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FRANCHISE DISCLOSURE DOCUMENT

TUTOR DOCTOR SYSTEMS INC
a Delaware corporation
2711 Centerville Road, Suite 400
Wilmington, Delaware 19808
(877) 988-8679
Website Address www tutordoctor com
franchise@tutordoctor com

The franchise offered is for the operation of a business under the name "Tutor Doctor" which offers affordable tutoring services at a student's home This franchise system or platform offers an effective alternative to students and parents who prefer to receive tutoring help in their own home instead of traveling to a learning center

We currently offer two types of franchises (a) a "Local Territory Franchise," and (b) a "Regional Territory Franchise " The total investment necessary to begin operation of these types of franchises is $73,295 to $100,995 This includes $44,700 that must be paid to the franchisor and/or its affiliate for a Local Territory Franchise, and $49,700 that must be paid to the franchisor and/or its affiliate for a Regional Territory Franchise

We also offer an "empire builder" program, which includes one Regional Territory and two Local Territories The total investment necessary to begin operation of an Empire Builder Franchise is $135,995 to $160,695, which includes $94,400 that must be paid to the franchisor and/or its affiliate

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 the disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale **Note, however, that no government agency has verified the information contained in this document**

You may wish to receive your disclosure document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact Frank Milner at 830 Dixon Road, Toronto, Ontario M9W 6Y8 Canada and 416-646-0364

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

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

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

Issuance Date July 30, 2019

STATE COVER PAGE

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

Call the state franchise administrator listed in Exhibit A for information about the franchisor, about other franchisors, or about franchising in your state

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

Please consider the following RISK FACTORS before you buy this franchise

1 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION IN WASHINGTON, D C AND LITIGATION IN NEW YORK OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO MEDIATE IN WASHINGTON, D C OR LITIGATE IN NEW YORK THAN IN YOUR OWN STATE

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

3 YOU MUST COMPLY WITH MINIMUM AND MAXIMUM PRICES SET BY THE FRANCHISOR FOR THE GOODS AND SERVICES YOU SELL THIS REQUIREMENT MAY REDUCE YOUR ANTICIPATED REVENUE AND NET INCOME

4 YOU MUST MAKE MINIMUM ROYALTY PAYMENTS, REGARDLESS OF YOUR SALES LEVELS YOUR INABILITY TO MAKE THE PAYMENTS, MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT

5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

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

Effective Date See the next page for the state effective dates

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin, as well as exemption from the business opportunity registration requirements in Florida, Kentucky, Nebraska, Texas, and Utah

STATES	EFFECTIVE DATE
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of July 30, 2019

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B State Specific Addenda

C Franchise Agreement and Retail Location Addendum

D Financial Statements

E List of Franchisees

F List of Franchisees Who Have Left The System

G Table of Contents of Brand Standards Manual

H Franchisee Disclosure Acknowledgment Statement

I Form of General Release

J Franchise Application Agreement

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

Franchisor

The Franchisor is Tutor Doctor Systems Inc , and for ease of reference, it will be referred to as "we", "us" or "Tutor Doctor," which is the name that you will use for your business We refer to the person or entity who buys the franchise as "you" throughout the Disclosure Document If you are a corporation or other form of business entity, certain provisions of the Franchise Agreement also apply to your owners and will be noted

We are a Delaware corporation that was formed on November 16, 2007 Our franchisees will do business as "Tutor Doctor " Our principal business address is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808 We also maintain offices at 830 Dixon Road, Toronto, Ontario M9W 6Y8 Canada (tel 877 988 8679)

We have not offered franchises before in this or in any other lines of business We have been selling franchises since January 2008 We own and operate one business of the type being franchised, in Toronto, Canada This business opened in November 2007

We are engaged in the business of granting and supporting franchises to franchisees under the "TUTOR DOCTOR" trade name and trademark We have been offering franchises of the type being offered in this Disclosure Document since January 2008, and will only sell in franchise registration states upon the registration in those states We have never offered franchises in any other line of business

Our Parents, Predecessors and Affiliates

Our parent is Clear Summit Group, Inc ("CSGI") (formerly named "Franchise Equity Group, Inc "), an Ontario corporation also headquartered at 830 Dixon Road, Toronto, Ontario M9W 6Y8 Canada Our parent will not provide you with any products or services, nor will it guaranty our performance Our parent has never offered franchises in this or any other business However, our parent owns our proprietary marks, and has licensed the proprietary marks to us so that we may sub-license them to our franchisees

Our first predecessor is Tutor Doctor Inc , an Ontario corporation formed on September 13, 2000, which was headquartered at 2300 Yonge Street, Suite 2003, Toronto, Ontario (the "Canadian Predecessor") The Canadian Predecessor offered Tutor Doctor franchises between January 2003 and December 2007, and operated one corporate Tutor Doctor business and had three franchisees On December 10, 2007, our parent, (then-named) Franchise Equity Group Inc , acquired these franchises as part of the purchase of the assets of our Canadian Predecessor Our Canadian Predecessor has not offered franchises in any other line of business

Our second predecessor is Tutor Doctor, Inc , a Delaware corporation formed on September 23, 2004, which was headquartered at 108 Brandywyne Drive, Florham Park, New Jersey 07932 (the "American Predecessor") Our American Predecessor was a master franchisee of the Canadian Predecessor, and it offered Tutor Doctor franchises between March 2005 and December 2007 Our American Predecessor did not offer franchises in any other line of business Our American Predecessor was a wholly owned subsidiary of 2060025 Ontario Inc ("TD Holdco"), a company incorporated pursuant to the laws of the Province of Ontario and which owned the proprietary marks The American Predecessor operated four franchised units of the type being franchised in this Disclosure Document On December 10, 2007, our parent acquired these four units as part of the purchase of the assets of our American Predecessor

Neither our Canadian Predecessor nor our American Predecessor are operating or offering franchises for Tutor Doctor businesses

We have several affiliates who offer franchises for "Tutor Doctor" businesses outside of the United States Each are noted below, and unless otherwise indicated, each is headquartered at 830 Dixon Road, Toronto, Ontario M9W 6Y8 Canada, and does not offer franchises in any other line of business

- Tutor Doctor Canada, Inc ("TDCI"), an Ontario corporation incorporated on November 17, 2007, offers "Tutor Doctor" franchises in Canada

- Tutor Doctor Management Services, Inc , an Ontario corporation incorporated on February 5, 2014, offers "Tutor Doctor" franchises in the following jurisdictions Panama, Guatemala, Tunisia, Colombia, Mexico, Peru, Costa Rica, Ecuador, Nigeria, United Kingdom and Ireland

- Tutor Doctor Australia, Inc , an Ontario corporation incorporated on February 5, 2014, offers "Tutor Doctor" franchises in Australia

- Tutor Doctor International SA, Inc , an Ontario corporation incorporated on February 28, 2014, offers "Tutor Doctor" franchises in South Africa

Our parent, CSGI, has two subsidiaries that offer franchises for businesses offering medical and personal care services under the name and mark "Qualicare "

- Qualicare Canada, Inc ("QCI"), was incorporated in the Province of Ontario, Canada on June 2, 2011 and has a principal business address of 3910 Bathurst Street, Suite 404, Toronto, Ontario Canada M3H 5Z3 QCI is the franchisor of "Qualicare" businesses in Canada, and has offered "Qualicare" franchises in Canada since June 2011 As of May 31, 2019, there were 33 "Qualicare" franchised businesses in Canada QCI does not engage in any other line of business, and has never offered franchises in any other line of business

- Qualicare of America, Inc ("QOAI"), a Delaware corporation formed on May 31, 2011 with a principal business address of 28290 Franklin Road, Southfield, Michigan 48034 QOAI is the franchisor of "Qualicare" businesses in the United States, and has offered "Qualicare" franchises in the United States since May 2011 As of May 31, 2019, there were seven "Qualicare" franchised businesses in the U S QOAI does not engage in any other line of business, and has never offered franchises in any other line of business

CSGI has an affiliate, Recruiting in Motion Franchise Corp ("RIMFC"), which offers franchises for recruiting and employment placement service businesses RIMFC is an Ontario corporation incorporated on January 25, 2012 and headquartered at 2000 - 2 Sheppard Ave East, Toronto, Ontario M2N 5Y7 Canada RIMFC has been offering franchises for "Recruiting in Motion" businesses since January 2012 As of March 31, 2019, there were eight "Recruiting in Motion" franchised businesses in Canada RIMFC does not engage in any other line of business, and has never offered franchises in any other line of business

CSGI has another affiliate, Fuzz Franchising Inc ("FFI"), which offers franchises for body waxing services businesses FFI is an Ontario corporation incorporated on April 28, 2014 and headquartered at 19R Atlantic Avenue, 2nd Floor, Toronto, Ontario M6K 3E7 Canada FFI has been offering franchises for "Fuzz Wax Bar" businesses since 2015 As of March 31, 2019, there were six

company-owned and one franchised "Fuzz Wax Bar" businesses in Canada FFI does not engage in any other line of business, and has never offered franchises in any other line of business

Our agents for service of process are attached as Exhibit A to this Disclosure Document

Tutor Doctor Franchises

A Tutor Doctor franchisee will provide "Tutor Doctor" services We offer two types of franchises (a) a Local Territory Franchise, and (b) a Regional Territory Franchise, which are described below A prospective franchisee must pass our rigorous screening process and must not have been convicted of any crime against a child We require our franchisees to conduct background checks on all teachers and instructors they employ in connection with the Franchise *

A "Tutor Doctor" franchise ("Franchise," "Business," "Franchised Business" or "Tutor Doctor Business") serves its customers by operating a tutoring educational business within a uniform system consisting of high standards of service, using quality educational and tutoring products, and operating in accordance with the business format created and developed by Tutor Doctor (the "System") The System offers affordable tutoring services at a student's home Our System offers an effective alternative to students and parents who prefer to receive tutoring help in their own home instead of traveling to a learning center Tutor Doctor provides affordable "One-to-One" supplementary educational support to students This empowers students to develop, pursue, and achieve their educational goals

As a System franchisee, you will be offering and selling certain approved Tutor Doctor products and services ("Products" and "Services") In the Tutor Doctor System, our franchisees recruit qualified tutors to tutor students one-to-one in the child's home using a wide variety of textbooks and workbooks Our unique tutoring programs improve academic skills as well as attitudes towards learning Our tutors work in partnership with parents, the community, and the child's classroom teachers Our tutors also have the advantage of utilizing the Tutor Doctor orientation, various educational resources, and expertise captured throughout the System to improve the child's skills and grades

You may choose to operate the Franchise from your home or any other suitable location you choose You may ask us, but we are not required, to review a site from which you propose to operate the Franchised Business Although we do not expect you to do so, if you would like to operate a Tutor Doctor Business out of a retail location, then you will need to enter into our then-current retail location addendum to the Franchise Agreement (the "Retail Location Addendum") Our current Retail Location Addendum is found as Exhibit G to the Franchise Agreement Regardless of the location from which you choose operate the Franchised Business, you are required to be mobile and to acquire a vehicle in order to be able to provide services at a child's home

We offer to enter into a franchise agreement (a "Franchise Agreement," the form of which is attached to this disclosure document as Exhibit C) with qualified individuals and companies that wish to establish and operate a Tutor Doctor Franchise We offer two types of Franchises, but in certain markets we may offer only Regional Territory Franchises

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* In this disclosure document, "you" means the person or legal entity with whom we enter into a Franchise Agreement We also use the term "you" to refer to the persons who own an interest in a corporation, partnership, limited liability company, limited liability partnership, or other entity that signs a Franchise Agreement or a Development Agreement

