names or service marks unless we specifically approve it in writing prior to the use.

D. Litigation. In the event any person or entity improperly uses or infringes the Trademarks, we will control all litigation and we have the right to decide as to whether suit will be instituted, prosecuted or settled, the terms of settlement and whether any other action will be taken. You must promptly notify us of any such use or infringement of which you are aware. You must promptly inform us of any claim arising out of your use of any Trademark and must, without compensation, cooperate with us in any action we undertake. We will be responsible for our fees and expenses with any such action, unless the challenge or claim results from your misuse of the Trademarks in violation of this Agreement, in which case you must reimburse us for our fees and expenses.

E. Changes. You may not make any changes or substitutions to the Trademarks unless directed by us in writing. We reserve the right to change the Trademarks at any time. Upon receipt of our notice to change the Trademarks, you must cease using the former Trademarks and commence using the changed Trademarks, at your expense.

F. Creative Works. All ideas, concepts, techniques, or materials concerning the TAPinto® Business or System, whether or not protectable intellectual property and whether created by or for you or one of your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and

exclusive property, part of the System, and works made-for-hire for us. To the extent any item does not qualify as a “work made-for-hire” for us, you must assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing an assignment agreement or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item. Such item will become our exclusive property if we approve it for use in the System. We may then freely distribute such item to other franchisees without compensation to you. You agree that, notwithstanding the license granted to you under this Agreement, all right, title and interest in and to tapinto.net and thealternativepress.com (or any successor website) website and any copies, modifications, content or alterations to it including, without limitation, all associated intellectual property rights, are and shall remain owned solely and exclusively by us and our successors and assigns. Further, you agree that we retain all right, title and interest to the content that you create on Your Section including any copies, modifications or alterations thereto.

You will not: (i) copy your Section in whole or in part; (ii) modify, decompile, reverse engineer, disassemble or otherwise determine or attempt to determine source code for the executable code of our website or to create any derivative works based on our website or your Section or allow any third party to do so; or (iii) remove, destroy or alter any proprietary markings or confidential legends placed upon or contained within our website or on the social media pages we create and provide to you, such as a portation, localization, enhancement, improvement, revision, modification, abridgement, condensation, expansion or any other form, including a new work in which our website or our social media pages may be recast, transformed or adapted.

TERM OF FRANCHISE; FRANCHISEE’S RIGHT TO RENEW

4. The term of the license granted in this Agreement is for a period of four years from the Effective Date, unless terminated earlier as set forth in this Agreement. You have the right to renew your license for additional four-year terms, provided that you have met the following conditions:

(i) You must give written notice to us not less than 60 days prior to the end of the initial term of your intent to renew the license. You must execute the then-current form of franchise agreement and all other documents then customarily used by us in the renewal of franchises. These agreements and documents may vary materially from those agreements and documents currently in use by us. However, the Monthly License Fee will not be increased by more than 5% per year under the renewal franchise agreement. Once you have been a franchisee for 6 years or earn more than \$100,000 in self-generated revenue in a calendar year, your Monthly License Fee will not be further increased.

(ii) You must be in compliance with all of the terms and conditions of this Agreement and in compliance with our System Standards.

(iii) You must have satisfied, prior to renewal, all monetary obligations owed by you to us, our affiliates and your suppliers or creditors.

(iv) You must commit, in writing, to make such reasonable expenditures necessary to update and modernize your Business so that your Business will conform to our then-current standards.

(v) You must, at your expense, attend any training program that we deem necessary for you to operate your Business in accordance with our then-current standards.

(vi) You and your personal guarantors must sign a general release of claims in a form we prescribe.

(vii) We are offering franchises at the time of renewal.

OPERATIONS STANDARDS AND REQUIREMENTS

5. You acknowledge and agree that we have established and may revise, from time to time, quality standards regarding the operations of TAPinto® businesses so as to protect the distinction, goodwill and uniformity symbolized by the Trademarks and the System. Accordingly, you agree to maintain and comply with our System Standards as amended from time to time and agree to the following terms and conditions:

A. Approved Product Offerings; Approved Products and Services. You must operate your Business according to our standards and may offer only those products and services we have authorized in writing. We reserve the right to designate approved products and services that you will use in your Business. We also reserved the right to designate an approved form of contract that you will use with advertisers. Approved products and services are those items we determine meet our standards and specifications of quality required to protect the valuable goodwill and uniformity symbolized by and associated with the Trademarks and Business. These products and services meet standards and/or specifications prescribed by us, which we may modify from time to time, and may include Related Advertising Services from time to time as set forth in the Manual or otherwise in writing from us. You must conform to all quality and service standards we prescribe in writing, including journalism content and standards, social media content and standards, advertising content, advertising standards and any professional conduct standards that we establish to protect the goodwill of the Trademarks. You agree to actively promote and market your Business.

B. Vendors and Suppliers; Other Warranties. We reserve the right to require you to purchase certain approved products and services from approved vendors and suppliers, including materials related to the creation, production and posting of advertisements and substantive content. You acknowledge that we may designate a single source of supply for approved products or services and that we or an affiliate may be that source. You will pay the then-current price in effect for any approved supplies, products or services you purchase from us or an affiliate. Upon request, we will provide and update you with a written list of the approved products and services, which list will include approved suppliers for many of the items. **ALTHOUGH APPROVED BY US, WE MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO PRODUCTS, SERVICES, EQUIPMENT, SUPPLIES, FIXTURES, FURNISHINGS OR OTHER APPROVED PRODUCTS. IN THAT REGARD, WE DO NOT WARRANT OR REPRESENT THAT YOUR TOWN SECTION WILL PERFORM UNINTERRUPTED OR ERROR FREE.**

C. Manual. To help protect our reputation and goodwill and to maintain uniform operating standards under the Trademarks and System, you must conduct your Business in accordance with our System Standards as set forth in the Manual and as otherwise provided by us in writing and you expressly agree to do so. The Manual, written directives and other manuals and materials issued by us and any modifications to such materials shall supplement and be deemed part of this Agreement. Any required standards, including the System Standards exist to protect our interest in the System and the Trademarks and not for the purpose of establishing any control, or the duty to take control, over those matters that clearly are reserved to you. The Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative, provided you meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect our interests in the System and Trademarks, we reserve the right, in our sole discretion, to determine if you are meeting System Standards.

You will receive one electronic copy of the Manual on loan from us for the term of this Agreement. You must at all times treat and maintain the Manual and the information contained therein and any other proprietary information created for or approved for use in the operation of your Business as secret and confidential. The Manual will at all times remain our sole property. The Manual is designated a trade secret, is copyrighted.

We may from time to time revise the contents of the Manual and you expressly agree to comply with each new or changed standard. You must at all times ensure that your copy of the Manual is kept current and up to date. In the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual we maintain will be controlling. In the future the Manual and other system communications may only be available on the internet, our intranet system or other online or computer data transfer communications.

D. Computer System. You must use a computer system in the operation of the Business. You acknowledge and agree that we will have full and complete access to information and data produced by the computer system. You will be required to use and pay for any future updates, supplements and modifications to the computer system. It is your responsibility to make sure that you are in compliance with all laws that are applicable to the Computer System or other technology used in the operation of your Business, including all data protection or security laws as well as PCI compliance.

E. Operating Procedures. The Manual contains both requirements and recommendations for the operation of your Business. You must adopt and use the System Standards as set forth in the Manual. We will revise the Manual and System Standards periodically to meet changing conditions of the System and you must comply with all such revisions.

F. Confidential Information. You and your personal guarantors must not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person or entity any Confidential Information, except to such employees as must have access to it to operate your Business. Any and all Confidential Information must not be used for any purpose other than conducting your Business. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from any persons owning any ownership interest in your Business and from other key employees. You must provide copies of the executed agreements to us upon request.

While we may designate the form of confidentiality agreement that you may use with your employees who have access to our Confidential information, in order to protect that Confidential Information, under no circumstances will we control the forms or terms of employment agreements you use with employees or otherwise be responsible for your labor relations. In addition, the System Standards do not include any personnel policies or procedures or security related policies or procedures that we (at our option) may make available to you in the Manual or otherwise for your optional use. You will determine to what extent, if any, these policies and procedures might apply to your operations of the Business. You and we recognize that we neither dictate nor control labor or employment matters for franchisees and their employees.

G. Advertiser Information. You must use all advertising contracts and other materials in a form we pre-approve. You must provide us with all advertising contracts, an up-to-date advertiser list and all other advertiser materials in the form we prescribe. You must submit this information through our required method, which may in the future include an extranet or intranet system or other online communications as we prescribe. Currently, we invoice all advertisers on your behalf. We have the right to contact the advertisers to ascertain your quality of work and the level of advertiser satisfaction. At all times during and after the term of this Agreement, the advertiser list remains our property.

H. Approved Marketing Materials. You must use your best efforts to promote and advertise your Business and participate in any local marketing and promotional programs we establish from time to time. You must use only such marketing materials as we furnish, approve or make available, and the materials must be used only in a manner that we prescribe. We will not unreasonably withhold approval of any marketing materials; provided that they are factual and dignified and include proper usage of the Trademarks.

Any local advertising materials you submit to us will be deemed approved in accordance with the preceding sentence if we do not disapprove or comment on the materials within ten business days of receipt.

I. Continuous Operation of Business. You acknowledge and agree that if your Business is closed or otherwise not operated for the time as set forth in the Manual without our prior written consent, the closure or failure to operate will constitute your voluntary abandonment of the franchise, and we have the right, in addition to other remedies provided for herein, to terminate this Agreement. Currently, you are required to post a minimum of one original local news story per day on your Site. Failure to do so is a default of this Agreement as set forth in Section 9. In addition and notwithstanding the aforementioned, you acknowledge and agree that the failure to post original content for one week or more without our prior written consent will constitute your voluntary abandonment of the franchise, and we have the right, in addition to other remedies provided for herein, to terminate this Agreement.

J. Compliance with Law. You must at all times conduct your Business in compliance with all applicable laws, regulations, codes and ordinances including but not limited to all copyright laws and regulations. You recognize that it is your responsibility to understand and comply with all such laws, regulations, codes and ordinances and some of these may restrict your ability to offer certain product offerings in your Designated Territory. You acknowledge that you are an independent business and are solely responsible for control and management of your Business, including such matters as hiring and discharging your employees. You acknowledge that we have no power, responsibility or liability in respect to employee relations issues including hiring, discharge and discipline, and related matters. You must promptly notify us of any claim or litigation in which you are involved that arises from the operation of your Business.

K. Participation in an Internet Web Site or Other Online Communications. We require you, at your expense, to participate in our TAPinto® web site as well as any intranet or extranet system we may develop. We have the right to determine the content and use of our web site and our extranet/intranet system and will establish the rules under which franchisees may participate. You may not separately register any domain name or operate any web site or social media pages containing any of the Trademarks or tradenames, nor market nor sell products or services similar to our products and services, without our written approval. We will retain all rights relating to our web site and our extranet/intranet system and may alter or terminate our web site or our extranet/intranet system without prior notice to you. Your general conduct on our web site, our intranet system or on other online communications (including any social media platforms) and specifically your use of the Trademarks or any advertising on any web site or other online communications (including social media platforms) is subject to the provisions of this Agreement and our approval.

L. Suggested Pricing Policies. We reserve the right to establish prices, both minimum and maximum, to the extent permitted by applicable law.