- **"Local Territory Franchise"** – The Local Territory is defined by zip code boundaries and will include approximately 75,000 to 100,000 people The Local Territory will be non-exclusive and may, therefore, be shared with other Tutor Doctor Businesses, some of which may be in close proximity to your Business (but if you are in good standing under the terms of your Franchise Agreement, we will not award another Local Territory Franchise for the same Local Territory)

- **"Regional Territory Franchise"** - The Regional Territory will include a state or an equivalent territory, as described in your Franchise Agreement Your Regional Territory will include a Local Territory situated within your Regional Territory This Local Territory will be the focus of your Business If we later grant a Local Territory Franchise to another of our franchisees for an area within your Regional Territory, you may not offer or sell Products and Services to new customers located within that Local Territory area, however, you may continue to offer and sell Products and Services to your pre-existing customers located in such area before we granted the Local Territory to the other franchisee Your Regional Territory is non-exclusive and may, therefore, be shared with other Tutor Doctor Businesses, some of which may be in close proximity to your Business (but if you are in good standing under the terms of your Franchise Agreement, we will not award another Local Territory Franchise for the same Local Territory)

We also offer the option of an Empire Builder franchise, as described below

- **"Empire Builder Program"** – We also offer an Empire Builder Program under which you will develop (A) a Regional Territory Franchise (which includes your first Local Territory Franchise), and (B) two additional Local Territory Franchises

  We expect that the territorial boundaries for all Local Territory Franchises will be contiguous to each other, but we reserve the right to make exceptions to this policy in certain circumstances You will have three Local Territories in total (including the one included in the Regional Territory Franchise you purchase, as described above) You understand that the development rights granted under the Franchise Agreement are non-exclusive and may, therefore, be shared with other Tutor Doctor Businesses, some of which may be in close proximity to your Businesses For the Empire Builder Program, you will sign our standard Franchise Agreement for each territory you will develop

Market and Competition

The general market for the type of one-to-one in-home tutoring business that we are marketing is competitive The Franchised Business will compete with local parties as well as other local, regional and national tutoring franchises, otherwise known as "learning centers," for which the market is well developed and highly competitive The Tutor Doctor Business markets to students from grades pre-K to adult We plan to continue controlled expansion to improve name recognition and the reputation of the System

Industry Specific Laws

You must comply with all applicable local, state, and federal laws that apply to the operation of the Franchised Business, including, for example, educational, discrimination, employment, and tax laws We require under the Franchise Agreement, and you may also be required under applicable law, to conduct criminal background checks on your employees before they may provide services to customers If you operate out of a retail location, you will likely be subject to additional regulations,

including, for example, zoning, building code, health, sanitation, no-smoking laws The Americans with Disability Act of 1990 and state equivalents require readily accessible accommodation for disabled persons and therefore may affect your building construction, site elements, entrance ramps, doors, seating, bathrooms, drinking facilities, etc You may be required to obtain permits and business licenses before undertaking construction or operating the business We urge you to make inquiries about any laws or regulations that may affect the operation of your Franchise

ITEM 2
BUSINESS EXPERIENCE

President, Secretary & Treasurer and Member of the Board of Directors Frank Milner

Mr Milner has been our President, Secretary & Treasurer and a Member of our Board of Directors since November 2007 Before that Mr Milner was Vice President, Channel Development for WSI, Internet Education & Consulting (Research & Management Corp) located in Mississauga, Ontario from October 2005 to September 2007 Mr Milner served as Managing Director of Peak Performance Group located in Thornhill, Ontario from March 2003 to October 2005 From September 2000 to March 2003, Mr Milner was Director of Facility Services for CINTAS Corporation located in Mississauga, Ontario

Advisor and Member of the Board of Directors Dan Monaghan

Mr Monaghan has been our advisor and a Member of our Board of Directors since November 2007 He is also an advisor of Research and Management Corp since March 2003 in Mississauga, Ontario He was a founder of National Internet Corporation in December 1996 and World Technology Group Inc in 1997 and Clear Summit Group Inc in 2006 in Toronto, Ontario

Director of Operations Remy Bola

Ms Bola joined us in October 2012 and has served as our Director of Operations since February 2018 She served us in several capacities before that, including as Senior Manager, Legal and Operations (April 2016 to February 2018), Senior Manager, Legal, Brand Standards and IT (October 2014 to March 2016), Manager, Legal Compliance and Brand Standards (October 2013 to September 2014), and Legal Coordinator (October 2012 to September 2013) Ms Bola was an Account Executive for Candev Services in Mississauga, Ontario from June 2011 to September 2012

Director – Global Launch Support Mark Szpak

Mr Szpak has been our Director – Global Launch Support since November 2018 Before that, he held several positions with us, including Senior Manager – Global Launch Support from August 2017 to November 2018, Country Manager from November 2016 to August 2017, Senior Franchise Field Consultant from June 2015 to October 2016, and Franchise Field Consultant from June 2013 to May 2015

Marketing Director Khya Fellingham

Ms Fellingham joined us in April 2017 as our Marketing Director Before that, she served The Dwyer Group in Vancouver, British Columbia as Marketing Director (December 2015 to March 2017), Senior Marketing Manager (January 2013 to December 2015), and Marketing Manager (January 2011 to January 2013)

ITEM 3
LITIGATION

Preceptor Advantage, Inc v Tutor Doctor Systems, Inc , ICDR No 50 114 T 00503 11 (International Center for Dispute Resolution, New York, New York) On or about August 5, 2011, Preceptor Advantage, Inc , a Tutor Doctor franchisee, filed a demand for arbitration with the International Center for Dispute Resolution, asserting after amendment, that Tutor Doctor breached its franchise agreement and seeking monetary damages The parties have agreed to settle the action and the arbitration was stayed pending completion of the settlement In the settlement, Tutor Doctor agreed to permit Preceptor Advantage to resell its two franchise agreements to a third-party for a total purchase price of $97,000, the payment of which Tutor Doctor guaranteed

Restivo v Tutor Doctor Systems, Inc , et al , Case No 30-2012-00618248-CU-BC-CJC (filed Dec 12, 2012, Orange County Superior Court of California) This complaint was filed but never served upon us In the complaint, a former franchisee alleged breach of contract, fraud, negligent misrepresentation, violation of the California Franchise Investment Law, and unfair trade practices, and sought unspecified damages We agreed to allow the plaintiff to sell his franchises to a third party, and the former franchisee withdrew his claim in July 2013 Although as part of the transfer agreement between the plaintiff and the buyer, we guaranteed that the buyer would make its future payments, we have not been called upon to make any such payments

Other than these two actions, no litigation is required to be disclosed in this Item

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item

ITEM 5
INITIAL FEES

The initial franchise fee for a franchise is $44,700 for a Local Territory Franchise or $49,700 for a Regional Territory Franchise The different types of franchises are described in Items 1 and 12 You must pay us an initial deposit equal to 25% of the initial franchise fee when you sign the Franchise Application Agreement, which is attached to this Disclosure Document as Exhibit J The balance of the initial franchise fee is payable in a lump sum when you sign the Franchise Agreement, and it is deemed fully earned upon its receipt The deposit is refundable only at the end of the Evaluation Period if we determine that you are not qualified or suitable to become a franchisee The initial franchise fee is not refundable and is uniformly applied

We may periodically offer (but are not obligated in any case to do so) initial franchise fee incentives to qualified franchisees in association with certain programs (for example, for franchisees purchasing multiple units simultaneously, for existing franchisees purchasing additional units, and for honorably discharged veterans of the U S Armed Services) In some cases, these incentives may include our permission to pay the amount of your applicable initial franchise fee in 24 equal monthly installments See the Amendment to the Franchise Agreement, attached to this Disclosure Document as Exhibit C, for an example of these incentive programs

Empire Builder Program

Under the Empire Builder Program, you will purchase one Regional Territory Franchise for $49,700, one Local Territory Franchise for $44,700, and another Local Territory Franchise will be granted to you for no additional fee The total initial fees payable to us under the Empire Builder Program are $94,400

You must pay us an initial deposit equal to 25% of the total initial fees when you sign the Franchise Application Agreement, which is attached to this Disclosure Document as Exhibit J The balance of the initial fee is payable in a lump sum when you sign the Franchise Agreement, and it is deemed fully earned upon its receipt The deposit is refundable only at the end of the Evaluation Period if we determine that you are not qualified or suitable to become a franchisee Once the Franchise Agreement is signed, the initial fee is not refundable

There are no other payments to or purchases from us or our affiliates that you must make before you begin operating your Franchised Business

ITEM 6
OTHER FEES

Type Of Fee	Amount	When Due	Remarks
Transfer (Note 1, Note 2)	$10,000 charged to selling franchisee at the time of transfer, plus any applicable broker or commission fees	On closing of transfer	The transfer fee is calculated based on the type of franchise you initially purchased There is no transfer fee when an individual transfers to his/her business entity, one time only
Initial Training (Note 1)	No fee paid to us for up to three individuals attending our training program $2,500 per person for additional trainees Costs and expenses of attending training	As incurred	We do not charge a training fee for three individuals to attend our initial training program If you send more than three individuals to our initial training, you must pay us a training fee for each additional individual You will bear the cost of any wages, benefits, travel, lodging and meal expenses incurred by you and your attendees during initial training
Additional Training (Note 1)	Then current tuition rate, plus expenses	At time of training	If you request that we provide additional training on-site, you will pay our then-current tuition rate plus our representative's expenses, including travel, lodging and meals If you request additional training at our training site, you will incur these expenses for your attendee, as well as the tuition fee

Type Of Fee	Amount	When Due	Remarks
Royalty Fee (Note 1, Note 3)	The greater of 8% of Gross Sales, or the minimum Royalty Fee due See Note 3	By the 15th day of every month for the preceding calendar month	Royalty Fees are paid via electronic funds transfer, or another method we designate If you do not report your Gross Sales, we will charge (or deduct from your bank account) the Minimum Royalty Fee When we have determined your accurate Gross Sales, if you owe us additional Royalty Fees we will charge (or deduct from your bank account) any balance due on a day we specify
Branding Fund Contribution (Note 4)	2% of Gross Sales See Note 4	Payable at the same time and in the same manner as the Royalty Fees	See Item 11 for a description of the Branding Fund
Cooperative Marketing	Your pro rata share of any marketing conducted	On demand	Payable if we conduct a marketing initiative that is approved by us and 75% of our franchisees
Renewal	$10,000	At time of renewal	
Interest	1 5% per month or the highest applicable rate, whichever is less	On demand	Payable on any amounts owed to us or our affiliates that is overdue
Audit Fees	Cost of audit plus interest on underpayment	On demand	If an audit is required due to your failure to provide reports, or if an audit reveals an understatement of any amount by 2% or more, you must pay any understated amount to us plus interest, and you must reimburse the costs of the audit We retain our other rights under the Franchise Agreement and applicable law, including the right to terminate your Franchise Agreement

Type Of Fee	Amount	When Due	Remarks
Tutor Doctor Care Center Fee	Our then-current fee, which is 4% of monthly Gross Sales (This amount may change in the future - see remarks) However, if you produce an average annual enrollment value per unique client of $2,500, then you will receive a 1% rebate at the end of the calendar year	Payable to us or our designee at the same time and in the same manner as the Royalty Fee	You must participate in our care center for lead conversions The amounts you contribute to the care center are in addition to your Marketing and Advertising Spend and other fees as described in the Franchise Agreement We expect the care center fee to change in the future to a different amount, which will not exceed $1 50 per minute and $35 for each booked consultation
Indemnification	Will vary under circumstances	When incurred	You must defend, indemnify and hold us and our affiliates and various other parties harmless from all losses, damages, liability, costs and expenses etc of any kind arising in whole or in part from the operation of your Business or any violation of your Franchise Agreement with us
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	You must reimburse us for our costs in enforcing the terms of your Franchise Agreement with us
Liquidated Damages	See Note 5		
Bank or Credit Card Authorization Denial	$50	If incurred	You must execute a pre-authorized debit form permitting us to receive payment of all continuing fees by electronic funds transfers to be deducted from your bank account You must also provide us with valid and active credit card information to permit us to charge this credit card for the amount of any fees due to us, if we choose to use this method If the bank or credit card issuer denies the charge, you must pay this fee in addition to other amounts due to us If you have three denials, we have the right to terminate your Franchise Agreement

Type Of Fee	Amount	When Due	Remarks
Technology Fee	$150 per month	Payable at the same time and in the same manner as the Royalty Fees	This fee is payable for the costs of certain technology used in the System, including the customer relationship management software
Website Management Fee	$150 per month	Payable to us or our designee at the same time and in the same manner as the Royalty Fees	This fee is payable for the development and management of the website(s) maintained for the benefit of the System (in addition to other funds that may be used to support those websites, including various of the Branding Fund and other marketing related funds)
Education Payment Plan	A $60 monthly fee (subject to annual revision but not to exceed $120) per month	Due on the due date for payment of monthly Royalty Fees	The monthly fee is to cover your mandatory registration fees per person for the ongoing training and conference events that you must attend (which may include regional meetings, Tutor Doctor hosted webinars, Tutor Doctor e-learning courses, and third party courses and certifications) These amounts are due even if you do not attend This fee is in addition to the costs of meals, entertainment, lodging, travel and wages to attend training events, all of which are at your sole expense

Notes to Item 6 chart

Note 1 All fees are uniformly applied to new system franchisees and are non-refundable However, in instances in which it was appropriate to do so, we have waived some or all of these fees for particular franchisees

Note 2 If you are selling your Franchised Business and the purchaser is an individual or company that has previously been referred to us by a franchise broker or is otherwise current in our franchise sales process, then you must pay the applicable franchise broker fees (or any other applicable fees) if the sale to that individual/company is completed as a condition to our approving the sale and transfer

Note 3 "Gross Sales" means all revenue from the sale of all Services and products and all other income of every kind and nature related to, derived from, or originating from the Franchised Business (whether or not permitted under the Franchise Agreement), including barter and the proceeds of any business interruption insurance policies, whether for cash or credit, and regardless of theft, or of collection in the case of credit Gross Sales excludes (a) any legitimate and reasonable discounts and/or refunds that you provide to customers, and (b) sales taxes or other taxes that you collect from your customers and actually pay to the appropriate taxing authorities

For a Local Territory and Regional Territory franchisee, the "Minimum Royalty Fee" will be

Year of Agreement	Minimum Royalty Fee per Month
First (1st) year	Five Hundred Dollars ($500)
Second (2nd) year	Seven Hundred and Fifty Dollars ($750)
Third (3rd) year	One Thousand Dollars ($1,000)
Fourth (4th) year	One Thousand Two Hundred and Fifty Dollars ($1,250)
Fifth (5th) year and each additional year	One Thousand Five Hundred Dollars ($1,500)

For an Empire Builder franchisee, the "Minimum Royalty Fee" will be

Year of Agreement	Minimum Royalty Fee per Month
First (1st) year	One Thousand Dollars ($1,000)
Second (2nd) year	One Thousand Five Hundred Dollars ($1,500)
Third (3rd) year	Two Thousand Dollars ($2,000)
Fourth (4th) year	Two Thousand Five Hundred Dollars ($2,500)
Fifth (5th) year and each additional year	Three Thousand Dollars ($3,000)

Note 4 You must contribute an amount equal to 2% of your Gross Sales as a "Branding Fund Contribution," which we have the right to allocate in the proportion that we designate among the following

- the System-wide marketing and promotional fund (the "Branding Fund"),
- local marketing, which we may allocate between

  (a) any regional cooperative marketing fund established for your area (a "Regional Fund") (but we are not required to establish a Regional Fund for your area), and

  (b) funds that you will spend on local marketing and promotion

Regardless of the allocation of the Branding Fund Contribution, if any, that we allow you to retain and require you to spend on local marketing and promotion, you must spend a minimum of $1,000 each Month on local marketing and promotion ($1,500 each Month for Empire Builder franchisees)

Note 5 If we terminate your Franchise Agreement for cause, you must pay us (within 15 days after the effective date of termination) liquidated damages equal to the average monthly Royalty Fees you were due to us during the 12 months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in two full years), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is less

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT Chart 1 Local Territory and Regional Territory Tutor Doctor Franchise				
Item	**Estimated Cost**	**Method Of Payment**	**When Due**	**To Whom Paid**
Franchise Fee (Note 2)	$44,700 to $49,700	Lump Sum	On signing the Franchise Application Agreement and Franchise Agreement	Us
Rent Deposit, pre-paid rent, utility and phone deposits (Note 3)	$0 to $500	As arranged	As arranged	Third Parties
Insurance initial payment (Note 4)	$1,300 to $3,000	As arranged	As arranged	Insurance provider
Computer and Software (Note 5)	$1,000 to $5,000	Lump sum	Upon ordering	Local provider
Printing (Note 6)	$1,500 to $2,500	As arranged	As arranged	Approved printer
Market Advertising and Promotion (Note 7)	$6,000 to $10,000	As arranged	As arranged	Various
Phone and Fax	$500	As arranged	As arranged	Local provider
Training (Note 8)	$3,000	As arranged	As arranged	Local provider
Additional Funds – 3 Months (Note 9)	$10,000 to $20,000	As arranged	As arranged	Not Applicable
Professional Fees (Note 10)	$2,400 to $3,900	As arranged	As arranged	Lawyer, Accountant and Consultant
Test Preparation Certification (Note 11)	$2,895	Lump sum	As arranged	Third party
Local and Regional Territory Totals (Note 12)	**$73,295 to $100,995**			

YOUR ESTIMATED INITIAL INVESTMENT Chart 2 Empire Builder Program Tutor Doctor Franchise				
Item	**Estimated Cost**	**Method Of Payment**	**When Due**	**To Whom Paid**
Franchise Fee (Note 2)	$94,400	Lump Sum	On signing the Franchise Application Agreement and Franchise Agreement	Us
Rent Deposit, pre-paid rent, utility and phone deposits (Note 3)	$0 to $500	As arranged	As arranged	Third Parties
Insurance initial payment (Note 4)	$1,300 to $3,000	As arranged	As arranged	Insurance provider
Computer and Software (Note 5)	$1,000 to $5,000	Lump sum	Upon ordering	Local provider
Printing (Note 6)	$1,500 to $2,500	As arranged	As arranged	Approved printer
Market Advertising and Promotion (Note 7)	$9,000 to $15,000	As arranged	As arranged	Various
Phone and Fax	$500	As arranged	As arranged	Local provider
Training (Note 8)	$3,000	As arranged	As arranged	Local provider
Additional Funds – 3 Months (Note 9)	$20,000 to $30,000	As arranged	As arranged	Not Applicable
Professional Fees (Note 10)	$2,400 to $3,900	As arranged	As arranged	Lawyer, Accountant and Consultant
Test Preparation Certification (Note 11)	$2,895	Lump sum	As arranged	Third party
Empire Builder Program Totals (Note 13)	**$135,995 to $160,695**			

Notes to Charts

In general, none of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable and the initial franchise fee is partially refundable in certain circumstances (see Item 5) We do not finance any portion of your initial investment

Although we do not expect you to do so, if you would like to operate a Tutor Doctor Business out of a retail location, then your initial investment costs and expenses will be higher (and will include higher rent, utility and deposit costs than as reflected above, leasehold improvements, acquisition of furniture, fixtures and equipment, and other expenses associated with the retail location)

Note 1 The totals in each of the tables above set out the estimated initial investment for a "Tutor Doctor" Franchised Business The above figures do not take into account any possibility of reduced costs We strongly encourage you to consult your own tax and accounting professionals and advisors to determine the correct treatment of taxes and expenses

Note 2 The initial franchise fee and certain expenses are discussed in detail in Item 5 Except as detailed in Item 5, the initial franchise fee is non-refundable

Note 3 Deposits on utilities will vary Typically, you will be operating your franchise from your home If you are renting your business location, however, you will in addition to the above incur certain leasing costs Most landlords will require a deposit of first and last month's rent Your monthly rent will vary based on the market rental rates of your market We do not require any prepaid deposits, permits or licenses before you begin the operation of your Franchised Business but your particular locality may require a permit or license to offer franchises for sale or, in the case of a Franchised Business, to perform the "Tutor Doctor" Services or have other business licensing requirements You must obtain any permits or licenses as well as any other business licenses required in your locality You should consult your lawyer or your local and provincial authorities about the specific legal requirements for payment of sales tax, goods and services tax and business licenses and related types of expenses

Note 4 You will need to obtain the insurance coverage as may be reasonably required by us or your landlord This amount represents the estimate for the insurance premium Our estimate includes automobile coverage for the Branded Vehicle Item 8 of this Disclosure Document and the Franchise Agreement specifies the required amounts necessary for your Franchised Business

Note 5 This figure includes the costs for the monitor, keyboard, cash drawer, credit card machine, receipt printer, printer and the installation of our software and credit card software If you already own an existing business similar to the Franchise, as the case may be, you may own much of the necessary equipment and inventory to begin the operation of your Franchise The low estimate shown here assumes that you already own an existing business similar to the Franchised Business The high estimate shown here assumes you do not own an existing business, and includes office and field equipment in the case of a franchise, inventory and supplies needed to equip your business in accordance with our standards

Note 6 Printing includes promotional brochures, flyers and business cards

Note 7 For a Franchised Business, you must spend this amount on market advertising and promotion You may spend additional amounts with our approval The vehicle you use in connection with the Franchised Business must be professionally wrapped to meet our specifications, and the amount in the Charts includes the cost of vehicle wrapping

Note 8 This figure includes the cost for transportation, meals and other expenses associated with pre-opening training and travel to our head office for your initial training for two (2) individuals In addition, we may require that you or your personnel attend and successfully complete additional training and re-training sessions that we may periodically offer and you shall pay us our then current fees for the training All travel, living and other expenses in connection with the training programs, including wages and any training fees, shall be paid by you in advance of the training

Note 9 This is an estimate of funds needed to cover your business expenses during your first three months of operation from the date you open for business If you do not have a vehicle, you will need to purchase or lease a vehicle for use in connection with the Franchised Business These figures are only estimates and we cannot assure you that you will not have additional expenses when launching

your Franchised Business This three-month period does not necessarily mean that you will "break even" or that you will reach any certain financial position The anticipated expenses are our estimate of an average of what you may expect The actual amount of additional funds you will need to operate for the three month period will depend on various factors, including your management skills, economic conditions, the competition in your Territory, the level of sales that you may achieve and your ability to manage expenses during this period and various other factors By providing these estimates, we are in no way representing that you will achieve any particular level of sales

Note 10 These are estimates for fees to be charged by your lawyer to review the Disclosure Document and the Franchise Agreement, and other documentation, to advise you, and to incorporate a business entity on your behalf to sign the Franchise Agreement and fees to be charged by your accountant and/or financial advisor This also includes a one-time $900 fee from a third party we currently use to provide accounting software