M. Content of Your Section. You agree that any news content that is posted on your Section will be objective, appropriate and will conform to journalistic principles as set forth in the Society of Professional Journalists Code of Ethics. The quality of the content and news reporting must be reasonably equivalent to that of the news reporting by other franchisees as determined by us in our sole discretion. You agree to adopt and implement the TAPinto® Content requirements which are set forth in the Manual. To protect the reputation and viability of TheAlternativePress.com (or successor website) and the TAPinto® System, we have the right to remove or edit your content on your Section or TheAlternativePress.com (or successor website), and your TAPinto® social media page(s) at any time and in our sole discretion. We also have the right, in our sole discretion, to require preapproval by us of your content. You agree to conduct yourself in a professional manner. Any failure by you to comply with this Section 5.M or any other provision in this Agreement regarding how you conduct your Business is a breach and can result in default and termination under Article 9 below and in lieu of or in addition to default and termination, we may deny you access to your Section, the TheAlternativePress.com (or successor website), TAPinto® social media page(s), and the TAPinto® System at any time.

N. Cross Sales and Revenue Sharing. You acknowledge and agree that at times an advertiser may be located outside of the Designated Territory or another TAPinto® franchisee may want to post advertising from an advertiser located in the Designated Territory. We have compiled policies regarding such cross sales and how the respective parties will share the revenues from the placement of such advertisement. For example, our current policy for cross sales (instances where we or a franchisee sells an ad for a customer inside the Designated Territory for another franchise or franchisees) is that the revenue split for that ad will be 45% to the franchisee whose on-line newspaper contains the advertisement, 45% to us or the franchisee who sells the advertisement and 10% to us as our Continuing License Fee. You agree to comply with such cross sales and revenue-sharing policies that are set forth in the Manual. From time to time we will designate some of those advertisers as “National or Regional Accounts,” which means that advertiser has offices/business locations in two or more of the Designated Territories of our franchisees or is otherwise designated a Regional or National account by TAP INTO LOCAL LLC.

O. Revenue Requirements. Your Business must self-generate at least \$30,000 in gross revenues in each year of the term of this Agreement or, you must pay to us the Minimum Revenue Fee which is an amount equal to 10% of the difference between your actual self-generated gross revenues for the year and \$30,000 and in addition to other remedies set forth herein, we may terminate this Agreement.

PERSONNEL AND TRAINING STANDARDS

6. The following provisions and conditions control with respect to personnel, training and supervision.

A. Supervision of Your Business. Your Business must at all times be under your direct supervision or a designated manager in the event you are a business entity. Your manager must be those persons who are actively involved in your Business and the principal owners must be personal guarantors and sign an undertaking and guarantee of this Agreement.

B. Training. You and any manager must, at your expense successfully complete our TAPinto® initial training program electronically or at a place we designate in our sole discretion. You understand that you may not commence the TAPinto® Business until you successfully complete the TAPinto® initial training program. In the event that you are given notice of default based on your failure to meet any operational standards, we may require as a condition of curing the default that you again attend and successfully complete our training program electronically or at a place we designate at your expense. We may require you and other key employees of your Business to attend, at your expense, ongoing training electronically or at a location we designate. We reserve the right to charge you our then current training fee to attend any additional training we require or that you request after the initial training is provided. We currently require you to attend a weekly phone call in which we provide ongoing training to our franchisees as set forth in the Manual and the failure to do so is a breach of this Agreement. No employee of yours will be deemed to be an employee of ours for any purpose whatsoever, and nothing in any aspect of the System or the Trademarks in any way shifts any employee or employment related responsibility from you to us. You alone are responsible for hiring, firing, training, setting hours for and supervising all employees.

FEES, REPORTING AND AUDIT RIGHTS

7. You must pay the fees described below and comply with the following provisions:

A. Initial License Fee: You pay us an Initial License Fee as set forth in Appendix A. The Initial License Fee is fully earned upon execution of this Agreement and is nonrefundable. Should the Initial License Fee be paid by credit card, you must also pay our then-current Administrative Fee. If any portion of the Initial License Fee is paid by check and payment is more than thirty days overdue, we may charge your credit card for the outstanding amount along with the Administrative Fee.

B. Monthly License Fee. You pay us a Monthly License Fee as set forth in Appendix A. The Monthly License Fee for the first month is payable and fully earned upon execution of this Agreement and is nonrefundable. The Monthly License Fee for the second month and subsequent months is payable commencing thirty days following the day on which your local online news site becomes live to the public and thereafter on a monthly basis, by check or credit card and is also nonrefundable. Should the Monthly License Fee be paid by credit card, you must also pay our then-current Administrative Fee. If any portion of the Monthly Initial License Fee is paid by check and payment is more than thirty days overdue, we may charge your credit card for the outstanding amount along with the Administrative Fee.

C. Continuing License Fee. The continuing license fee you pay for on-line advertising is based on the following: for customers who purchase ads from you solely for placement in your Section, you and we split the revenue from that ad 90%/10% with our 10% considered our continuing license fee. If you provide advertising on your site at less than 50% of the then-current ratecard rate to businesses or other entities, including businesses or other entities you own, we are to be paid 10% of the then-current ratecard rate for that advertising, unless otherwise agreed to by us in writing. If the customer purchases a cross sale ad as described in Section 5.N and the Manual, the revenue split is 45% for us or the franchisee who sold the ad, 45% to the franchisee whose Section contains the ad, and 10% to us as our continuing license fee. Once the revenue you derive from on-line advertising exceeds \$100,000 in a calendar year, our split for the remainder of that calendar year is reduced to 5%, and you receive the extra 5% (although that 5% is split evenly in a cross sale if both franchisees are over \$100,000 in on-line advertising revenue for that year). We will pro rate the \$100,000 for your first year if the Effective Date of this Agreement is later than February 1. Beginning January 1 each year, the on-line advertising revenue calculation goes back to \$0. We may develop Related Advertising Services as defined in Section 2.B and the Manual, and we will establish revenue splits for those Related Advertising Services, which may be different than the 90%/10% and 45%/45%/10% splits for on-line advertising revenue.

D. Administrative Fee. For all fees paid by credit card, you must also pay our then-current Administrative Fee which is currently 3.4%. For all fees paid by check where the payment is more than thirty (30) days overdue, you must also pay our then-current Administrative Fee and we have the right to charge your credit card without notice to you, if fees are overdue more than 30 days. We have the right to increase or otherwise change the Administrative Fee on thirty (30) days' notice to you.

E. Computations and Remittances; Reconciliation of Amounts Owed. You agree that we can designate in writing the methods in which advertisers will pay for the services performed. Currently, we invoice all advertisers on your behalf and all payments by advertisers must be made directly to us. Advertisers may pay via check, credit or debit cards, and you agree to pay all applicable credit and debit cards transaction fees. We will remit to you your share of advertiser fees actually collected by us on a monthly basis or as otherwise determined by us. However, we have the right to withhold fees payable to you until all amounts payable to us have been made. We may but are not obligated to conduct collection activities in the event that an advertiser fails to timely pay any invoice. We will periodically provide information to you in a manner or form we deem appropriate that reconciles amounts owed to and from you for the Business, including revenue splits as further set forth in the Manual. Any amounts owing to us that are outstanding after 30 days will bear interest from the due date until the date paid at the maximum rate permitted by law.

F. Inspection, Reports and Audit. We have the right to inspect your Business at any time. You must submit to us reports with respect to your Business in such form and content as we may prescribe periodically. You must make your books and records relative to your Business available to us upon our written demand. In the event that any evaluation or audit reveals an understatement of your Gross Revenues or other material financial information related to your Business of 3% or more from data reported to us, in addition to any other rights we may, we may conduct further periodic audits and/or evaluations of your books and records, at your sole expense, as we reasonably deem necessary for up to two years thereafter. You acknowledge and agree that if a subsequent audit or evaluation conducted within the two-year period reveals any such understatement or variance of 3% or more, in addition to any other remedies provided for in this Agreement, at law or in equity, we will have the right to terminate this Agreement. Any evaluation or inspection we

conduct is not intended to exercise, and does not constitute, control over your day-to-day operation of the Business or to assume any responsibility for your obligations under this Agreement.

G. Insufficient Funds Fee. We have the right to require you to pay us an Insufficient Funds Fee of \$25 for any dishonored payments or other failure to timely pay amounts due.

H. Advertising Concierge Service Fee. If we are required or you request that we fix errors to our billing system as a result of acts or omissions by you, prepare email blasts, upload contracts and ad files and/or provide other related services, we have the right to require you to pay us our then-current Advertising Concierge Service Fee for each occurrence, which fee is currently \$125.

I. Support Services. Upon your request, we may, but are not required to provide certain Support Services to you. These support services may include certain marketing services, sales services, content services and management services. If we agree to provide you with Support Services, you agree to pay our then-current fee for such services.

J. Payment by Credit Card. We currently accept payment from you by credit card. You shall, upon execution of this Agreement provide us with current information and authorization to charge your credit card for amounts due us. You must at all times ensure that the credit card information we have is current and valid at all times. Payments not honored by the credit card company will be subject to the insufficient funds fee set forth above in Section 7.G.

FRANCHISEE'S OTHER OBLIGATIONS

8. You agree to comply with the following terms and conditions:

A. Payment of Debts. You agree to pay promptly when due all payments, obligations, assessments and taxes due and payable to us, vendors, suppliers, lessors, federal, state or local governments, or creditors in connection with your Business or products or services used in connection with your Business, and all accounts and other indebtedness of every kind incurred by you in the conduct of your Business.

B. Taxes. You must timely pay all federal, state and local taxes due to the appropriate taxing authorities. You must also pay to us (or any subsidiary, affiliate or designee) promptly and when due the amount of all sales taxes, use taxes, personal property taxes and similar taxes imposed upon, and required to be collected by or paid by, us or our affiliate on the account of services or goods furnished by us or our affiliate to you through sale, lease or otherwise or on account of collection by us or our affiliate of the Continuing License Fee, or any additional payments you make to us pursuant to this Agreement.

C. Indemnification; Insurance. You hereby waive all claims against us (and any affiliates, officers, directors, agents and employees) for damages to property, death, or injuries to persons arising directly or indirectly out of the management or operation of your Business. You must indemnify, defend and hold harmless us, our Parent and our affiliates (and their respective shareholders, members, officers, employees, agents, successors and assigns (collectively "Indemnified Parties"), against and reimburse any one or more of the Indemnified Parties for all claims, obligations, demands, damages and liabilities of any nature whatsoever arising in any manner, directly or indirectly, from or in connection with the operation, use, or occupancy of your Business or any breach by you or your failure to comply with the terms and conditions of this Agreement including but not limited to any claim arising in connection with any copyright laws or regulations, including without limitation, those alleged to be or found to have been caused by the Indemnified Party's negligence or willful misconduct unless (and then only to the extent that) the claims, obligations or damages are determined to be caused solely by our gross negligence or willful misconduct in a final, un-appealable ruling issued by a court or arbitrator with competent jurisdiction.

For purposes of this Section 8 and your indemnification, “claims” include all obligations, damages (actual, consequential or otherwise) and costs that any Indemnified Party incurs in defending any claim against it, including without limitation fees incurred for accountants, mediators, arbitrators, attorneys and expert witnesses, costs of investigation and proof of facts, court costs, travel and living expenses and other expenses of litigation, arbitration, mediation or alternative dispute resolution. Each Indemnified Party may defend any claim against it at your expense and agree to settlements or take any other remedial, corrective or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement’s expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third-party or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against you under this subsection. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this subsection. As between us and you, you are solely responsible for the safety and well-being of your employees and your customers.

You must purchase and maintain in full force and effect, solely at your expense, liability insurance and other insurance of such types and in such amounts according to the insurance requirements set forth in the Manual from time to time in an aggregate amount designated periodically by us. Whether you operate your business in your home, or outside of your home, you must provide proof of insurance, either through an endorsement to your homeowner’s policy (if your business is operated from your house and you have no employees) or by securing a business or commercial liability policy. All insurance coverage must (i) name us, our parent and our affiliates as additional insureds, (ii) insure you, us, our Parent and our affiliates and their respective officers, directors, agents and employees from any and all loss, liability, claim or expense of any kind whatsoever and (iii) provide that we will be given 30 days’ prior written notice of material change in or termination or cancellation of the policy. This insurance coverage must commence as of the date you commence operating your Business.