Note 11 Before you may offer test preparation Services to customers, you must be certified as qualified to offer test preparation services The amount in the Charts is charged by Prepu, LLC, the third party vendor that we currently designate for test preparation certification, for the course and materials that can produce such certification

Note 12 We relied on our experience to compile these estimates The range provided will differ based on the type of franchise you establish, as follows (1) $68,500 to $96,700 for a Local Territory Franchise, and (2) $73,500 to $101,700 for a Regional Territory Franchise

Note 13 Under the Empire Builder Program, you are awarded one Regional Territory and two Local Territories You must pay the franchise fee for the Regional Territory and only one of the Local Territories, and the second Local Territory Franchise will be awarded to you for no additional fee The Empire Builder Program totals in Chart 2 represent the estimated initial investment costs for three Tutor Doctor Businesses (one Regional Territory and two Local Territory businesses)

* * *

You should review these figures carefully with a business advisor before making any decision to purchase the franchise We do not offer direct or indirect financing to franchisees for any items Unless specifically noted otherwise, the amounts are estimates only and may not be definitive in every situation They present a range of estimates which we consider reasonable based upon our experience, but we cannot guarantee that you will not incur additional expenses when starting your business The actual amount of additional funds you will need depends on a variety of factors, such as whether you extend credit terms to customers or the time of year you start your business Except as specifically stated above, the estimates given may be subject to increases based on changes in market conditions, our cost of providing services and our future policy changes These estimates do not include the cost to you of any financing that may be required to establish your franchise

The amounts expended by you may vary from one location to another Your actual costs will also depend on factors such as how well you follow the System, your approach to the franchise, your management skills, experience, business acumen, general and local market conditions, the location of your franchise, the rate of growth of your franchise, the presence of any competition, prevailing wage rates, your personal living expenses, your salary, your debt, ongoing working capital requirements, accounts receivable financing or other costs and the level of sales obtained by you during the initial period of operating your franchise (and the estimated initial investment and other estimates in this Disclosure Document do not take into account these factors) In addition, you should consider the ancillary cost of labor in operating your franchise Labor costs comprise a significant component of the costs of operating a Franchise Labor costs also typically include worker's compensation, vacation pay and other payments which you as an employer would make for

employees Any incentive or bonus programs for your employees would also form part of the labor costs of your franchise

We have not provided for capital or other reserve funds necessary for you to reach "break-even", "positive cash flow' or any other financial position We do not furnish nor do we authorize our salespersons or anyone else to furnish estimates of those amounts We recommend that you obtain independent estimates from third-party vendors of the costs which would apply to your establishment and operation of a franchise and discuss the economic experience of opening and operating a franchise with our current and former franchisees You should also review these estimates carefully with your business advisors before making any decision to purchase the franchise Finally, you are encouraged to visit existing franchisees who may be willing to answer any questions you might have with respect to the foregoing estimates

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General

While your Franchised Business will focus on the provision of Services, you will also offer certain approved products from your Franchised Business To insure that the highest degree of quality and service is maintained, you must operate the Franchised Business in strict conformity with the methods, standards, and specifications as we may periodically prescribe in the Brand Standards Manual or otherwise in writing

At all times during the term of the Franchise Agreement, you must

- sell or offer for sale only the services, items, and products that we have approved, using only the materials, equipment, vehicles and techniques that we have approved for you to offer at your Franchised Business,
- sell or offer for sale all the Services and products, employing the techniques that we specify,
- not deviate from our standards and specifications, including manner of maintenance of your equipment and products and the operation and maintenance of vehicles,
- to purchase (or lease) and use certain vehicles, and only those vehicles, that we have approved and that meet our minimum standards and specifications that we will periodically specify, and
- stop using and offering any services, products or equipment or vehicles that we disapprove

If you deviate (or propose to deviate) from our standards and specifications, whether or not we have approved, the deviation will become our exclusive property

You must buy all products, equipment, furniture, supplies, materials (such as packaging), and other products used or offered for sale at the Franchised Business only from suppliers (including manufacturers, distributors, and other sources) that we have approved in writing (and see below regarding restrictions for Proprietary Items) When considering whether to approve any particular possible supplier, we will consider (among others) the following factors whether the supplier can show, to our reasonable satisfaction, the ability to meet our then-current standards and specifications, whether the supplier has adequate quality controls and capacity to supply the System's needs promptly and reliably, and whether the supplier's approval would enable the System, in our sole opinion, to take advantage of marketplace efficiencies You may not buy items from any supplier that we have not yet approved in writing, and you must stop buying items from any supplier who we approve, but later disapprove As explained above, we have the right to designate

only one supplier for certain items (which supplier may be us or one of our affiliates) We (or our affiliates) may derive revenue from your purchases of products or other items

We may require that certain items that you offer at your Franchised Business be produced in accordance with our proprietary standards and specifications (and/or those of our affiliates) (our "Proprietary Items") We may also require that you purchase and offer branded non-proprietary private-label products at your Franchised Business In order to maintain the high standards of quality and uniformity associated with Proprietary Items, and other products bearing the Proprietary Marks, you must purchase those Proprietary Items and products, as well as any packaging bearing the Proprietary Marks (and any other products we may now or in the future designate), only from us, our affiliates, and/or our approved suppliers, and not to offer or sell any other such products at or from your Franchised Business

If you want to buy any products (other than the Proprietary Items), or any other items from an unapproved supplier, you first must submit to us a written request asking for our approval to do so You may not purchase from any proposed new supplier until we have reviewed and, if we think it is appropriate, approved in writing the proposed new supplier Among other things, we will have the right to require that our representatives be permitted to inspect the proposed new supplier's facilities, and that samples from that supplier be delivered either to us or to an independent laboratory that we designate for testing Either you or the proposed new supplier must pay us a charge (which will not exceed the reasonable time and cost of the inspection and the actual cost of the tests) We also may require that the proposed new supplier comply with certain other requirements that we may deem appropriate, including for example payment of reasonable continuing inspection fees and administrative costs, or other payment to us by the supplier on account of their dealings with you or other franchisees, for use, without restriction (unless otherwise instructed by the supplier) and for services that we may render to our suppliers We reserve the right, at our option, to periodically re-inspect the facilities and products of any approved supplier and to revoke our approval if the supplier does not continue to meet any of our then-current criteria

We estimate that we will be able to notify you of our approval or disapproval of a proposed new supplier within 30 business days after receipt of your written request and any additional information that we may request about the proposed supplier, although the Franchise Agreement does not specify how long our evaluation process may take This is only an estimate and the actual approval time may be shorter or longer than 30 days

The Franchise Agreement also provides that you may not use any item bearing our trademarks without our prior written approval as to those items

We estimate that your purchases of the products from approved or designated suppliers will be approximately 1% to 2% of your initial investment and your ongoing operations

You must allow us or our agents, at any reasonable time, to inspect products and equipment and to remove samples of items or products, without payment, in amounts reasonably necessary for inspection or testing by us or a third party to determine whether those samples meet our then-current standards and specifications We may require you to bear the cost of that testing if we did not previously approve in writing the supplier of the item or if the sample that we take from your Franchised Business fails to conform to our specifications

Required Purchases from Us

Franchisees must purchase our "X-Skills" agenda books and "Academic Success" books from us During our fiscal year ended March 31, 2019, we received revenues in the amount of $34,345 from such sales to franchisees (which represented under 1% of our total revenues of

$4,937,859) Except as noted above, neither we nor our affiliates received any revenues from franchisee purchases of goods and services (whether required or not) during our last fiscal year

There are no approved suppliers in which any of our officers owns an interest We do not provide material benefits to you based upon your use of designated or approved sources or your purchase of particular products or services

Purchasing or Distribution Cooperatives and Purchase Arrangements

We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products or services to some or all of the Tutor Doctor Businesses in our System If we do establish those types of alliances or programs, we may limit the number of approved suppliers with whom you may deal, we may designate sources that you must use for some or all products and services, and we may refuse to approve proposals from franchisees to add new suppliers if we believe that action would be in the best interests of the System or the franchised network of Tutor Doctor Businesses

Currently, there are no purchasing or distribution cooperatives in existence There are no negotiated purchase arrangements in effect at this time

Supplier Allowances

We have the right to collect and retain all manufacturing allowances, marketing allowances, rebates, credits, monies, payments or benefits (collectively, "**Allowances**") offered by suppliers to you or to us (or our affiliates) based upon your purchases of products, equipment, and other goods and services These Allowances include those based on System-wide purchases of products, equipment and other items The amount of Allowances varies from supplier to supplier While the percentage of the commission or royalty will be a range, the exact percentage depends on the volume of purchases and which products are purchased During our last fiscal year ended March 31, 2019, our affiliate, TDCI, received Allowances on account of purchases of various promotional items, business supplies, marketing materials, and inventory from our U S franchisees, and TDCI's revenues from these rebates was approximately $41,999 We and our affiliates will retain these payments to partially compensate us for our ongoing efforts in establishing and maintaining quality sources of supply, in evaluating potential new suppliers, and in monitoring and evaluating approved suppliers and upstream manufacturers to ensure that those suppliers and manufacturers meet our quality and performance standards

Computer System

You must purchase and install computer hardware as we may periodically specify You must also use such computer software programs in the operation of your Business that we may specify, including our customized relationship management software, which is available only from our designated supplier We may require you to sign a software license agreement in connection with your use of designated software Some of our franchisees may be permitted to provide online tutoring services through online tutoring programs that we approve

Insurance

Under the Franchise Agreement, you must obtain and maintain at least the following insurance coverages

- comprehensive general liability insurance, written on an occurrence basis, extended to include contractual liability, products and completed operations, and personal and

advertising injury, with a combined bodily injury and property damage limit of at least $2,000,000 in the aggregate and $2,000,000 per occurrence,

- Statutory workers' compensation insurance and employer's liability insurance as well as such other insurance as may be required by statute or rule of the state in which you are located and operated,

- Automobile liability insurance with limits of not less than $1,000,000 when you purchase or lease the motor vehicle, and

- any other insurance coverage that is required by federal, state, or municipal law

Each insurance policy required under the Franchise Agreement must be primary and noncontributory and must be issued by an issuer we approve, who must have a rating of at least "A-" in the most recent *Key Rating Guide* published by the A M Best Company (or another rating that we reasonably designate if A M Best Company no longer publishes the Key Rating Guide) and must be licensed to do business in the state in which the Franchised Business is located All liability and property damage policies must name us as additional insureds and must provide that each policy cannot be cancelled unless we are given thirty days' prior written notice

We may periodically increase required coverage limits or require additional or different coverage to reflect inflation, identification of new risks, changes in the law or standards of liability, higher damage awards and other relevant changes in circumstances You must deliver to us (and in the future maintain on file with us) valid and current certificates of insurance showing that all required insurance is in full force and effect The requirements specified in the Franchise Agreement are only minimums and you are encouraged to review whether additional coverage may be appropriate in your market and for your business

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in Agreement	Item In Disclosure Document
A	Site selection and acquisition/lease	Franchise Application Agmt § 4 Franchise Agmt §§ 1, 5 2, and Retail Location Addendum Empire Builder Agmt § 2	Items 11 and 12
B	Pre-opening purchases/leases	Franchise Application Agmt N/A Franchise Agmt § 5 Empire Builder Agmt Not Applicable	Items 7 and 8

	Obligation	Section in Agreement	Item in Disclosure Document
C	Site development and other pre-opening requirements	Franchise Application Agmt N/A Franchise Agmt §§ 3 2, 3 3, 3 6, 5, and Retail Location Addendum Empire Builder Agmt Not Applicable	Items 6, 7 and 11
D	Initial and ongoing training	Franchise Application Agmt N/A Franchise Agmt §§ 3 1, 6, and 16 5 8 Empire Builder Agmt Not Applicable	Items 6 and 11
E	Opening	Franchise Application Agmt N/A Franchise Agmt § 5 1 Empire Builder Agmt § 1	Item 11
F	Fees	Franchise Application Agmt § 1 Franchise Agmt §§ 2 2 6, 4, 13 1, 13 2, and 16 5 9 Empire Builder Agmt § 3	Items 5, 6 and 7
G	Compliance with standards and policies/operating manual	Franchise Application Agmt N/A Franchise Agmt §§ 3 3, 5, 8, and 10 Empire Builder Agmt Not Applicable	Item 8
H	Trademarks and proprietary information	Franchise Application Agmt § 6 Franchise Agmt §§ 1 1 and 9 Empire Builder Agmt Not Applicable	Items 13 and 14
I	Restriction on products/services offered	Franchise Application Agmt N/A Franchise Agmt §§ 1 4, 7 1, 7 2, and 8 4 Empire Builder Agmt Not Applicable	Item 8 and 16
J	Warranty and customer service requirements	Franchise Application Agmt N/A Franchise Agmt § 8 3 Empire Builder Agmt Not Applicable	Not applicable
K	Territorial development and sales quotas	Franchise Application Agmt N/A Franchise Agmt §§ 1 3 and 1 4 Empire Builder Agmt § 1	Item 12
L	Ongoing product service purchases	Franchise Application Agmt N/A Franchise Agmt § 7 Empire Builder Agmt Not Applicable	Items 8 and 11
M	Maintenance, appearance, and remodeling requirements	Franchise Application Agmt N/A Franchise Agmt §§ 2 2 2, 5, 8 6, 8 7, 16 5 5, and Retail Location Addendum Empire Builder Agmt Not Applicable	Items 6 and 17

	Obligation	Section in Agreement	Item in Disclosure Document
N	Insurance	Franchise Application Agmt N/A Franchise Agmt § 15 Empire Builder Agmt Not Applicable	Items 7 and 8
O	Advertising	Franchise Application Agmt N/A Franchise Agmt § 13 Empire Builder Agmt Not Applicable	Items 6 and 11
P	Indemnification	Franchise Application Agmt N/A Franchise Agmt § 21 4 and Exhibit B Empire Builder Agmt § 9	Item 6
Q	Owners participation / management / staffing	Franchise Application Agmt N/A Franchise Agmt §§ 8 3, 8 9, and 19 1 Empire Builder Agmt § 1	Item 15
R	Records and reports	Franchise Application Agmt N/A Franchise Agmt §§ 4 2 and 12 Empire Builder Agmt Not Applicable	Items 9 and 11
S	Inspections and audits	Franchise Application Agmt N/A Franchise Agmt §§ 3 6, 7 1 5, 8 4 4, 8 10, and 12 Empire Builder Agmt Not Applicable	Item 6, 11 and 13
T	Transfer	Franchise Application Agmt N/A Franchise Agmt §§ 8 9 and 16 Empire Builder Agmt § 6	Items 9 and 17
U	Renewal	Franchise Application Agmt N/A Franchise Agmt § 2 2 Empire Builder Agmt § 1	Item 17
V	Post-termination obligations	Franchise Application Agmt N/A Franchise Agmt § 18 Empire Builder Agmt § 5	Item 17
W	Non-compete agreements	Franchise Application Agmt N/A Franchise Agmt § 19 Empire Builder Agmt § 5	Item 17
X	Dispute resolution	Franchise Application Agmt N/A Franchise Agmt § 27 Empire Builder Agmt § 8	Item 17

	Obligation	Section in Agreement	Item In Disclosure Document
Y	Taxes/permits	Franchise Application Agmt N/A Franchise Agmt §§ 8 6 and 20 Empire Builder Agmt N/A	Item 1
Z	Other (personal guarantee)	Franchise Agmt Exhibit B	Not applicable

ITEM 10
FINANCING

In the case of a Tutor Doctor Franchise, financing is normally arranged by you with the financial institution of your choice We do not offer direct or indirect financing We do not guarantee your note, lease or obligation We are unable to estimate whether you will be able to obtain financing for all or any part of your investment, and, if you are able to obtain financing, we cannot predict the terms of any financing We do not receive payment from any person or persons for placing your financing with a lender

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 Obligations

Before you open your Franchised Business under the Franchise Agreement

(1) We will provide to you (or to your Operating Principal (defined below)), as well as your Specially-Trained Management Personnel (defined below), our standard initial training program at our headquarters or another location that we designate We will make this training available for up to three individuals You may send more, but at your own expense (Training is also discussed below in this Item 11 under the subheading "Training ") *Franchise Agreement, Sections 3 1, 6 2*

(2) We will evaluate the Franchised Business before the initial opening You may not start operation of your Franchised Business until receiving our approval to do so *Franchise Agreement, Section 3 6*

(3) We will provide a representative to be present at the opening of the Franchised Business We will provide such additional on-site pre-opening and opening supervision and assistance that we think is advisable *Franchise Agreement, Section 3 2*

(4) We will lend you, for the duration of the Franchise Agreement, one copy of the Brand Standards Manual (which is more fully described in Item 14 below) *Franchise Agreement, Section 3 3* There are 225 pages in the Brand Standards Manual

We are not required by the Franchise Agreement to furnish any other service or assistance to you before the opening of your Franchised Business

Post-Opening Obligations

We are required by the Franchise Agreement to provide certain assistance and service to you During the operation of your Franchised Business

(1) We may conduct additional training programs if we think your Franchised Business will benefit from that *Franchise Agreement, Section 6 4*

(2) We will provide you periodic assistance in the marketing, management, and operation of the Franchised Business at the times and in the manner that we determine *Franchise Agreement, Section 3 7*

(3) We will review and have the right to approve or disapprove all marketing materials that you propose to use *Franchise Agreement, Section 3 4*

(4) We will administer the Branding Fund or Regional Fund (defined below, if established) *Franchise Agreement, Section 3 5*

Neither the Franchise Agreement, nor any other agreement, requires us to provide any other assistance or services to you during the operation of the Franchised Business

Retail Location Addendum If you choose to operate out of a retail location, then before you open the retail location

(1) We will provide you with our site selection guidelines, including our minimum standards for a location for the retail location, and such site selection counseling and assistance as we may deem advisable *Retail Location Addendum, Section 2*

(2) We will approve or disapprove your site selection within 10 days of receiving all required information and materials from you *Retail Location Addendum, Section 3*

(3) We may (without obligation to do so) make available, at no charge to you, a standard layout plan for the construction of the retail location and for the exterior and interior design and layout, fixtures, equipment, and signs *Retail Location Addendum, Section 6*

Training

Before you open the Franchised Business, you (or your Operating Principal) and, if applicable, one additional management individual (your Operating Principal and manager can be the same individual) must participate in and successfully complete, to our satisfaction, the initial training program we offer This program includes eLearning and in-class training, the latter is conducted at our headquarters or another location that we specify, as further described below You may enroll up to three persons (including your Operating Principal and manager) into the initial training program If you ask to sign up for more than three individuals, then you must pay us a training fee (the amounts are described in Item 6)

The term "**Specially-Trained Management Personnel**" means you (or the Operating Principal), your General Manager, and any other individuals who have completed all training and possess the qualifications necessary to the management and/or service roles that we require for their positions

We alone have the right to judge whether a person has successfully completed training If you or your personnel fail to complete initial training to our satisfaction, you or they may repeat the

eLearning course(s) or may send a substitute to the next available scheduled training session, however, we will have no obligation to extend the opening deadline for the Franchised Business for this purpose, and we reserve the right to terminate the Franchise Agreement if your Operating Principal and any other required personnel are, in our opinion, unable to successfully complete training We have the right to charge you a training fee for repeated initial training

Additionally, you may ask us to provide on-site training in addition to what we will provide to you in connection with the initial training program or the opening of the Franchised Business If we are able to do so, then you must pay then-current per diem training fee as well as our out-of-pocket expenses

If any of you (or the Operating Principal) or other Specially-Trained Management Personnel cease active management or employment at the Franchised Business, then you must train a qualified replacement (who must be reasonably acceptable to us) not more than 30 days after the end of the former person's full-time employment or management responsibilities The replacement must successfully complete the initial training program, to our reasonable satisfaction, as soon as it is practical to do so

We may require that any or all of the Specially-Trained Management Personnel attend refresher courses, seminars, and other training programs periodically

We will bear the cost of all training (instruction and required materials) (except for additional and replacement training, as noted above and in Item 6) You will bear all other expenses incurred in attending training, such as the costs of transportation, lodging, meals, wages, and worker's compensation insurance (see Items 6 and 7 of this disclosure document)

The subjects covered in the initial training program are described below

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Operations	14 5	0	Toronto, Ontario
Marketing/Sales	19 5	5 (Event, Shadow consultation (when available))	Toronto, Ontario
Human Resources	3	0	Toronto, Ontario
Personal and Professional Development	2	0	Toronto, Ontario
TOTAL	39	5	

The training materials we use in the initial training program include our confidential operations manual, Power Point presentations, Excel spreadsheets, assessment tools, management templates, launch support program materials and any other information that we believe will be beneficial to our franchisees in the training process Training is conducted as frequently as we determine it necessary in order to hold a training class

Training will be performed by or under the supervision of Yueh-Chin Ma, our Director of Learning & People Development Ms Ma has over 15 years of experience with the subjects taught We may use additional instructors who have been reviewed and qualified by Ms Ma or our management team Each of these additional training instructors will have at least two years of experience with us and in the subjects being taught

We conduct annual or bi-annual conventions for our franchisees to discuss and review new business, marketing, technology and training ideas and concepts The conventions will be held on a national basis We will provide you with advance notice of the time and place of the conventions You and your manager(s) must attend the conventions For each of your representatives attending the convention, you must pay a non-refundable per-attendee fee to us as described in Item 6 and also must pay all wages and benefits, travel, lodging and meal expenses of your attendees

Before you may offer test preparation Services to customers, you must be certified as qualified to offer test preparation Services by us or a third party we designate The third party we designate may charge fees in order to provide that certification Our current third party vendor for test preparation certification is Prepu LLC, and they currently charge $2,895 for the course and materials that can produce such certification In the future, we may change the test preparation certification vendor and the fees associated with this certification may change

You must train your own staff (including your tutors)

If our trainers are requested by you to give any initial, remedial or follow-up training at your Business location, you must bear the actual and reasonable travel, lodging and meals expenses of those trainers and our then-current training fees

We may require you to make reservations for trainees or attendees in advance of any training or conventions We may require deposits for those reservations (which may be refunded or, in our sole and absolute right, applied toward training or convention fees) and may charge cancellation fees if reservations are cancelled

Marketing

As described in Item 6 above, throughout the term of the Franchise Agreement, you will be required to make a monthly contribution to the Branding Fund and a Regional Fund (if we establish one) of 2% of Gross Sales, and to spend certain amounts on local marketing and promotion

We have not formed an advertising council or other advisory body composed of franchisees to assist us on marketing policies, but we reserve the right to do so in the future As described below, we are not required to spend any particular amount on marketing in the area where your Franchised Business is located

The Branding Fund

We have the sole right to determine how the Branding Fund creates, places, and pays for marketing We (or our designee, which might be a corporate subsidiary or a marketing agency) will maintain and administer the Branding Fund, as follows

(a) We or our designee will direct all marketing programs, with sole discretion over the concepts, materials, and media used in these programs and the placement and allocation of the programs The source for marketing materials used by the Branding Fund may be both in-house and regional or national advertising agencies The Branding