D. Noncompete Restrictions. You agree that (i) pursuant to this Agreement, you will receive valuable training and have access from us to valuable trade secrets and Confidential Information regarding the development, operation management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations and experience established by the us and acquired by you under this Agreement are of substantial and material value; (iii) in developing the System, we and our parent and affiliates have made and continue to make substantial investments of time, technical and commercial research and money; and (iv) restrictions on your right and the right of your guarantors to hold interests in any other on-line newspaper/advertising business/media site or any other business offering or selling products and services similar to the products and services sold by your Business (“Competitive Businesses”) will not unreasonably or unnecessarily hinder their activities.. You also acknowledge that we are the owners of all goodwill associated with use of our Trademarks or the System. You therefore agree to the following noncompetition restrictions:

1. You, your owners, your personal guarantors nor any member of the immediate family of Franchisee, its owners, or guarantors (the “Restricted Parties”) may not during the term of this Agreement, without our prior written approval, directly or indirectly, (i) divert or attempt to divert any actual or potential business or customer of TAPinto® to any competitor or otherwise take any action injurious or prejudicial to the goodwill associated with the Trademarks and System; or (ii) engage as an owner, partner, director, officer, consultant or agent in any Competitive Business, (collectively “Prohibited Activities”) unless such publication was in existence prior to this Agreement and was fully disclosed to us before we approved your franchise application.

2. The Restricted Parties may not, without our prior written approval, engage as an owner, partner, director, officer, consultant, representative or agent in the Prohibited Activities for a one year period after expiration or termination of this Agreement. These restrictions shall apply within (i) your Designated Territory; (ii) within a 25-mile radius outside your Designated Territory;

and (iii) the designated Territory of another TAPinto® franchisee whose designated territory is within 25 miles of your Designated Territory.

3. You expressly agree that: (i) the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, good will and other legitimate business interests of us, our parent and our affiliates; (ii) the length of time in this Subparagraph will be tolled for any period during which any of the Restricted Parties are in breach of the covenants or any other period during which we seek to enforce this Agreement; (iii) The Restricted Parties possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, the enforcement of the covenants contained in this Section 8 will not deprive the Restricted Parties their personal goodwill or ability to earn a living.

4. You agree that violation of the covenants contained in this Section 8 would result in immediate and irreparable injury to us, our parent and/or our affiliates for which no adequate remedy at law will be available. Accordingly, you hereby consent to the entry of an injunction procured by us, our parent, and/or affiliates prohibiting any conduct by you in violation of the terms, covenants and/or restrictions of this Section 8 without the need of a bond. You expressly agree that it may conclusively be presumed in any legal action that any violation of these terms, covenants and/or restrictions was accomplished by and through the unlawful utilization of the Confidential Information. Further, you expressly agree that any claims you may have against us, our parent and/or our affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Section 8. You further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by us, our parent, and/or our affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Section 8.

5. You acknowledge and agree that should you circumvent the restrictive covenants and obligations to us under this Section 8 by disclosing Confidential Information to an immediate family member (i.e., parent, sibling, child or grandchild), that we and the System will be irreparably harmed. You acknowledge that if you or one of your Owners did disclose the Confidential Information to an immediate family member and the immediate family member of you or your owner used the Confidential Information to engage in activities that, for you, qualify as Prohibited Activities as defined above, that we and the System will be irreparably harmed. You agree that as between you and us, that you and your owners are in a better position to know if you permitted and/or provided an immediate family member with access to the Confidential Information. Therefore, you agree that you will be presumed to have violated the terms of this Agreement and, in particular, the restrictive covenants and obligations set forth in this Section 8 if any member of your immediate family or the immediate family of an owner (a) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities or (b) uses or discloses the Confidential Information. However, you may rebut this presumption by providing evidence conclusively demonstrating that neither you nor your owner(s) did not disclose the Confidential Information and did not permit disclosure of the Confidential Information to your family member or the family member of your owners. You agree that the foregoing covenants, obligations, representations and burden of proof shall also apply to your owners and that your owners shall each execute and deliver to us the Guaranty in the form attached to this Agreement as Appendix B.

6. You agree that we are licensing you to use during the term of this Agreement the goodwill attendant to the use of our Trademarks and System, and, upon termination or expiration of the Agreement, we will have the exclusive right to such goodwill, including the exclusive right to advertiser relationships developed by you during the term of this Agreement.

DEFAULT AND TERMINATION

9. The following provisions apply with respect to default and termination:

Defaults. You will be in default under this Agreement if we determine that you, your owners or any personal guarantor (collectively “you”) has breached any of the terms of this Agreement or any other agreement between you and us or our affiliates, which without limiting the generality of the foregoing, includes the following non-exhaustive defaults: (i) voluntary abandonment of your Business including but not limited to the failure to produce original content for a period of one week or more without our prior written consent, (ii) making any false report to us or failure to submit a report, (iii) failure to pay when due any amounts required to be paid to us or any of our affiliates whether pursuant to this Agreement or otherwise or to any third party (including vendors and suppliers) as required by this Agreement, (iv) unauthorized use of the Trademarks, (v) dishonest, unethical or unprofessional conduct adversely affecting the goodwill of the Trademarks or TAP INTO LOCAL LLC, (vi) conviction of you or any personal guarantor (or pleading no contest to) any felony or an offense that brings or tends to bring any of the Trademarks into disrepute or impairs or tends to impair the goodwill of any of the Trademarks, (vii) failure to comply with any copyright laws, rules or regulations; (viii) filing of any tax liens or voluntary or involuntary bankruptcy by or against you or any personal guarantor, (ix) your insolvency or any personal guarantor’s insolvency, (x) making an assignment or entering into any similar arrangement for the disposition of assets for the benefit of creditors, (xi) failure to launch your franchise within 3 months of the execution of this agreement, (xii) failure to self-generate at least \$30,000 in gross revenue per franchised site in any year of this Agreement, (xiii) failure to comply with any mandatory System Standard including but not limited to the requirement to publish a minimum of one original local news story per day, or (xiii) failure to meet the minimum performance standards set forth on Appendix A.

A. Termination by Us. We have the right to terminate this Agreement in accordance with the following provisions:

1. Termination After Opportunity to Cure. Except as otherwise provided in this Subparagraph 9.B: (i) you will have 30 days from the date of a written notice of default to cure any default under this Agreement; (ii) your failure to cure a default within the 30-day period will provide us with good cause to terminate this Agreement; (iii) the termination will be accomplished by emailing, mailing or delivering to you written notice of termination that will identify the grounds for the termination; and (iv) the termination will be effective 30 days after the date of the written notice of termination.

2. Immediate Termination With No Opportunity to Cure. In the event any of the following defaults occurs, you will have no right or opportunity to cure the default and this Agreement will terminate effective immediately on our issuance of written notice of termination: dishonest, unethical or unprofessional conduct adversely affecting the goodwill of the Trademarks or TAP INTO LOCAL LLC, failure to self-generate at least \$30,000 in gross revenue per franchise site in any year of this Agreement; failure to launch your site within 3 months of the execution of this Agreement; voluntary abandonment of your Business; you willfully and materially falsify any report, statement or other written data furnished to us; unauthorized disclosure of confidential information; conviction of you or any personal guarantor of (or pleading no contest to) any felony or offense that brings or tends to bring any of the Trademarks into disrepute or impairs or tends to impair the goodwill of any of the Trademarks; your insolvency or any personal guarantor’s insolvency; making an assignment or entering into any similar arrangement for the disposition of assets for the benefit of creditors; any unauthorized assignment or transfer of your Business, this Agreement or the ownership of franchisee; any instance where you willfully deceive clients relative to the source, nature or quality of products or services sold; any default that results from a subsequent audit of your Business conducted within two years of a previous audit and both audits reveal an understatement of 3% or more in financial information provided to us; any default by you that is the second similar default within any 6 month consecutive period, whether or not such defaults are cured; or if you commit three events of default

under this Agreement within any 12 month period, whether or not such defaults are the same or different in nature and whether or not such defaults have been cured by you. Furthermore, we may declare this Agreement null and void if you make any material misrepresentation on the franchise application or otherwise relating to the acquisition of the franchise.

3. Immediate Termination After 24 Hours to Cure. In the event that a default under this Agreement occurs that adversely affects the goodwill associated with any of the Trademarks (i) you will have 24 hours after we provide written notice of the default to cure the default; and (ii) the termination will be effective immediately upon our issuance of written notice of termination, which can be sent electronically.

(i) Alternative to Termination. We do not have any obligation to perform or to comply with our obligations to you under this Agreement or other agreements when a default exists, until you cure the default to our satisfaction. Further, upon the occurrence of an event of default and failure to cure (if a cure period is otherwise provided), without limiting our right to terminate this Agreement (or any other rights), we may temporarily suspend, until you fully cure the default to our satisfaction, your site, your access to your site and/or your ability to post articles to your site. Our election to exercise our rights under this provision shall not constitute: a waiver or election of remedies, as we reserve all rights, including the right to terminate this Agreement; (ii) a defense to you to our enforcement of any provision in this Agreement or waive or release you from any of your obligations under this Agreement; (iii) a defense at law or equity based on impossibility of your performance or any claim against us or any System supplier; and/or (iv) a constructive or actual termination of this Agreement. Further, if we exercise our rights under this provision, you acknowledge and agree that you shall not be excused from your performance under this Agreement, including your obligation to pay any and all fees you are required to pay to us under this Agreement.

4. Effect of Other Laws. We may terminate this Agreement upon any other ground or by any shorter period of notice (but not less than 30 days except as provided above) as may be permitted from time to time by applicable law or regulation. The provisions of any valid, applicable law or regulation prescribing permissible grounds, cure rights or minimum periods of notice for termination of this franchise will supersede any provision of this Agreement that is less favorable to you than such law or regulation.

B. Termination by You. Commencing after the second year of the Term of this Agreement, you have the right to terminate this Agreement with or without cause, provided that you deliver to us written notice of termination at least 60 days prior to said termination. Otherwise, you may terminate this Agreement only for good cause and provided that you are in full compliance with all terms and conditions of this Agreement. Our failure to cure a default by us hereunder within 30 days from the date of a written notice of default will give you good cause to terminate this Agreement. You must notify us in writing that we have committed an alleged material breach of this Agreement, in which case we have 30 days after receipt of such notice to cure the alleged material breach. The notice must specify with particularity the nature of the alleged material breach and the steps you request that we take to cure the alleged material breach. You may terminate this Agreement only if we fail to cure the alleged material breach.

POST-TERM OBLIGATIONS

10. Upon the expiration or termination of this Agreement:

A. Reversion of Rights. All of your rights to the use of the Trademarks and all other rights and licenses granted in this Agreement and the right and license to conduct your Business under the Trademarks in your Designated Territory, including the content of your Section and any other forms of social media used in or for the Business, will revert to us without further act or deed of any party. All of your right, title and

interest in, to and under this Agreement will become our property. You must immediately pay all sums due to us, our affiliates or designees. You must immediately cease all use and display of the Trademarks and of any material copyrighted by us (including without limitation the Manual and other Confidential Information). You must immediately return to us all copies of the Manual, any training materials and other materials which we provided to you.