Fund is intended to maximize general public recognition (building the *Tutor Doctor* brand), acceptance, and use of the System Neither we nor our designee are obligated to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Branding Fund

(b) The Branding Fund, including all contributions to the fund and all amounts that it earns, will be used exclusively to meet the costs of maintaining, administering, staffing, directing, conducting, and preparing advertising, marketing, public relations and promotional programs and materials The Branding Fund will also be used for other activities that we believe will enhance the System's image This includes, among other things the costs of preparing and conducting media advertising campaigns on radio, television, cable, and other media, direct mail advertising, developing and implementing website, social networking/media, search optimization, and other electronic marketing strategies, marketing surveys and other public relations activities, employing marketing personnel (including salaries for personnel directly engaged in consumer-oriented marketing functions), advertising and/or public relations agencies to assist therein, purchasing and distributing promotional items, conducting and administering visual merchandising, point of sale, and other merchandising programs, engaging individuals as spokespersons and celebrity endorsers, purchasing creative content for local sales materials, reviewing locally-produced ads, preparing, purchasing and distributing door hangers, free-standing inserts (FSI's), coupons, brochures, and trademarked apparel, market research, conducting sponsorships, sweepstakes and competitions, engaging mystery shoppers for Tutor Doctor Businesses and their competitors, paying association dues (including the International Franchise Association), establishing third-party facilities for customizing local advertising, purchasing and installing signage, and providing promotional and other marketing materials and services to the Tutor Doctor Businesses operated under the System), as well as making loans (at reasonable interest rates), and providing rebates or reimbursements to franchisees for local expenditures on products, services, or improvements that we have approved in advance The Branding Fund may take out and pay interest on loans for marketing purposes

(c) The Branding Fund, all contributions, and any earnings, will be used exclusively to meet the costs of marketing and any other activities that we believe will enhance the System's image and, in our sole discretion, promote general public awareness of and favorable support for the System

(d) You must make your contributions to the Branding Fund by electronic funds transfer using the Automated Clearing House (ACH) Network in the same manner as you must pay Royalty Fees All sums you pay to the Branding Fund will be maintained in an account separate from our other monies and will not be used to defray any of our expenses, except for the reasonable costs and overhead, if any, as we may incur in activities reasonably related to the direction and implementation of the Branding Fund and marketing programs for you and the System (for example, costs of personnel for creating and implementing, advertising, merchandising, promotional and marketing programs) The Branding Fund and its earnings will not otherwise inure to our benefit or be used to solicit the sale of franchises We or our designee will maintain separate bookkeeping accounts for the Branding Fund We do not currently prepare an annual audited financial statement for the Branding Fund, but we may do so in the future

(e) The Branding Fund is not and will not be our asset

(f) Although the Branding Fund is intended to be of perpetual duration, we maintain the right to terminate the Branding Fund The Branding Fund will not be terminated, however, until all monies in the Branding Fund have been expended for marketing purposes If amounts are unspent in the Branding Fund at fiscal year-end, those amounts will be carried over by the Fund for expenditure in the following year(s)

(g) The Branding Fund is not audited A statement of the Branding Fund's operations, as shown on our books, will be prepared annually, and that statement will be made available to you upon request

Our current policy is that company-owned Tutor Doctor Businesses will contribute to the Branding Fund If we elect to have any of our Tutor Doctor Businesses contribute to the Branding Fund, we will have the same rights for our contributing Tutor Doctor Businesses as our franchisees have for their Tutor Doctor Businesses We reserve the right to change our policy at any time

None of the amounts collected or held by the Branding Fund may be used for marketing that is principally a solicitation for the sale of franchises We may receive payment for providing goods and services to the Branding Fund, such as personnel, staff, office space, supplies, and other general and administrative costs that we incur on the Branding Fund's behalf

For the fiscal year ended March 31, 2019, the Branding Fund's expenditures were

6%	Promotion
8%	Advertising
63%	Digital Marketing
23%	Administrative

Regional Fund

We currently do not have any Regional Funds, however, we will have the right, as we see fit, to establish a Regional Fund for your geographic area The purpose of a Regional Fund is to conduct marketing campaigns for the Tutor Doctor Businesses located in that region

If a Regional Fund for your area was established before you began to operate your Franchised Business, then when you open your Franchised Business, you must immediately join that Regional Fund If a Regional Fund for your area is established after you begin to operate your Franchised Business, then you will have thirty days to join the new Regional Fund You will not be required to join more than one Regional Fund The following provisions will apply to each Regional Fund (if and when established)

(a) We have the right to administer a Regional Fund, and Regional Funds will be established, organized, and governed in the form and manner that we have approved in advance Governing documents for a Regional Fund, if any, will be made available for your review

(b) Regional Funds will be organized for the exclusive purpose of administering regional marketing programs and developing (subject to our approval) standardized marketing materials for use by the members in regional marketing If we operate any company-owned Tutor Doctor Businesses within the area assigned to a Regional Fund, our current policy is for those Tutor Doctor Businesses to participate in and contribute to the Regional Fund We reserve the right to change our policy at any time

(c) Regional Funds may not use marketing, advertising, promotional plans, or materials without our prior written approval, as described below

(d) We have the right to allocation a portion or all of the 2% Branding Fund Contribution to a Regional Fund You must submit your contributions to the Regional Fund by electronic funds transfer using the Automated Clearing House (ACH) Network in the same manner as you must pay Royalty Fees At the same time, you will have to submit the reports that we or the Regional Fund require

(e) A majority of the Tutor Doctor Business owners in any Regional Fund may vote to increase the amount of each business owners' contribution by up to an additional 2% of each business' Gross Sales Voting will be on the basis of one vote per Tutor Doctor Business

(f) Although, if established, a Regional Fund is intended to be of perpetual duration, we maintain the right to terminate any Regional Fund A Regional Fund will not be terminated, however, until all monies in that Regional Fund have been expended for marketing purposes

(g) We have the right to change or merge any Regional Funds

Local Advertising and Promotion

You must make Monthly expenditures on local marketing and promotion of the Business in such amounts as we may designate as part of the allocation of the Branding Fund Contribution, but with the understanding that regardless of the allocation of the Branding Fund Contribution, if any, that we allow you to retain and require you to spend on local marketing and promotion, you must spend a minimum of $1,000 each Month on local marketing and promotion under a Franchise Agreement for a Local Territory or a Regional Territory For an Empire Builder, you must spend a minimum of $1,500 each Month on local marketing and promotion

Certain criteria will apply to any local advertising and promotional activities that you conduct All of your local advertising and promotion must be dignified, must conform to our standards and requirements, and must be conducted in the media, type, and format that we have approved You may not use any marketing or promotional plans that we have not approved in writing You must submit to us samples of all proposed plans and materials (unless, within the previous six months, we prepared or already approved the plans or materials) If we do not give our response (whether approval or disapproval) to the proposed plans or materials within fourteen days, we will have been deemed to disapprove the plans or materials

All copyrights in and to marketing and promotional materials you develop (or that are developed for you) will become our sole property You must sign the documents (and, if necessary, require your staff, including your tutors, to sign the documents) that we deem necessary to implement this provision

You must participate in our care center for lead conversions and customer bookings The care center will, among other things, work to convert leads to consultations for your Franchised Business You must contribute to the cost of establishing and maintaining the care center, in addition to your Marketing and Advertising Spend and other fees as described above, in the manner and amounts as described in Item 6

In addition to the plans and promotions that we otherwise provide to you under the Franchise Agreement, we will periodically make available to you, for purchase, certain marketing plans and promotional materials for your use in local advertising and promotion

As used in the Franchise Agreement, the term "**local advertising and promotion**" refers to only the direct costs of purchasing and producing marketing materials (such as camera-ready marketing and point of sale materials), media (space or time), promotion, and your direct out-of-pocket expenses related to costs of marketing and sales promotion in your local market or area Local advertising and promotion also includes associated advertising agency fees and expenses, postage, shipping, telephone, and photocopying costs "Advertising and promotion" does not, however, include any of the following

(a) Salaries, incentives or discounts offered to your employees, and your employees expenses,

(b) Charitable, political or other contributions or donations, and

(c) The value of discounts provided to customers

Online Sites (as defined below) are considered as "marketing" under the Franchise Agreement, and are subject (among other things) to our review and prior written approval before they may be used (as described above) As used in the Franchise Agreement, the term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including, for example, the Internet, World Wide Web, webpages, microsites, social networking sites (including Facebook, Twitter, LinkedIn, YouTube, Instagram, Pinterest, etc), blogs, vlogs, applications to be installed on mobile devices (including iPad and Android apps), and other applications, etc , and that refers to the Franchised Business, Proprietary Marks, us, or the System In connection with any Online Site, the Franchise Agreement provides that you may not establish an Online Site, nor may you offer, promote, or sell any products or services, or make any use of the Proprietary Marks, through the Internet without our prior written approval As a condition to granting consent, we will have the right to establish any requirement that we deem appropriate, including for example a requirement that your only presence on the Internet will be through one or more webpages that we establish on our website

Computer Requirements

We require our franchisees to purchase a computer system You must meet our requirements concerning the computer system, including (a) back office systems, (b) systems to store data, audio, video (including managed video security surveillance), telephone, voice messaging, retrieval, and transmission systems for use at Tutor Doctor Businesses, between or among Tutor Doctor Businesses, and between or among the Franchised Business, and you, and us, (c) physical, electronic, and other security systems and measures, (d) printers and other peripheral devices, (e) archival back-up systems, and (f) internet access mode (e g , form of telecommunications connection) and speed (collectively, all of the above are referred to as the "Computer System") You may not install any non-business or unapproved software, hardware, or firmware on your Computer System

We have the right to develop or have developed for us, or to designate (a) computer software programs and accounting system software that you must use in connection with the Computer System ("Required Software"), which you must install, (b) updates, supplements, modifications, or enhancements to the Required Software, which you must install, (c) the tangible media upon which you must record data, and (d) the database file structure of your Computer System

The minimum configuration and specifications for your Computer System will be included in the Brand Standards Manual and you will be provided those details during your new franchisee orientation process You must have, at a minimum, Microsoft Office 2013 or newer that has the

following components Microsoft Word, Microsoft Excel, and Microsoft Outlook The approximate cost of the computer hardware and software can range from $1,000 to $5,000 Your hardware may be purchased from the vendor of your choice

You must use our customized Customer Relationship Management Software, which is available from our designated supplier This software will automate and assist you in managing your business We will provide updates and revisions to this software, when necessary, at no additional cost to you We will also provide technical support only for the Customer Relationship Management Software We will have independent access to all data on the Computer System and all data on that system (including customer information and transaction data) is our exclusive property There are no contractual limitations on our right to access the information and data that you maintain in connection with the Franchised Business

You must maintain a high speed internet connection

We recommend, but do not require, that you maintain an on-site maintenance service contract for your computer system We may require you to upgrade and/or update your computer system The frequency could be annually or bi-annually, and they would be at your cost There are no contractual limitations on our ability to require you to upgrade/update your computer, but we will not require upgrades and/or updates that are unreasonable The cost might be approximately $100 per year

We have established and maintain an online platform to provide certain Services to customers located throughout the world (the "Online Platform") You are required to participate in the Online Platform and to make your staff (including your tutors) available to provide tutoring services in connection with the Online Platform in the manner required in the Brand Standards Manual You must comply with the procedures and specifications for the Online Platform that are described in the Brand Standards Manual