B. Discontinuation of Trademark Use. You must promptly, at your expense, remove or obliterate all signage, displays or other materials in your possession that bear any of the Trademarks or names or material confusingly similar to the Trademarks. You must cease your participation in any TAPinto® web site and our intranet system and must discontinue your use of the Trademarks or System on the internet or other online communications. You also must take such action as may be required to cancel all assumed name or equivalent registrations relating to the use of any trade name or Trademarks and notify the telephone company and listing agencies of the termination or expiration of your right to use all telephone numbers of your Business and all classified and other directory listings of your Business and authorize the transfer of such numbers and directory listings to us or as we direct. This agreement by you regarding the telephone numbers and listings is for the benefit of such telephone company serving you. You agree to hold any such telephone company harmless from any and all claims against it arising out of any orders given by us to terminate, transfer or put on referral such telephone service. Notwithstanding the foregoing, in the event of expiration or termination of this Agreement, you will remain liable for your indemnification obligations specified in Subparagraph 8.C or under common law and other obligations pursuant to any applicable lease for your Business premises or otherwise, which by their very nature are intended to survive the expiration or termination of this Agreement.

DISPUTE RESOLUTION; INJUNCTIVE RELIEF

11. We and you agree that the following provisions apply with respect to dispute resolution:

A. Mediation. Except as noted in Section 11.C below, before any party may bring an action in court or against the other, or commence an arbitration proceeding, the parties must first meet to mediate the dispute. The mediation will be held in the city in which our headquarters are located at the time of the mediation. The parties must agree upon a single mediator to mediate the dispute within 60 days after a written demand for mediation is made. Any such mediation will be non-binding.

B. Arbitration. Except as qualified below, any dispute between you and us or any of our or your affiliates not resolved through mediation arising from or related to this Agreement, the parties' relationship, or your Business must be submitted to binding arbitration under the authority of the Federal Arbitration Act and must be determined by arbitration administered by the American Arbitration Association pursuant to its then-current commercial arbitration rules and procedures. Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. In the event a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate will become null and void and the parties must submit all claims to the jurisdiction of the courts. The arbitration must take place in the city where our headquarters is located at the time of the dispute. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least five years of significant experience in franchise law. A judgment may be entered upon the arbitration award by any state or federal court in the state where we maintain our headquarters or the state where your Business is located. The decision of the arbitrator will be final and binding on all parties to the dispute; however, the arbitrator may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages; or (3) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set.

C. Exceptions to Mediation and Arbitration. Notwithstanding Section 11.A and 11.B above, the parties agree that the following claims commenced by TAP INTO LOCAL LLC will not be subject to mediation or arbitration: (i) any action relating to or arising in connection with the Trademarks; (ii) any action for declaratory or equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder; and (iii) any action seeking recovery or any other remedy based on your failure to pay any moneys due under this Agreement, any agreement with our Parent or affiliates or any unpaid invoices.

D. Jurisdiction and Venue. With respect to any claims, controversies or disputes which are not finally resolved through arbitration, Franchisee, its owners and guarantors hereby irrevocably submit themselves to the jurisdiction of the United States District Court for the District of New Jersey, or if such court does not have competent jurisdiction, a state court located in such district or such other court nearest to Franchisor's headquarters. Franchisee, its owners and guarantors hereby waive all objections to personal jurisdiction or venue for the purpose of carrying out this provision and agree that nothing in this Section 11 shall be deemed to prevent Franchisor from removing an action from state court to federal court. Franchisee, its owners and guarantors hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by New Jersey or federal law. Franchisee, its owners and guarantors further agree that with respect to any action for monies owed injunctive or other extraordinary relief, Franchisor may bring such action in any State or Federal District Court which has jurisdiction.

E. Enforcement. During the term of this Agreement, if you do not give us written notice of the alleged breach of this Agreement within one year from the date that you have knowledge of circumstances reasonably causing you to believe you may have a claim for a breach of this Agreement by us, then the alleged breach will be deemed to be waived by you in all respects and you will be barred from bringing any legal or other action against us for the alleged breach. Furthermore, upon expiration or termination of this Agreement, you may not assert any claim or cause of action against us arising under, out of, or in any way connected with or related to this Agreement, the relationship between the parties, or your Business unless the claim or cause of action is commenced within one year after the effective date of the expiration or termination of this Agreement. Notwithstanding the preceding two sentences, if the one year time limitation is prohibited by or invalid under any applicable law, then no suit or action may be commenced or maintained unless it is commenced within the shortest applicable statute of limitations.

ASSIGNMENT BY FRANCHISEE

12. You agree that the following provisions will govern any transfer or proposed transfer by you:

A. Transfers. This Agreement is entered into by us with specific reliance upon your financial qualifications and your personal experience, skills and managerial and financial qualifications as being essential to the satisfactory operation of your Business licensed hereunder. Consequently, you may not transfer, assign or permit the assumption of: (i) your interest in this Agreement; (ii) any ownership interest in the franchisee; (iii) the Business or substantially all of its assets; or (iv) any interest in any of your owners (if any owner is a legal entity) in whole or in part, unless you have first tendered to us the right of first refusal to acquire such interest in accordance with Subparagraph 12.E, and if we fail to exercise such right, unless our prior written consent is obtained and the transfer conditions described in Subparagraph 12.C are satisfied.

B. Consent to Transfer. We will not unreasonably withhold our consent to transfer, provided that the proposed assignee is, in our reasonable judgment, qualified to provide active supervision over the operation of your Business, the proposed assignee possess sufficient net worth and sources of capital to meet our standards for your Business, and the conditions defined in Subparagraph 12.C are satisfied. Application for our consent to a transfer and tender of the right of first refusal provided for in Subparagraph 12.E must be

made by submission of our form of application for consent to transfer, which must be accompanied by the documents (including a copy of the proposed purchase or other transfer agreement) or other information required therein. Any attempted transfer by you without our prior written consent or otherwise not in compliance with the terms of this Agreement will be void and will give us the right to terminate this Agreement.

C. Conditions of Transfer. Whether the transfer be to an individual, a corporation, a partnership or to any other entity, the following provisions apply:

1. We may condition our consent to any proposed transfer upon the following: (a) all of your obligations in connection with your Business have been assumed by the assignee; (b) all of your debts in connection with your Business, including all amounts owed to us or any of our affiliates or your suppliers have been paid in full; (c) you are not in default under any provision of this Agreement or any other agreement between you and us, our affiliates or any designated/approved supplier; (d) the assignee meets all of our then-current standards and requirements for new franchisees (which standards and requirements need not be in writing) and the assignee has completed the training program required of new franchisees; (e) you or the assignee has paid up to \$2,000 as a transfer fee for assignee's training (which includes training up to two people) and to reimburse us for our reasonable legal and accounting fees, credit and investigation charges and expenses incurred as a consequence of such assignment; (f) assignee signs our then-current form of franchise agreement which may contain materially different terms from those contained in this Agreement for a term equal to the remaining term of this Agreement or the then-current term offered to new franchisees, as determined by us; (g) you and all personal guarantors execute a general release in our favor; (h) you and all personal guarantors agree to comply with all post-termination obligations including but not limited to the covenant not to compete set forth in Subparagraph 8.D of this Agreement; and (i) in the case of an installment sale, if you or any principal owner proposes to retain a security interest or other financial interest in the Franchise Agreement or your Business operated thereunder (with our consent), you or such principal owner agrees to guarantee the performance of the Franchise Agreement until the final close of the installment sale or the termination of such interest, as the case may be.

2. Notwithstanding the conditions stated in subparagraph 12.C.1 above, if you are an individual franchisee, you may assign the franchise to a corporation or other similar entity in which you own all of the issued and outstanding capital stock provided that: (a) the principal owner or a manager approved by us actively manages your Business and continues to devote the individual's best efforts and full and exclusive time to the day to day operation and development of your Business; (a) the corporation or other similar entity executes a document in a form approved by us in which it agrees to become a party to and be bound by all the provisions of this Agreement; (c) the principal owner remains personally liable in all respects under this Agreement and executes on a form approved by us a personal guarantee and agreement not to sell, assign, pledge, mortgage or otherwise transfer or encumber the stock; and (d) all stock certificates representing shares in the corporation bear a legend that they are subject to the terms of this Agreement.

D. Death, Disability or Incapacity. If any individual franchisee dies or becomes disabled or incapacitated and the decedent's or disabled or incapacitated person's heir or successor-in-interest wishes to continue as a franchisee hereunder, the person or entity must apply for our consent, successfully complete our training program and pay the applicable transfer fee, all in accordance with this Paragraph 12 as in any other case of a proposed transfer. If the assignee of the decedent or disabled or incapacitated person is the spouse or child of such person, no transfer fee will be payable to us.

E. Right of First Refusal. If you propose to transfer or assign this Agreement, the assets or substantially all of the assets of the Business or an ownership interest in you (or any of your owners if any owner is a legal entity), in whole or in part, to any third party, you first must offer to sell to us your interest as provided herein. In the event of a bona fide offer from such third party, you must obtain from the third-party offeror and deliver

to us a statement in writing, signed by the offeror and by you, of the terms of the offer. We will have 30 days from our receipt of the statement setting forth the third-party offer or the appraiser's report to accept the offer by delivering written notice of acceptance to you. The acceptance will be on the same price and terms set forth in the statement delivered to us; provided, however, we will have the right to substitute equivalent cash for any noncash consideration included in the offer. If we do not exercise its right of first refusal, we shall, within thirty (30) days after the right of first refusal has expired, notify you in writing of its approval or disapproval of the prospective transferee. You may complete the sale to the prospective transferee on the terms and conditions stated within the bona fide offer provided to us but only if we otherwise approve the transfer in accordance with Section 12 and you and the transferee comply with the conditions of that Section. This means that even if we do not exercise our right of first refusal (whether or not it is properly triggered as provided above), if the proposed transfer otherwise would not be allowed under Section 12, then you may not complete the transfer.

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

ASSIGNMENT BY FRANCHISOR

13. You acknowledge and agree that we maintain a staff to manage and operate the System and that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, member, director, officer or employee remaining with the Franchisor in any capacity or no capacity at all. We may change our ownership of form and/or assign this Agreement and any other agreement to a third-party without restriction. In the event of our assignment of this Agreement to a third party, we shall no longer have any performance or other obligations under this Agreement.

GENERAL PROVISIONS

14. The parties hereby agree to the following provisions:

A. Step-In Rights. If we determine in our sole judgment that the operation of your Business is in jeopardy, or if a default occurs, then in order to prevent an interruption of the Business which could cause harm to the System and thereby lessen its value, you authorize us to operate your Business for as long as we deem necessary and practical, and without waiver of any other rights or remedies which we may have under this Agreement. In our sole judgment, we may deem you incapable of operating the Business if, without limitation, you are absent or incapacitated by reason of illness or death; you have failed to pay when due any amounts owed in connection with your Business; or we determine that operational problems require that we operate your Business for a period of time that we determine, in our sole discretion. In addition, in the event that you, any of your owners or your Designated Manager run for elected office, we may in our sole discretion, operate your Business for a period of time that we determine in our sole discretion and without waiver of any other rights or remedies which we may have under this Agreement. We shall keep in a separate account all monies generated by the operation of your business, less the expenses of the Business, including reasonable compensation and expenses for our representatives. In the event of our exercise of the Step-In Rights, you agree to hold harmless us and our representatives for all actions occurring during the course of such temporary operation. You agree to pay us our then-current Management Fee as well as our reasonable attorneys' fees and costs incurred as a consequence of our exercise of the Step-In Rights. Nothing contained herein shall prevent us from exercising any other right which we may have under this Agreement, including, without limitation, termination.

B. Severability. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement will be deemed to be valid and in full force and effect and the terms of this Agreement will be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses. It is the intent and expectation of each of the parties that each provision of this Agreement will be honored, carried out and enforced as written. Consequently, each of the parties agrees that any provision of this Agreement sought to be enforced in any proceeding hereunder will, at the election of the party seeking enforcement and notwithstanding the availability of an adequate remedy at law, be enforced by specific performance or any other equitable remedy.