Length of Time to Open and Site Selection

You do not need to operate your Franchised Businesses out of a retail location However, you may operate out of a retail location if you enter into our then-current Retail Location Addendum

Regardless of the location from which you choose to operate the Franchised Business, you are required to acquire a vehicle in order to be able to provide services away from this location

We estimate that there will be an interval of between 60 to 100 days between when you sign the Franchise Agreement and the opening of the Franchise if you are not establishing a retail location This interval may vary based upon factors such as your ability to obtain financing, required permits and/or zoning variances (if one is required to operate a home-based business), and completing training Unless you enter into a Retail Location Addendum (the timing for which is described above), you must complete our initial training program within 90 days after entering into the Franchise Agreement, and you must begin operation of the Franchised Business within one week after you complete the initial training program

Retail Location Addendum If you sign a Retail Location Addendum, then

- You will have 90 days within which to lease, sublease, or acquire a site within the Protected Territory for the Franchised Business, which will be subject to our review and approval We will provide you with site selection guidelines, including our minimum standards for a location for the retail location, and the site selection

counseling and assistance that we deem advisable We may perform any on-site evaluation that we deem advisable in response to your request for site approval

- You must submit to us, in the form we specify, a copy of the site plan and such other materials or information that we may require, together with an option contract, letter of intent, or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site We will have ten days following receipt of this information and materials from you to approve or disapprove the proposed site for the retail location If we do not approve a proposed site by written notice to you within this ten-day period, the site will be deemed disapproved

- When reviewing a site for a retail location, we consider factors such as general location and neighborhood, demographics, psychographics, automobile traffic patterns, volume, and speed, size and ease of access to the proposed site, location of the site in relation to other complimentary retail businesses, availability of utilities, the proposed lease or sublease, ingress and egress, utilities, and zoning issues We will make our site-selection criteria available to you upon request

- If you do not acquire or lease a site for the retail location within the time required, that will constitute a default under the Retail Location Addendum and we will have the right to terminate the Retail Location Addendum

ITEM 12
TERRITORY

Your Territory is the geographic area in which you are authorized to operate your Business You will not receive an exclusive territory You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control

Before signing the Franchise Agreement, you must select one of the two types of franchises which will define your Territory (Local Territory Franchise or Regional Territory Franchise, or part of Empire Builder Franchise) These types of Tutor Doctor Businesses are as follows

- Local Territory Franchise – A Local Territory is defined by zip code boundaries and will include a population of approximately 75,000 to 100,000 people Except for the protections granted to you as noted below, a "Local Territory" Business will be non-exclusive and other Tutor Doctor Businesses will be permitted to offer Services and products within your Protected Territory You will have the right to offer and sell Services and products to customers located only within your Local Protected Territory,
- Regional Territory Franchise – The Regional Protected Territory is typically comprised of a state or an equivalent geographic area As part of a "Regional Territory" Business, you are also granted a Local Territory situated within the Regional Territory The Regional Territory will be non-exclusive, and other franchisees may be granted a Regional Territory that includes all or some of the Regional Territory you are granted However, the Local Territory that you are granted within your Regional Territory will have the same protections as noted below You will have the right to offer and sell products and Services to customers located only within your Regional Protected Territory
- Empire Builder Program – Under this program you would be awarded a Regional Territory Franchise and two additional Local Territory Franchises The parameters for these Territories are as described above Your Territory would be non-exclusive and

may, therefore, be shared with other Tutor Doctor Businesses, some of which may be in close proximity to your Businesses

During the term of the Franchise Agreement, so long as you remain in compliance with the terms of the Franchise Agreement, we will not establish or license anyone else to establish, another Tutor Doctor Business at any location within the "Protected Territory" that is designated in your Franchise Agreement We (and our affiliates) retain all other rights Accordingly, we will have the right (among other things), on any terms and conditions that we deem advisable, and without granting you any rights, to do any or all of the following

- Establish, and franchise others to establish, Tutor Doctor Businesses to serve students anywhere outside the Protected Territory

- Provide, and license others to provide, Services and products to, and/or establish Tutor Doctor Businesses at any Large Account (defined below), whether the students associated with the Large Account are inside or outside the Protected Territory

- Establish, and license others to establish, any businesses offering any products and services (including businesses that provide tutoring and online or computer-based learning services), whether or not under the System or using the Proprietary Marks, whether those business are located inside or outside of the Protected Territory

- Acquire (or be acquired) and then operate any business of any kind, whether located inside or outside the Protected Territory

- Sell and distribute, or license others to sell and distribute, directly or indirectly, any products from any location or to any purchaser (including, but not limited to, the sale of items at wholesale and to purchasers in the Protected Territory through mail order, and on the Internet, under our Proprietary Marks or as private-labeled items), so long as these sales are not made from a Tutor Doctor Business operated inside the Protected Territory (excluding any Large Account)

The term "**Large Account**" means any customer, or group of customers, that together have multiple affiliated outlets that we designate based upon our determination that these businesses in multiple locations are of strategic importance to us We will have the right to negotiate the terms and conditions of all Services and products to be provided to Large Account customers

As noted above, will have the right to sell and distribute products and services by any method or channel of distribution other than through a Tutor Doctor Business located in your Protected Territory (including for example through the Internet, mail order) We will not compensate you for sales we may make in these alternative distribution channels

You will maintain your non-exclusive rights to your Territory even if the population of the Territory increases There is no minimum sales quota, provided that you are able to generate sufficient Gross Sales to meet the minimum Royalty Fee and other fees due (see Item 6) You will not have any options, rights of first refusal, or similar rights to acquire additional franchises or other rights, whether inside the Protected Territory or elsewhere

If you have entered into a Retail Location Addendum in order to operate the Franchised Business out of an approved location, you may not relocate your Franchised Business without our prior written approval If you ask to relocate the Franchised Business under those circumstances, we will evaluate your request on the basis of the same standards that we apply to reviewing the

proposed location of a retail Tutor Doctor Business for a new franchisee, as detailed in Item 11 above

You may offer, advertise, and market the Services and products of the Franchised Business, and directly solicit customers, inside (but only inside) your Protected Territory, except as otherwise noted below The terms "direct solicitation" and "directly solicit" include, but are not limited to, solicitation in person, by telephone, by mail, by e-mail or other electronic means, advertising, marketing, and by distribution of brochures, business cards or other materials

You may not directly solicit customers located outside of the Protected Territory unless you receive our prior written consent to do so We will review and we have the right to approve or deny each such request on a case-by-case basis We also reserve the right at any time to withdraw any consent previously provided

If we grant our consent for you to directly solicit customers outside of your Protected Territory, you may only perform such direct solicitation, and accept customers from or offer Services and products from the Franchised Business, outside of the Protected Territory if you do so in compliance with our requirements (including the conditions if any that we place on your solicitation of customers outside the Protected Territory)

Upon your request, and only if we determine that it is appropriate, we have the right to grant (or deny) permission for you to directly solicit customers from areas located outside the Protected Territory, provided that those customers are not within the protected territory of another Tutor Doctor Business (an "Open Area") We will have the right (for example, if another Tutor Doctor Business opens to serve an Open Area) to require that you stop directly soliciting customers from within that area and that you immediately stop offering Services and products from the Franchised Business to any customers in that area

If any of your advertising within the Protected Territory is in media that will or may reach a significant number of persons outside of the Protected Territory, you must notify us and obtain our prior written consent We may periodically establish rules and policies in the Brand Standards Manuals and otherwise in writing regarding such advertising, including, as an example, that such advertising include the contact information for all of the Tutor Doctor Businesses that are affected by the advertising

We have not yet established other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark We describe earlier in this Item 12 what we may do anywhere and at any time

Except for the Tutor Doctor Businesses operated by us or our affiliates, neither we nor any parent or affiliate has established, or presently intends to establish, other franchised or company-owned Tutor Doctor Business which sell our proprietary products or services under a different trade name or trademark, but we reserve the right to do so in the future, without first obtaining your consent

ITEM 13
TRADEMARKS

The trademarks directly listed below are those owned by our parent, CSGI

Your use of the Marks is subject to the trademark license provisions contained in the Franchise Agreement We have the right to change the list of marks that you are licensed and

authorized to use in operating your Franchise, subject to the terms and conditions of the Franchise Agreement As of the date of this Disclosure Document, CSGI has registered the following marks with the U S Patent & Trademark Office (USPTO) on its Principal Register

Mark	Registration Number	Date of Registration
TUTOR DOCTOR	4562670	July 8, 2014
TUTOR DOCTOR & DESIGN	4566743	July 15, 2014
TUTOR DOCTOR HOW LEARNING HITS HOME & DESIGN	5450185	December 5, 2017
HAND AND BRAIN DESIGN	5450192	April 17, 2019

CSGI filed, and intends to file when due, an affidavit of use and an affidavit of incontestability, as well as a renewal application, for the registrations listed above

Your right to use the Proprietary Marks is limited to the uses that are authorized under the Franchise Agreement, and any unauthorized use of the Proprietary Marks will infringe upon our rights You may not use any Proprietary Marks (1) as part of any corporate name or other business name, (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols, or in any modified form, (3) in connection with performing or selling any unauthorized services or products, (4) as part of any domain name, electronic address or search engine or in any other manner in connection with an Online Site without our prior written approval, (5) in any H R document (such as a paystub, paycheck, employment application, etc), or (6) in any way that we do not expressly authorize in writing You must identify yourself as the independent owner and operator of your Franchised Business in the manner we specify (such as on invoices, order forms, receipts, employment agreements, and contracts) You must also use the trademark registration notices that we require, and obtain any assumed business name registrations that applicable law requires

On July 28, 2014, we entered into a license agreement with CSGI that licensed to us the use of the Proprietary Marks (the "License Agreement") Under the License Agreement, CSGI granted us a non-exclusive, royalty-free right to use, and to license others to use, the Proprietary Marks in the United States for the purpose of operating and franchising Tutor Doctor Businesses The License Agreement is perpetual, but is terminable by either party upon three months' notice, or sooner for cause If the License Agreement is terminated, we may not be able to continue to use (and if that happens, you may no longer have the right to use) the Proprietary Marks

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceeding, or any pending material litigation, involving the Proprietary Marks Except as described above in this Item 13, no agreement significantly limits our rights to use or license the Proprietary Marks in any state in a manner material to the franchise, and we know of no superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in any state

You must promptly notify us of any unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Proprietary Marks We have the right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement We have the right, but not the obligation, to take action against uses by others that may

constitute infringement of the Proprietary Marks You must render the assistance we require to protect and maintain our interests in any litigation or proceeding or otherwise to protect and maintain our interests in the Proprietary Marks We will defend you against any third party claim, suit, or demand arising out of your use of the Proprietary Marks If we determine that you have used the Proprietary Marks in compliance with the Franchise Agreement, we will bear the cost of defense, including the cost of any judgment or settlement, as well as your out of pocket costs (except that you will bear the salary costs of your employees) If we determine that you have not used the Proprietary Marks in compliance with the Franchise Agreement, you must bear the cost of defense, including the cost of any judgment or settlement, and you must promptly reimburse us for those amounts If there is any litigation due to your use of the Proprietary Marks, you must execute all documents and do all things as may be necessary to carry out a defense or prosecution, including becoming a nominal party to any legal action

If it becomes advisable at any time in our sole judgment for you to modify or discontinue using any Proprietary Mark or for you and the Franchised Business to use one or more additional or substitute trade or service marks, you will have to immediately comply with our directions You must immediately cease using any discontinued marks and must immediately begin using any substituted marks (including in your marketing materials) Neither we nor our affiliates will have any obligation to reimburse you for any expenditures you make because of any discontinuance or modification