C. Waiver/Integration. No waiver by either party of any breach by the other party, nor any delay or failure by either party to enforce any provision of this Agreement, will be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce the non-breaching party's rights with respect to that or any other or subsequent breach. Subject to our rights to modify Appendices, the Manual and/or System Standards and as otherwise provided herein, this Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with any addenda and appendices hereto constitute the sole agreement between you and us with respect to the entire subject matter of this Agreement and embody all prior agreements and negotiations with respect to your Business authorized hereunder. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you. You acknowledge and agree that you have not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of your Business. There are no representations or warranties of any kind, express or implied, except as contained herein and in the Franchise Disclosure Document.

D. Notices. Except as otherwise provided in this Agreement, any notice, demand or communication provided for herein must be signed by the party serving the same and either delivered electronically (with a copy deposited in the United States mail, service or postage prepaid, deposited in the United States mail, service or postage prepaid), personally or by a reputable overnight service or deposited in the United States mail, service or postage prepaid, and if such notice is a notice of default or of termination, by registered or certified mail or electronically, and forwarded to the address specified on page 1 of this Agreement or to the franchisee's TAPinto® email address or to such other address as may have been designated by notice to the other party. Notices for purposes of this Agreement will be deemed to have been given on the date received (or refused) when addressed to the parties at the addresses set forth herein or to such other addresses as the parties may designate in writing.

E. Electronic Mail. You acknowledge and agree that exchanging information with us by e-mail is efficient and desirable for day-to-day communications and that we and you may utilize e-mail for such communications. You authorize the transmission of e-mail by us and our employees, vendors, parent and affiliates ("Official Senders") to you during the term of the Agreement. You further agree that: (i) Official Senders are authorized to send e-mails to those of you supervisory employees as you may occasionally authorize for the purpose of communicating with us; (ii) you will cause your officers, directors and supervisory employees to give their consent to the transmission of e-mails to them by each and any of the Official Senders; (iii) you will require such persons to not opt out or otherwise ask to no longer receive e-mails from Official Senders during the time that such person works for or is associated with you; and (iv) you will not opt out or otherwise ask to no longer receive e-mails from Official Senders during the Term of this Agreement.

F. Authority. Any modification, consent, approval, authorization or waiver granted hereunder required to be effective by signature will be valid only if in writing executed by you or, if on behalf of us, in writing executed by our President. You must neither create nor purport to create any obligation on behalf of us, nor agree to any other term, condition, or covenant that is inconsistent with any provision of this Agreement.

G. References. If a franchisee consists of two or more individuals, such individuals will be jointly and severally liable, and references to the franchisee in this Agreement include all such individuals.

Headings and captions contained herein are for convenience of reference and must not be taken into account in construing or interpreting this Agreement.

H. Guaranty. All principal owners of a franchisee that is a corporation, partnership or other entity must execute the form of undertaking and guaranty attached hereto as Appendix B. Each such person is considered a personal guarantor of the franchisee's obligations as noted in the undertaking and guaranty. Any person or entity that at any time after the date of this Agreement becomes a principal owner of the franchisee must, as a condition of becoming a principal owner, execute the form of undertaking and guaranty attached as Appendix B. In addition, and notwithstanding the aforementioned, the signatures of all individuals below, in any capacity, also constitute their joint and several agreement to perform all of the obligations in a relating to this Agreement, including but not limited to the obligations stated in Section 8 above and the obligation to make specified payments and pay any other debts to us. If Franchisee is in breach or default under this Agreement, Franchisor may proceed directly against each such individual and/or entity without first proceeding against Franchisee and without proceeding against or naming in the suit any other such individuals and/or entities. Franchisee's obligations and those of each such individual and/or entity will be joint and several. Notice to or demand upon one such individual and/or entity will be considered notice to or demand upon Franchisee and all such individuals and/or entities and no notice or demand need be made to or upon all such individuals and/or entities. The cessation of or release from liability of Franchisee or any such individual and/or entity will not relieve any other individual and/or entity from liability under this Agreement, except to the extent that the breach or default has been remedied or money owed has been paid.

I. Relationship of Parties. You are and will be considered an independent contractor with control and direction of your Business and operations, subject to the conditions and obligations established by this Agreement. No agency, employment, or fiduciary relationship is created by this Agreement. Your Business is separate and apart from any that we may operate. Neither party to this Agreement may make any representations tending to create apparent agency, employment, or partnership.

J. Successors/Assigns. Subject to the terms of Paragraphs 12 and 13, this Agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successors and assigns of the parties.

K. Interpretation of Rights and Obligations. The following provisions will apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. Applicable Law. Except to the extent governed by the United States Trademark Act of 1946, as amended (Lanham Act, 15 U.S.C. Section 1051 et seq.), this Agreement, all relations between the parties and any and all disputes between the parties, whether sounding in contract, tort or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the state of New Jersey without recourse to New Jersey (or any other) choice of law or conflicts of law principles. Notwithstanding the foregoing, nothing herein is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of the state of New Jersey or any other state, which would not otherwise apply. You expressly waive any rights or protections you have or may have under any statute or law of any other state to the fullest extent permitted by law. This Agreement may be deemed to be amended from time to time as may be necessary to bring any of its provisions into conformity with valid applicable laws or regulations.

2. Our Rights. Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

3. Our Reasonable Business Judgment. Whenever we reserve or are deemed to have reserved discretion in a particular Designated Territory or where we agree or are deemed to be required to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever

we exercise Reasonable Business Judgment in making our decision or exercising our rights. A decision or action by us will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes a financial or other individual interest of us. Examples of items that will promote or benefit the System include enhancing the value of the Trademarks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System.

L. JURY WAIVER. THE PARTIES (AND THEIR RESPECTIVE OWNERS AND PERSONAL GUARANTORS, IF APPLICABLE) HEREBY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN CONNECTION WITH THE ENFORCEMENT OR INTERPRETATION BY JUDICIAL PROCESS OF ANY PROVISION OF THIS AGREEMENT, AND IN CONNECTION WITH ALLEGATIONS OF STATE OR FEDERAL STATUTORY VIOLATIONS, FRAUD, MISREPRESENTATION OR SIMILAR CAUSES OF ACTION OR ANY LEGAL ACTION INITIATED FOR THE RECOVERY OF DAMAGES FOR BREACH OF THIS AGREEMENT.

M. WAIVER OF PUNITIVE DAMAGES. THE PARTIES (AND THEIR RESPECTIVE OWNERS AND PERSONAL GUARANTORS, IF APPLICABLE) HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, EACH WILL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT.

N. Acts Beyond Control of Parties. In the event of any failure of performance of this Agreement according to its terms by any party the same will not be deemed a breach of this Agreement if it arose from a cause beyond the control of and without the negligence of the party. Such causes include strikes, wars, riots, and acts of government except as may be specifically provided for elsewhere in this Agreement.

O. Notice of Potential Franchisor Profit. We hereby advise you that we and/or our affiliates may from time to time make available to you goods, products and/or services for use in your Business on the sale of which we and/or our affiliates may make a profit. We further advise you that we and/or our affiliates may from time to time receive consideration from suppliers and/or vendors in respect to sales of goods, products or services to you or in consideration of services rendered or rights licensed to such persons. You agree that we and/or our affiliates are entitled to said profits and/or consideration.

P. Effective Date. We will designate the “Effective Date” of this Agreement in the space provided on the cover page. If no Effective Date is designated on the cover page, the Effective Date is the date when we sign this Agreement.

IN WITNESS WHEREOF, the parties have executed this Franchise Agreement on the Effective Date.

FRANCHISOR:

FRANCHISEE:

TAP INTO LOCAL LLC

By _____
Its _____
Date _____

By _____
Its _____
Date _____

Appendix A to the Franchise Agreement

Data Sheet

Designated Territory. As stated in Section 2.A of the Franchise Agreement, subject to the terms and conditions of the Franchise Agreement, the Designated Territory in which you will conduct your Business shall be defined as follows:_____;

and the trade name of your Business as referenced in Section 3.C is TAP Into _____.

The Designated Territory shall be considered fixed as of the date of the Franchise Agreement.

2. Business Opening Date: _____

3. Initial License Fee (Designated Territory franchisees only): \$_____(Lump Sum)

4 Monthly License Fee. The Monthly License Fee will be based on the population in the Designated Territory as the date of the Franchise Agreement. Your Annual License Fees will be as follows:

Year 1: \$_____, payable monthly at \$_____per month

Year 2: \$_____, payable monthly at \$_____per month

Year 3: \$_____, payable monthly at \$_____per month

Year 4: \$_____, payable monthly at \$_____per month

FRANCHISOR:

FRANCHISEE:

TAP INTO LOCAL LLC

By_____

Its_____

Date_____

By_____

Its_____

Date_____

APPENDIX B

GUARANTY

In consideration of the execution of this Franchise Agreement by us, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in this Franchise Agreement, to be paid, kept and performed by the franchisee, including without limitation the arbitration and other dispute resolution provisions of the Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in this Franchise Agreement including, the noncompete restrictions outlined in Section 8.D and the dispute resolution process outlined in Section 11, and agree that this personal Guaranty should be construed as though the undersigned and each of them executed a Franchise Agreement containing the identical terms and conditions of this Franchise Agreement.

The undersigned waives: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the franchisee or any other person as a condition of liability.

In addition, the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the franchisee or any other person; and (2) such liability will not be diminished, relieved or otherwise affected by the franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Guaranty will inure to the benefit of the successors and assigns of us.

GUARANTORS

Individually

Address

City State Zip Code

Telephone

Date: _____

Individually

Address

City State Zip Code

Telephone

Date: _____

APPENDIX C
ACKNOWLEDGMENT ADDENDUM TO
TAPinto® FRANCHISE AGREEMENT

As you know, you and we are entering into a Franchise Agreement for the operation of a TAPinto® franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgments and Representations*.

1. Did you receive a copy of our Disclosure Document (and all exhibits and attachments) at least 14 calendar days prior to signing the Franchise Agreement? Check one: ☐ Yes ☐ No. If no, please comment: _____

2. Did you receive a copy of our Disclosure Document (and all exhibits and attachments) at least 10 Business days prior to signing the Franchise Agreement? Check one: ☐ Yes ☐ No. If no, please comment: _____

3. Have you studied and reviewed carefully our Disclosure Document and Franchise Agreement? Check one: ☐ Yes ☐ No. If no, please comment: _____

4. Did you understand all the information contained in both the Disclosure Document and Franchise Agreement? Check one ☐ Yes ☐ No. If no, please comment: _____

5. Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the Disclosure Document? Check one: ☐ No ☐ Yes. If yes, please state in detail the oral, written or visual claim or representation: _____

6. Did any employee or other person speaking on behalf of TAP Into Local LLC make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any TAP INTO location or business, or the likelihood of success at your franchised business? Check one: ☐ No ☐ Yes. If yes, please state in detail the oral, written or visual claim or representation: _____

7. Did any employee or other person speaking on behalf of TAP Into Local LLC make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document. Check one: ☐ Yes ☐ No. If yes, please comment: _____

-
8. Do you understand that the franchise granted is for the right to operate the Business in the Designated Territory, as stated in Subparagraph 2.A, and that we and our affiliates have the right to issue franchises or operate competing businesses for or at locations, as we determine, outside of your Designated Territory using any trademarks and to place other forms of advertising other than indoor print advertising both inside and outside your Designated Territory using any trademarks, as described in Subparagraph 2.B? Check one: (☐) Yes (☐) No. If no, please comment: _____
-
9. Do you understand that the Franchise Agreement contains the entire agreement between you and us concerning the franchise for the Business, meaning that any prior oral or written statements not set out in the Franchise Agreement or the Disclosure Document will not be binding? Check one: (☐) Yes (☐) No. If no, please comment: _____
-
10. Do you understand that the franchise granted to you is for you to operate your own business as an independent business owner and not as an employee or agent of ours and the success or failure of your Business will depend in large part upon your skills and experience, your business acumen, your location, the local market for products and services under the TAP INTO® trademarks, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Further, do you understand that the economic and business factors that exist at the time you open your Business may change? Check one (☐) Yes (☐) No. If no, please comment: _____
-
11. Do you understand that you are bound by the non-compete covenants (both in term and post term) listed in Article 8 and that an injunction is an appropriate remedy to protect the interests of the TAP INTO® system if you violate the covenant(s)? Further, do you understand that the term “you” for purposes of the non-compete covenants is defined broadly in Article 8, such that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default, and termination of the Franchise Agreement? Check one (☐) Yes (☐) No. If no, please comment: _____
-
12. Do you understand that any training, support, guidance or tools we provide to you as part of the franchise are for the purpose of protecting the TAP INTO® brand and Trademarks and to assist you in the operation of your Business and not for the purpose of controlling or in any way intended to exercise or exert control over your decisions or day-to-day operations of your Business, including your sole responsibility for the hiring, wages and other compensation (including benefits), training, supervision and termination of your employees and all other employment and employee related matters? Check one (☐) Yes (☐) No. If no, please comment: _____
-

13. On the receipt page of the Disclosure Document you identified _____ as the franchise sellers involved in this franchise sales process. Are the franchise sellers identified above the only franchise sellers involved with this transaction? Check one () Yes () No. If no, please identify any additional franchise sellers involved with this transaction: _____

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.

Signed: _____

Print Name: _____

Date: _____

Signed: _____

Print Name: _____

Date: _____

APPROVED ON BEHALF OF TAP INTO
LOCAL LLC

Signed _____

Print Name: _____

Date: _____

By: _____

Title: _____

Date: _____

*Such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law.

APPENDIX D
SBA ADDENDUM



ADDENDUM TO FRANCHISE¹ AGREEMENT

THIS ADDENDUM ("Addendum") is made and entered into on _____, 20____, by and between _____ ("Franchisor"), located at _____, and _____ ("Franchisee"), located at _____.

Franchisor and Franchisee entered into a Franchise Agreement on _____, 20__, (such Agreement, together with any amendments, the "Franchise Agreement"). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining the SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree that notwithstanding any other terms in the Franchise Agreement or any other document Franchisor requires Franchisee to sign:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

¹ While relationships established under license, jobber, dealer and similar agreements are not generally described as "franchise" relationships, if such relationships meet the Federal Trade Commission's ("FTC's") definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

COVENANTS

- If the Franchisee owns the real estate where the franchise location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Licensee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729-3733.

Authorized Representative of Franchisor:

By: _____

Print Name: _____

Title: _____

Authorized Representative of Franchisee:

By: _____

Print Name: _____

Title: _____

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the franchise system must meet all SBA eligibility requirements.

EXHIBIT C

Financial Statements

TAP INTO LOCAL LLC

Financial Statements

DECEMBER 31, 2021, 2020 and 2019

(With Independent Auditors' Report)

TAP INTO LOCAL LLC

DECEMBER 31, 2021, 2020 and 2019

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INDEPENDENT AUDITORS' REPORT

To the Member of
TAP Into Local LLC
New Providence, New Jersey

Opinion

We have audited the accompanying financial statements of TAP Into Local LLC (the Company), which comprise the balance sheet as of December 31, 2021, and the related statement of income, retained earnings, and cash flows for the year then ended, and the related notes to the financial statement.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TAP Into Local LLC as of December 31, 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Period Financial Statements

The financial statements of TAP Into Local LLC as of December 31, 2020 and 2019 were audited by another auditor whose report dated February 24, 2021 expressed unmodified opinions on those statements.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Bederson LLP

Fairfield, New Jersey
April 20, 2022



TAP INTO LOCAL, LLC
BALANCE SHEETS
DECEMBER 31, 2021, 2020, AND 2019

ASSETS

	<u>2021</u>	<u>2020</u>	<u>2019</u>
CURRENT ASSETS:			
Cash	\$ 773,591	\$ 590,709	\$ 175,930
Accounts receivable, net of allowance for doubtful accounts	308,732	467,584	193,515
Prepaid expenses	<u>18,870</u>	<u>30,052</u>	<u>13,050</u>
TOTAL CURRENT ASSETS	1,101,193	1,088,345	382,495
PROPERTY AND EQUIPMENT, net accumulated depreciation	<u>8,753</u>	<u>10,565</u>	<u>3,927</u>
LEASE RIGHT OF USE ASSET, net accumulated amortization	<u>572,299</u>	<u>763,066</u>	<u>635,889</u>
TOTAL ASSETS	<u><u>\$ 1,682,245</u></u>	<u><u>\$ 1,861,976</u></u>	<u><u>\$ 1,022,311</u></u>

LIABILITIES AND MEMBER'S EQUITY

CURRENT LIABILITIES:			
Current portion of technology lease payable	\$ 190,292	\$ 181,031	\$ 150,859
Accounts payable and accrued expenses	5,055	18,593	58,095
Deferred revenues	208,988	188,185	55,404
Due to franchisees	527,201	610,258	218,968
Due to affiliates	<u>79,789</u>	<u>-</u>	<u>-</u>
TOTAL CURRENT LIABILITIES	1,011,325	998,067	483,326
LONG-TERM LIABILITY:			
Technology lease payable, less current portion	<u>410,291</u>	<u>600,582</u>	<u>500,485</u>
TOTAL LIABILITIES	1,421,616	1,598,649	983,811
MEMBER'S EQUITY	<u>260,629</u>	<u>263,327</u>	<u>38,500</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY	<u><u>\$ 1,682,245</u></u>	<u><u>\$ 1,861,976</u></u>	<u><u>\$ 1,022,311</u></u>

The accompanying notes are an integral part of these financial statements.

TAP INTO LOCAL, LLC
STATEMENTS OF OPERATIONS AND MEMBERS' EQUITY
YEARS ENDED DECEMBER 31, 2021, 2020 and 2019

	<u>2021</u>	<u>2020</u>	<u>2019</u>
REVENUES	<u>\$ 1,046,243</u>	<u>\$ 1,098,812</u>	<u>\$ 849,609</u>
COST OF REVENUES:			
Editor and design costs	9,150	12,910	3,829
Website and techonology expenses	354,460	219,092	195,456
Payment processing fees	<u>43,179</u>	<u>36,733</u>	<u>31,731</u>
TOTAL COST OF REVENUES	<u>406,789</u>	<u>268,735</u>	<u>231,016</u>
INCOME BEFORE OPERATING EXPENSES	<u>639,454</u>	<u>830,077</u>	<u>618,593</u>
OPERATING EXPENSES:			
Salaries and compensation	421,516	329,973	235,892
Payroll taxes and fringe benefits	52,086	38,150	31,261
Marketing	59,624	55,593	53,992
Professional fees	18,592	55,603	96,974
Insurance	22,948	27,788	29,002
Telephone	6,986	5,891	4,637
Bad debt expense	28,551	10,265	47,663
Office expense	14,710	26,942	13,857
Depreciation and amortization	1,812	1,812	302
Travel and entertainment	<u>4,774</u>	<u>2,186</u>	<u>21,490</u>
TOTAL OPERATING EXPENSES	<u>631,599</u>	<u>554,203</u>	<u>535,070</u>
NET INCOME	7,855	275,874	83,523
MEMBER'S EQUITY - beginning	263,327	38,500	638
Distributions to Parent company	<u>(10,553)</u>	<u>(51,047)</u>	<u>(45,661)</u>
MEMBER'S EQUITY - ending	<u><u>\$ 260,629</u></u>	<u><u>\$ 263,327</u></u>	<u><u>\$ 38,500</u></u>

The accompanying notes are an integral part of these financial statements.

TAP INTO LOCAL, LLC
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021, 2020 and 2019

	<u>2021</u>	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	\$ 7,855	\$ 275,874	\$ 83,523
Adjustments to reconcile net income to net cash from operating activities			
Depreciation and amortization	1,812	1,812	302
Lease right of use expense greater than lease payments	9,737	3,092	15,455
Bad debt expense	28,551	10,265	47,663
(Increase) decrease in:			
Accounts receivable	130,301	(284,334)	(241,178)
Prepaid expenses	11,182	(17,002)	(13,050)
Increase (decrease) in:			
Accounts payable and accrued expenses	(13,538)	(39,502)	58,095
Deferred revenues	20,803	132,781	55,404
Due to franchisees	(83,057)	391,290	218,968
Due to affiliates	<u>79,789</u>	<u>-</u>	<u>-</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	193,435	474,276	225,182
CASH FLOWS USED BY INVESTING ACTIVITIES:			
Acquisition of property and equipment	<u>-</u>	<u>(8,450)</u>	<u>(4,229)</u>
CASH FLOWS USED BY FINANCING ACTIVITIES:			
Distributions to parent company	<u>(10,553)</u>	<u>(51,047)</u>	<u>(45,661)</u>
NET INCREASE IN CASH	182,882	414,779	175,292
CASH - beginning	<u>590,709</u>	<u>175,930</u>	<u>638</u>
CASH - ending	<u><u>\$ 773,591</u></u>	<u><u>\$ 590,709</u></u>	<u><u>\$ 175,930</u></u>

The accompanying notes are an integral part of these financial statements

TAP INTO LOCAL LLC
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2021, 2020 and 2019

NOTE 1 - ORGANIZATION

TAP Into Local LLC (the Company) was formed on August 7, 2018, as the franchising wholly-owned subsidiary of The Alternative Press LLC (the Parent). The Company sells franchise rights for on-line, objective local newspapers to individuals, groups, and organizations. The franchise license generally grants the franchisee the right to offer these on-line services to certain geographic regions.

The Company sells franchises in New Jersey, New York and Florida.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Accounts Receivable

Management reviews uncollected accounts receivable on a periodic basis and establishes an allowance for doubtful accounts when it is determined that an account cannot be collected. When the allowance for doubtful accounts is established the Company charges the amount to bad debt expense. When an account is written off it is charged against the allowance for doubtful accounts. If an amount previously written off is received it is added to the allowance for doubtful accounts. At December 31, 2021, 2020 and 2019, the allowance for doubtful accounts totaled \$50,000, \$60,000 and \$60,000, respectively.

Property and Equipment

Property and equipment s stated at cost less accumulated depreciation. The Company records depreciation of office equipment using the straight-line method over an estimated useful life of seven years.

Income Taxes

The Company is a disregarded entity for income tax purposes. Accordingly, the Company does not incur federal or state income taxes. The Company's net income is reported on its parent company's tax return.

Accounting for Leases

On January 1, 2019, the Company adopted ASU 2016-02, accounting for leases (ASC Topic 842). Under ASC 842 the Company recognizes a right to use asset for property and rights acquired under a lease, and a corresponding leasing liability for the obligations due under a lease. The adoption of ASC 842 did not have an effect on the financial position or results of operations of the Company for the year ended December 31, 2018. The right to use asset is being amortized using the straight-line method over an estimated useful life of five years.

TAP INTO LOCAL LLC
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2021, 2020 and 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

The Company has adopted ASU 2014-09 - Revenue Recognition from Contracts with Customers and all subsequent amendments to the ASU (collectively summarized as ASC Topic 606) retroactive to January 1, 2018. Under ASC 606, the Company identifies performance obligations related to contracts with customers and recognizes revenue as those performance obligations are completed.

Revenue from Franchising

The Company provides services to franchisees pursuant to franchise agreements. The identified performance obligations related to franchise revenue include assistance with the development and maintenance of their websites, personnel training and administrative support, which includes billing customers for advertising revenue and processing collections. The Company performs these obligations evenly during the term of the franchise agreement and, accordingly, revenue from franchising activities is recognized evenly over time. Amounts billed in excess of revenue recognized on franchise activities is recorded as a liability identified as deferred revenue from franchise activities.

Revenue from Advertising

The Company and its franchisees sell advertising. The Company generally receives ten percent of all advertising revenue sold by franchisees. The identified performance obligation related to advertising revenue includes running the advertisement for a period of time and, accordingly, revenue from advertising is recognized evenly over time. Amounts billed in excess of revenue recognized from advertising activities is recorded as a liability identified as deferred advertising revenue. The Company bills and collects all advertising revenue as a part of its franchise activities. The Company periodically pays franchisees their share of advertising revenues collected. Any unpaid portion of advertising revenue due to franchisees is recorded as a liability identified as due to franchisees.

Revenue from Services

The Company provides services including management services to a related party. The identified performance obligations related to service revenue include duties performed by company personnel. The Company performs these duties as requested and, accordingly, revenue from services is recognized when the service is provided.

Advertising Costs

Advertising costs are expensed when an advertisement is placed.

Variable Interest Entities

The Company has transactions with its parent and several companies affiliated through common ownership and in some cases a variable interest entity relationship exists. The Company has elected not to consolidate variable interest entities under ASC Topic 810.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

TAP INTO LOCAL LLC
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2021, 2020 and 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Date of Management's Review

The Company has evaluated subsequent events through April 20, 2022 in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Office equipment	\$ 12,679	\$ 12,679	\$ 4,229
Less: accumulated depreciation and amortization	<u>3,926</u>	<u>2,114</u>	<u>302</u>
Property and equipment, net	<u>\$ 8,753</u>	<u>\$ 10,565</u>	<u>\$ 3,927</u>

Depreciation and amortization expenses were \$1,812, \$1,812 and \$302 for the years ended December 31, 2021, 2020 and 2019, respectively.

NOTE 4 – TRANSFER OF ASSETS, LIABILITIES AND RIGHTS FROM PARENT COMPANY

On January 1, 2019, the Company's parent transferred to the Company significantly all of the operating assets and liabilities, including (1) almost all of the Company's cash, (2) the Company's rights and obligations arising from all of the Company's franchise agreements and (3) the parent's right to sell local area franchises. These assets and liabilities are significant to the operations of the Company.

NOTE 5 – RELATED PARTY LEASE OBLIGATION PAYABLE

The Company leases technology services from a related party. The lease is accounted for as an operating lease pursuant to ASC 842. The related party is also a wholly-owned subsidiary of the Company's parent company. Effective January 1, 2020 the rent was increased from \$15,000 to \$18,000 per month. The lease can be cancelled by the Company at any time. The Company estimates it will derive an effective beneficial period from this lease through December 31, 2024.

The related party technology lease payable is summarized as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Technology lease payments through December 21, 2024	\$ 648,000	\$ 864,000	\$ 720,000
Amount representing interest at 5% per year	<u>(47,417)</u>	<u>(82,387)</u>	<u>(68,656)</u>
Technology lease payable	600,583	781,613	651,344
Current portion	<u>190,292</u>	<u>181,031</u>	<u>150,859</u>
Long-term portion	<u>\$ 410,291</u>	<u>\$ 600,582</u>	<u>\$ 500,485</u>

TAP INTO LOCAL LLC
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2021, 2020 and 2019

NOTE 5 – RELATED PARTY LEASE OBLIGATION PAYABLE (Continued)

Future required principal payments are summarized as follows:

Year Ending December 31,	
2022	\$ 190,292
2023	200,029
2024	<u>210,262</u>
	<u>\$ 600,583</u>

NOTE 6 – CONTRACTS WITH CUSTOMERS

The following is a summary of revenue transactions resulting from contracts with customers:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenue from contracts with customers:			
Gross advertising revenue	\$ 3,394,860	\$ 2,889,205	\$ 2,550,091
Franchisee share of adverting revenue	<u>(2,801,480)</u>	<u>(2,245,369)</u>	<u>(2,091,271)</u>
Net advertising revenue	593,380	643,836	458,820
Franchise fee revenue	450,579	428,124	384,789
Services	<u>2,284</u>	<u>26,852</u>	<u>6,000</u>
Total revenue	<u>\$ 1,046,243</u>	<u>\$ 1,098,812</u>	<u>\$ 849,609</u>

Service revenue includes management fees charged to a related party of \$6,000 in 2020 and 2019.

The following is a summary of year-end assets and liabilities arising from contracts with customers:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Accounts receivable from contracts with customers:			
Advertising revenue	\$ 341,776	\$ 491,387	\$ 215,184
Franchise fee revenue	16,956	36,197	38,331
Allowance for doubtful accounts	<u>(50,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>
Net accounts receivable	<u>\$ 308,732</u>	<u>\$ 467,584</u>	<u>\$ 193,515</u>
Share of advertising revenue payable to franchisee:	<u>\$ 527,201</u>	<u>\$ 610,258</u>	<u>\$ 218,968</u>

TAP INTO LOCAL LLC
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2021, 2020 and 2019

NOTE 7 – FRANCHISE OPERATIONS

The following is a summary of franchise activity:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Number of franchises sites:			
Franchises at beginning of year	86	78	-
Franchises assumed from related party	-	-	77
New franchises	<u>4</u>	<u>8</u>	<u>1</u>
Franchises at the end of the year	<u>90</u>	<u>86</u>	<u>78</u>

There was one franchise site returned to the Company in 2021, three franchise sites returned in 2020, and one franchise site returned in 2019. One franchise site has been resold as of December 31, 2021. Accordingly, the Company operated four franchises sites at December 31, 2021 and 2020 and one franchise site at December 31, 2019.

NOTE 8 – INCOME TAX RETURNS

The Company is a disregarded entity for income tax purposes. The Company's parent files federal and state income tax returns that include the transactions of the Company. Management of the Company believes that the Company has not taken any uncertain tax positions in the tax returns filed by its parent company. None of the parent company's tax returns are currently under audit by any taxing authorities. Statutes of limitation generally make the Company's tax information, as reported by its parent company, subject to audit during the three year period after filing.

NOTE 9 – RISKS AND UNCERTAINTIES

The Company maintains its bank account at a financial institution located in New Jersey. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. Uninsured balances at December 31, 2021, approximated \$524,000. The Company has not experienced any loss on such amount.

Substantially all of the Company's accounts receivable are from businesses located in limited geographic areas which generates a risk related to these concentrations.

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. This emergency has created disruptions in businesses. While the disruption is currently expected to be temporary, the extent of the impact of COVID-19 on the Company's operations and financial position cannot be reasonably estimated at this time.

EXHIBIT D

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2022 Operating Manual

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EXHIBIT E

Sample Release

RELEASE OF CLAIMS

To all to whom these Presents shall come or may Concern, Know That _____ [a _____] organized under the laws of the State of _____ [an individual domiciled in the State of _____] (“Franchisee”) and its Owners (as defined in the Franchise Agreement) collectively as RELEASOR, in consideration of the consent of TAP INTO LOCAL LLC to:

_____ the Execution of the Franchise Agreement;
_____ an Assignment;
_____ the execution of a successor franchise agreement

and for other good and valuable consideration:

1. RELEASOR hereby releases and discharges (i) TAP INTO LOCAL LLC as RELEASEE, (ii) RELEASEE'S corporate parents, subsidiaries and affiliates and the respective officers, directors, shareholders, members, agents, attorneys, contractors and employees of each of the foregoing entities (in their corporate and individual capacities), and (iii) RELEASEE'S heirs, executors, administrators, successors and assigns (collectively (i)-(iii) shall be referred to as the “Released Parties”), from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, which against the Released Parties, the RELEASOR ever had, now have or hereafter can, shall or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that any non-waiver provision of any applicable state law that may not be released in this context shall not be released and shall be excluded from this release without otherwise affecting the validity of the Release.

2. RELEASOR hereto represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by RELEASOR party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys’ fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.

3. Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary.

4. New Jersey law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

5. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein, and said action must be filed in the State of New Jersey.

6. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

7. Whenever the text hereof requires, the use of singular number shall include the appropriate plural number as the text of the within instrument may require.

This RELEASE may not be changed orally.

IN WITNESS WHEREOF, the RELEASOR (if an individual) *has executed this RELEASE*, and if a corporation) *has caused this RELEASE to be executed by a duly authorized officer and its corporate seal to be hereunto affixed on* _____.

RELEASOR

By: _____

By: _____

EXHIBIT F

List of Franchisees As of December 31, 2021

FLORIDA

Owner	Name of LLC	Territory of LLC	Address	Phone Number
Gina Pfingsten	Five By the Glades, LLC	Parkland, Florida	10415 Waves Way Parkland, FL 33076	218-260-7132
Leon Fooksman	LLAJ Media, LLC	Coral Springs, Florida	11320 Fairfield Street Parkland, FL 33026	516-945-6494

NEW JERSEY

Patrick Sharkey, Kaitlyn Sharkey and Erin Coxen !	Shark Ventures, LLC	Barnegat and Waretown, NJ	56 Shore Avenue Manahawkin, NJ 08050	609-994-7247
Steve Lenox	Oasis Consulting	Bayonne, Jersey City, Hoboken and Paterson	60 Roseland Avenue Caldwell, NJ 07006	973-715-7330
Cathy Goetz	Words Count Publishing, LLC	Belmar and Lake Como, NJ	398 New Belford Road Lake Como, NJ 07719	732-681-8477
Bobbie Peer	The Alternative Press of Berkeley Heights LLC	Berkeley Heights, New Providence, Mountainside, Basking Ridge and Somerset Hills	743 Plainfield Ave. Berkeley Heights, NJ 07922	908-230-5760
Louis Venezia	Bloomfield News, LLC	Bloomfield, NJ	172 Orton Road west Caldwell, NJ	973-632-3609
Elizabeth Meyers and Kristin Antonello	E&K Communications, LLC	Bordentown	2160 Route 33, Suite 112 Robbinsville, NJ 08691	609-571-8302
Audrey Blumberg	LB Media, LLC dba The Breeze	Bridgewater, Raritan	726 Route 202 South Bridgewater, NJ 08807	908-255-5926
Jonathan Jaffe, Bruno Tedeschi	Skyway Publishing, LLC	Camden and Newark, NJ	312 North Avenue East, Suite 5 Cranford, NJ 07016	973-315-0300
Ed Barmakian	The Alternative Press of Chatham, LLC	Chatham, NJ	19 Cherry Lane Chatham, NJ 07928	973-309-2291
Nate Clee	Clee Group LLC	Clark, NJ	107 Ivy Street Clark, NJ 07066	732-447-8784
Caren Demyen, Jennifer Glackin and Rebecca	Noteworthy Media, LLC	Cranford, NJ	2 Wall Street, Cranford, New Jersey	908-553-4035

Tantillo				
Ferlanda Fox Nixon	Ferlanda Fox Nixon	Denville, NJ	86 Herring Terrace Denville, NJ 07834	973-525-5215
Rob Rakossy	The Alternative Press of East Brunswick, Milltown and Spotswood, LLC	East Brunswick, Milltown and Spotswood, NJ	33 University Road East Brunswick, NJ 07017	732-816-0909
Laura Ali	Triple Win, Inc	East Hanover, Parsippany and Florham Park, NJ	744 Fairmount Avenue Chatham, NJ	973-723-3084
Britnee Timberlake	Britnee LLC	East Orange and Orange, NJ	435 North Arlington Avenue East Orange, NJ 07017	718-809-7034
Artie Cifelli	Middlesex Media, LLC	Edison, NJ	360 Passaic Avenue Nutley, NJ 07110	908-812-3221
Rebecca Greene	Beckwill Communications, LLC	Fair Lawn and Glen Rock, NJ	35 Wayne Road Fair Lawn, NJ 07410	201-927-9676
Audrey Blumberg and Joey Novick	Hunterdon Media Partnership	Flemington and Raritan, NJ	11 East Main Street Flemington, NJ 08822	908-892-6859
Malik Lyons	LGMB LLC	Franklin Township, NJ	28 Cedar Grove Lane Somerset, NJ 08873	732-425-2482
Steve Lenox	Lenox Consulting	Hamilton and Robbinsville, NJ	60 Roseland Avenue Caldwell, NJ 07006	973-715-7330
George and Faith Armonaitis	Aviator Publishing, LLC	Hasbrouck Heights, Wood-Ridge, Teterboro, NJ	191 Oldfield Avenue Hasbrouck Heights, NJ 07604	201-288-4772
Pete Oneglia and John Van Vliet	Point of View Ventures	Hawthorne, NJ	108 7th Avenue Hawthorne, NJ 07506	973-978-7731

Rod Hirsch	30 and Done Online Publishing	Hillsborough and Somerville, NJ	337 Mountainview Terrace Dunellen, NJ 08812	908-812-1872
Telina Cuppari	Telina LLC	Kenilworth, NJ	569 Passaic Avenue Kenilworth, NJ 07033	619-471-5246
Aeisha Hayward	Global Queens Publishing, LLP	Linden, NJ	103 S. Wood Avenue Unit 420 Linden, NJ 07203	908-398-0807
Southern Ocean County Chamber of Commerce	Southern Ocean County Chamber of Commerce	Little Egg Harbor, Tuckerton, NJ	265 W. 9th Street Ship Bottom, NJ 08008	609-494-7211
Danielle Santola	Livingston TAP, LLC	Livingston, NJ	17 Moore Terrace Livingston, NJ 07052	973-943-3067
Laura Ali and Leigh O'Neill	L&L Media, LLC	Madison, NJ	744 Fairmount Avenue Chatham, NJ 07928	973-723-3084
Jonathan Sym	Auberge Media LLC	Millburn, Short Hills, Verona, Springfield, West Essex and West Orange, NJ	444 Old Short Hills Road Short Hills, NJ 07078	917-209-5787
Natalie Heard Hackett	Montclair Media Group, LLC	Montclair, NJ	35 Colonial Woods Drive West Orange, NJ 07052	862-216-8983
Hope White	Montville News Online, LLC	Montville, NJ (includes Montville, Pine Brook and Towaco)	P.O. Box 393 Montville, NJ 07045	610-659-1898
Leigh O'Neill and Susie Scholz	Morristown Publishing, LLC	Morristown, NJ	P.O. Box 1607 Morristown, NJ 07960	201-486-3276
Jonathan Jaffe	Jaffe Communications Inc.	New Brunswick, NJ	312 North Avenue East, Suite 5 Cranford, NJ 07016	973-315-0300
Jennifer Dericks	Sparta's Local News, LLC	Newton, Sparta NJ	27 Mount Pleasant Road Sparta, NJ 07871	973-729-1158
Jeanne Wall	Hometown News, LLC	Hazlet, Holmdel, Colts Neck, Middletown and Keyport, NJ	PO Box 711 Holmdel, NJ 07733	732-492-2500

Brenda Nemcek	The Alternative Press Warren LLC	Warren, North Plainfield, Greenbrook and Watchung, NJ	PO Box 4370, Warren Nj 07059	908-723-1033
George Juzdan and John Lee	Passaic Valley Media LLC	Nutley, NJ	576 Lackawanna Avenue Woodland Park, NJ 07424	973-412-5281
George Juzdan and John Lee	Passaic Valley Media LLC	Passaic Valley: Totowa, Woodland Park, Little Falls, NJ	576 Lackawanna Avenue Woodland Park, NJ 07424	973-412-5281
Kia Simmons	Birch Run Media, LLC	Piscataway, NJ	PO Box 8053 Piscataway, NJ 08855-8053	908-307-7197
Jennifer Popper	TAPinto Queen City, LLC	Plainfield, NJ	816 Dixie Lane Plainfield, NJ 07060	908-917-9348
Wendi Manderioli	Randolph News Online, LLC	Randolph, NJ	9 Drum Hill Lane Randolph, NJ 07869	201-725-2670
E. Scott Wingerter	Navesink Enterprises, LLC	Red Bank. NJ	66 Riverside Avenue, Suite 55 Red Bank, NJ 07701	732-859-8170
Fred J. Aun	Fred J. Aun	Roxbury, NJ	21 Nixon Drive Kenvil, NJ 07847	908-230-3179
John Mooney	Scotch Plains Online LLC	Scotch Plains, Fanwood, and Raritan Bay (South Amboy and Sayreville) NJ	1812 Front Street Scotch Plains, NJ 07076	908-663-2121
Jason DeAlessi	Sleek News, LLC	Ridgewood, NJ	54 South Glen Road, Kinnelon, NJ	973-767-9695
David Brighthouse	DBK Media, LLC	Rahway, NJ	30 Clauss Road, Clark, NJ 07066	619-669-4362
Cristina Pinzon	News Worx, Inc	Elizabeth, and Hackensack, NJ	120 Polk Drive, Brick, New Jersey 08724	908-447-3964
Richard Rein	Tapinto Princeton Community	Princeton, NJ	36 Park Place, Princeton, NJ 08542	609-921-2575
Elizabeth Myers and Kristin Antonello	E & K Communications, LLC	Bordentown and Fieldsboro, NJ	2160 Route 33, Suite 112, Robbinsville, NJ 08691	609-571-8302

Fredric M. Smith	FMS Enews LLC	South Orange, Maplewood, NJ	28 W. 3rd Street, Apt. 1439 South Orange, NJ 07079	201-738-6661
Rob Rakossy	TAP Ventures, LLC	South Brunswick, NJ	33 University Road East Brunswick, NJ 07017	732-816-0909
Darlene Cullen	Backyard Publishing, LLC	South Plainfield, NJ	P.O. Box 585 South Plainfield, NJ 07080	908-591-9355
Kaitlyn Sharkey and Erin Coxen	Shark Ventures, LLC	Stafford, Long Beach Island, NJ	56 Shore Avenue Manahawkin, NJ 08050	609-994-7247
Greg Elliott	JG Elliott LLC	Summit, NJ	8 Clearview Drive Summit, NJ 07901	908-656-2433
Kathleen Cryan	Union News Online	Union, NJ	845 Liberty Avenue Union, NJ 07083	732-754-2764
Jon Meredith	Ferris Publishing LLC	Wayne, NJ	2 Richard Drive Mount Arlington, NJ 07856	973-809-2932
Jackie Lieberman	Lois Jackie, LLC	Westfield, NJ	834 Sims Avenue Scotch Plains, NJ 07076	917-676-2302
NEW YORK				
St. Bonaventure University	St. Bonaventure University	Allegany, Carrollton, Cuba, Ellicottville, Franklinville, Hinsdale, Humphrey, Ischua, Olean, Portville, Salamanca, NY	3261 West State Road St. Bonaventure, NY 14778	716-375-2000
Brett Freeman	Halston Media LLC	Katonah, Lewisboro, Mahopac, Somers, North Salem, Yorktown	Bailey Court, 334 Route 202 Somers, NY 10589	845-621-1115
Marc Bussanich	Buss Reports	Sutton Place, Lenox Hill NY	420 E 55 th Street, Apt 2 P, New York, NY 10022	646-584-3346

List of Franchisees
Who have Signed Agreements
But Were Not Yet Operational
As of December 31, 2021

Danielle DeGerolamo
Stateline Media Group, LLC
620 Corliss Avenue
Phillipsburg, NJ 08865
908-447-2568

List of Franchisees
Who Left the System In Prior Fiscal Year

Walter Pardo
WFP Media Partners.LLC
50 Mendham Road
Far Hills, NJ 07931
908-770-7208
Sites: Basking Ridge, Somerset Hills

Michael Grace
Managing with Grace
6 McConachy Lane
Blairstown, NJ 07825
973-647-9899
Site: Hackettstown

Carlos Arias
Media Focus, LLC
332 Parkway Drive
Clark, NJ 07066
908-553-4035
Site: Cranford

Southern Ocean County Chamber
265 W 9th Street
Ship Bottom, NJ 08808
609-494-7211
Site: Lacey Township**

**This franchisee signed a franchise agreement in 2020 and never commenced operations. In 2021, the franchisor reacquired this franchise.

EXHIBIT G

State Addenda

NEW YORK

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

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

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

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective

injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

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

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

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

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

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR NEW YORK FRANCHISEES**

This Addendum to the Franchise Agreement (“Franchise Agreement”) dated _____
between TAP INTO LOCAL LLC (“Franchisor”) and _____ (“Franchisee”) is entered into simultaneously with
the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (a) the offer or sale of the franchise to Franchisee was made in the State of New York; (b) Franchisee is a resident of the State of New York; and/or (c) the Franchised Business will be located or operated in the State of New York.
2. Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.
3. The following sentence is added to the end of Sections 4.A and 12.C:

Any provision in the Franchise Agreement requiring Franchisee to sign a general release of claims against Franchisor does not release any claim Franchisee may have under New York General Business Law, Article 33, Sections 680-695.
4. The following sentence is added at the end of Section 13:

Franchisor will not assign its rights under the Franchise Agreement except to an assignee who in Franchisor’s good faith and judgment is willing and financially able to assume Franchisor’s obligations under the Franchise Agreement.
5. The following sentence is added to the end of Section 14.I(1):

Notwithstanding the foregoing, the New York Franchises Law shall govern any claim arising under that law.
6. Franchisee may terminate the Agreement on any grounds available by law.
7. The foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisor or upon the Franchisee or by Article 33 of the General Business Law of the State of New York.
8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
9. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

Franchisor: TAP INTO LOCAL LLC

By: _____

Its: _____

Franchisee: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

EXHIBIT H
STATE EFFECTIVE DATES

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration:

California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	Pending
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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

EXHIBIT I

Receipts

RECEIPT

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 TAP INTO LOCAL LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale.

Maryland, New York and Rhode Island require that TAP INTO LOCAL LLC gives you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan, Oregon and Washington require that TAP INTO LOCAL LLC gives you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If TAP INTO LOCAL LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit A.

The franchisor is TAP INTO LOCAL LLC, located at 560 Central Avenue, New Providence, New Jersey 07974. Its telephone number is (908) 279-0303.

Issuance Date: April 21, 2022

The name, principal business address and telephone number of each franchise seller offering the franchise (check as applicable):

- ☐ Michael Shapiro, 560 Central Avenue, New Providence, New Jersey 07974
- ☐ Darlene Cullen, 560 Central Avenue, New Providence, New Jersey 07974
- Other: _____

TAP INTO LOCAL LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in the particular state.

I have received a 2022 Franchise Disclosure Document (the effective date of the Disclosure Document is identified in Exhibit A). This Disclosure Document included the following Exhibits: A) List of Agents to Receive Service of Process, B) Franchise Agreement, C) Financial Statements, D) Table of Contents for Manual, E) Sample Release, F) List of Franchisees, G) State Addenda, H) State Effective Dates, and I) Receipt.

Date: _____

Signed: _____

Print Name: _____

Address: _____

City: _____ State: _____

Phone () _____ Zip: _____

Date: _____

Signed: _____

Print Name: _____

Address: _____

City: _____ State: _____

Phone () _____ Zip: _____

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 TAP INTO LOCAL LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale.

Maryland, New York and Rhode Island require that TAP INTO LOCAL LLC gives you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan, Oregon and Washington require that TAP INTO LOCAL LLC gives you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If TAP INTO LOCAL LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit A.

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- ☐ Darlene Cullen, 560 Central Avenue, New Providence, New Jersey 07974
- Other: _____

TAP INTO LOCAL LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in the particular state.

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Date: _____

Signed: _____

Print Name: _____

Address: _____

City: _____ State: _____

Phone () _____ Zip: _____

Date: _____

Signed: _____

Print Name: _____

Address: _____

City: _____ State: _____

Phone () _____ Zip: _____