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

No patents are material to the operation of your Market

Copyrights

We (or our affiliates, in some cases) claim copyright protection covering various materials used in our business and the development and operation of Tutor Doctor Businesses, including the Brand Standards Manual, Program Materials, marketing and promotional materials, and similar materials We have not registered these materials with the United States Registrar of Copyrights but we are not required to do so

There are no currently effective determinations of the United States Copyright Office or any court, nor any pending litigation or other proceedings, regarding any copyrighted materials No agreement limits our rights to use or allow franchisees to use the copyrighted materials We do not know of any superior prior rights or infringing uses that could materially affect your use of the copyrighted materials No agreement requires us to protect or defend our copyrights or to indemnify you for any expenses or damages you incur in any judicial or administrative proceedings involving the copyrighted materials No provision in the Franchise Agreement requires you to notify us of claims by others of rights to, or infringements of, the copyrighted materials If we require, you must immediately modify or discontinue using the copyrighted materials Neither we nor our affiliates will have any obligation to reimburse you for any expenditures you make because of any discontinuance or modification

Confidential Information

Except for the purpose of operating the Franchised Business under the Franchise Agreement, you may never (during Franchise Agreement's term or later) communicate, disclose, or

use for any person's benefit any of the confidential information, knowledge, or know-how concerning the operation of the Franchised Business that may be communicated to you or that you may learn by virtue of your operation of the Franchised Business You may divulge confidential information only to those of your employees who must have access to it in order to operate the Franchised Business Any and all information, knowledge, know-how, and techniques that we designate as confidential will be deemed confidential for purposes of the Franchise Agreement However, this will not include information that you can show came to your attention before we disclosed it to you, or that at any time became a part of the public domain, through publication or communication by others having the right to do so

In addition, we may require you, your Operating Principal, and your Specially-Trained Management Personnel to sign a Non-Disclosure and Non-Competition Agreement Every one of these agreements must provide that the person signing will maintain the confidentiality of information that they receive in their employment or affiliation with you or the Franchised Business These agreements must be in a form that we find satisfactory, and must include, among other things, specific identification of our company as a third party beneficiary with the independent right to enforce the covenants Our current form for this Non-Disclosure and Non-Competition Agreement is attached to the Franchise Agreement as Exhibit F

Brand Standards Manual

In order to protect our reputation and goodwill and to maintain high standards of operation under our Proprietary Marks, you must conduct your business according to the Brand Standards Manual We will lend you one set of our Brand Standards Manual for the term of the Franchise Agreement

You must always treat in a confidential manner the Brand Standards Manual, any other manuals we create (or that we approve) for use with the Franchised Business, and the information contained in the Brand Standards Manual You must use best efforts to maintain this information as secret and confidential You may not copy, duplicate, record, or otherwise reproduce the Brand Standards Manual and the related materials, or any part (except for the parts of the Brand Standards Manual that are meant for you to copy, which we will clearly mark), nor may you otherwise let any unauthorized person have access to these materials The Brand Standards Manual will always be our sole property You must always keep the Brand Standards Manual in a secure place at the Franchised Business' premises

We may periodically revise the contents of the Brand Standards Manual, and you must make corresponding revisions to your copy of the Brand Standards Manual and comply with each new or changed standard If there is ever a dispute as to the contents of the Brand Standards Manual, our master copy of the Brand Standards Manual (maintained at our home office) will be controlling

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

The Franchise Agreement does not require you to participate personally in the direct operation of the Franchised Business, although we encourage and recommend active participation by you Our required for participation and supervision are described below

If you are an entity (a corporation, partnership or LLC), then you must appoint a person who will serve as your "Operating Principal " The Operating Principal must supervise the Franchised

Business and complete our training program Additionally, the Operating Principal must have at least a 50% ownership interest in the franchisee entity, and have authority over all business decisions related to the Franchised Business and the power to bind you in all dealings with us You may not change the Operating Principal without our prior approval

You must inform us in writing whether the Operating Principal will also act as the person who will be responsible for the full-time day-to-day responsibility for the daily and on-site supervision and operation of the Franchised Business If the Operating Principal will not supervise the Franchised Business on a full-time and daily basis, you must employ a full-time manager who has qualifications reasonably acceptable to us, to assume responsibility for the daily operation of the Franchised Business We do not require that your manager have any ownership interest in you You must maintain at least two individuals (which may include the Operating Principal) in the employ of your Franchised Business, who have successfully completed, to our satisfaction, our initial training program and any additional training that we may require of such persons

During any time that your Franchised Business is operating, it must be under the active full-time management and on-site supervision of your Operating Principal or a manager (who has successfully completed (to our satisfaction) our initial training program) You may not permit your Franchised Business to be operated, managed, directed or controlled by any other person without our prior written consent

If the franchisee is an entity, then all of your owners must sign a guarantee of the franchisee's performance under the Franchise Agreement The guarantee will be in the form attached to the Franchise Agreement as Exhibit B

We require your principals (including the Operating Principal), supervisors and other managers to sign a non-disclosure and non-competition agreement, the form of which is attached to the Franchise Agreement as Exhibit F We do not impose any other restrictions on your managers

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Each component of the System is vital to us, to other franchisees of the System and to the operation of the Franchised Business Therefore, you must operate your Franchised Business in compliance with the System

You must sell or offer for sale only those Services and products that we have approved in writing for you to sell at your Franchised Business, and must not deviate from our standards and specifications, including manner of maintenance of your equipment and products and the operation and maintenance of vehicles You are not restricted regarding the customers to whom you may sell

You must operate the Franchised Business in an efficient and professional manner following the highest ethical and moral standards You must comply with all standards of quality and service prescribed by us

Due to changes in competitive circumstances, we may periodically change the System to better serve the interests of our franchisees and the System We may change the components of the System, including revising the programs, services, policies and procedures of the System and modifying products, materials, and programs which you are authorized to offer You must abide by these modifications However, these changes will not increase your obligations under the Franchise Agreement It is understood that we are not obligated to replace, modify or supply equipment to you

You must comply with the policies and procedures for the selection of your staff (including your tutors) as set forth in the Brand Standards Manual You must ensure that all of your staff pass our rigorous screening requirements Among other things, you may not hire anyone who has been convicted of a crime against a child

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

	Provision	Section in Franchise Agreement or Retail Location Addendum	Summary
a	Term of the franchise term	§ 2 1 of Franchise Agreement	10 years
b	Renewal or extension of the term	§ 2 2 of Franchise Agreement	One additional 10-year term
c	Requirements for you to renew or extend	§§ 2 2 1 - 2 2 10 of Franchise Agreement	Notice, satisfaction of monetary obligations, compliance with Franchise Agreement, release, sign new Franchise Agreement, and others, see §§ 2 2 1 - 2 2 9 in Franchise Agreement If you seek to renew your franchise at the expiration of the initial term, you may be asked to sign a new form of franchise agreement that contains terms and conditions materially different from those in your original franchise agreement, such as different fee requirements and territorial rights
d	Termination by you	Not Applicable	
e	Termination by us without cause	Not Applicable	

	Provision	Section in Franchise Agreement or Retail Location Addendum	Summary
f-	Termination by us with cause	§ 17 of Franchise Agreement	Default under the Franchise Agreement, insolvency, bankruptcy, abandonment, and other grounds, see § 17 of the Franchise Agreement (Under the U S Bankruptcy Code, we may be unable to terminate the agreement merely because you make a bankruptcy filing)
		§ 1 of the Retail Location Addendum	Under the Retail Location Addendum, we may terminate that addendum if you do not acquire or lease/sublease a retail location within the allotted time
g	"Cause" defined-defaults which can be cured	§ 17 3 of Franchise Agreement	All other defaults not specified in §§ 17 1 and 17 2 of the Franchise Agreement
h	"Cause" defined-defaults which cannot be cured	§§ 17 1 and 17 2 of Franchise Agreement	Insolvency, bankruptcy, abandonment, conviction of felony, and others, see § 17 2 of the Franchise Agreement (Under the U S Bankruptcy Code, we may be unable to terminate the agreement merely because you make a bankruptcy filing)
		§ 1 of the Retail Location Addendum	Under the Retail Location Addendum, we may terminate that addendum if you do not acquire or lease/sublease a retail location within the allotted time
i	Your obligations on termination/non-renewal	§ 18 of Franchise Agreement	Stop operating the Franchised Business, pay amounts due, pay lost future royalties, and others, see §§ 18 1 - 18 13 of the Franchise Agreement
		§ 13 of Retail Location Addendum	Assign interests in the retail location, DE identify the retail location, and others
j	Assignment of contract by us	§ 16 1 of Franchise Agreement	There are no limits on our right to assign the Franchise Agreement
k	"Transfer" by you - definition	§§ 16 4 1 - 16 4 4 of Franchise Agreement	Includes transfer of any interest
l	Our approval of transfer by you	§ 16 4 of Franchise Agreement	We have the right to approve transfers

	Provision	Section in Franchise Agreement or Retail Location Addendum	Summary
m	Conditions for our approval of transfer	§ 16 5 of Franchise Agreement	Your compliance with the existing franchise agreement, a release, the buyer's signature of a new Franchise Agreement, the payment of transfer fee, and others, see §§ 16 5 1 - 16 5 10 of the Franchise Agreement
n	Our right of first refusal to acquire your business	§ 16 6 of Franchise Agreement	We can match any offer
o	Our option to purchase your business	§ 18 4 of Franchise Agreement § 13 of Retail Location Addendum	We can acquire any interest which you have in any lease or sublease for the premises and purchase your furnishings, equipment, materials, or inventory at cost or fair market value upon expiration, termination, or default of the Franchise Agreement and/or default under the lease/sublease
p	Your death or disability	§§ 16 7 of Franchise Agreement	Your estate must apply to us within 3 months of date of death or incapacity for a transfer of your interest in the Franchised Business to a third party we approve, and the transfer must occur, within 6 months after the date of death or appointment of a personal representative or trustee
q	Non-competition covenants during the term of the franchise	§§ 19 2, 19 3 and 19 4 of Franchise Agreement	Includes prohibition on engaging in a "Competitive Business," which is a business which is the same as or substantially similar to a business that offers tutoring and similar online educational services (whether at a student's home or other locations), see §§ 19 2 - 19 4 of the Franchise Agreement
r	Non-competition covenants after the franchise is terminated or expires	§§ 19 2, 19 3, 19 4 and 19 5 of Franchise Agreement	Includes a two year prohibition similar to "q" (above), within the Protected Territory, or within 25 miles of the Protected Territory, or within 25 miles of any other Tutor Doctor Business then-operating under the System

	Provision	Section in Franchise Agreement or Retail Location Addendum	Summary
s	Modification of the agreement	§ 25 of Franchise Agreement	Must be in writing signed by both parties
t	Integration/ merger clause	§ 25 of Franchise Agreement	Only the final written terms of the Franchise Agreement are binding (subject to state law), but this provision does not disclaim any representation made in this disclosure document Any representations or promises outside of the disclosure document and agreements may not be enforceable
u	Dispute resolution by arbitration or mediation	§ 27 3 of Franchise Agreement	Before bringing an action in court, the parties must first submit the dispute to non-binding mediation (except for injunctive relief) in Washington, D C (subject to applicable state law) The Franchise Agreement contains several provisions that may affect your legal rights, including a waiver of a jury trial, limitations on when claims may be raised, and a waiver of punitive or exemplary damages See Sections 27 6, 27 7 and 27 8 in the Franchise Agreement
v	Choice of forum	§ 27 2 of Franchise Agreement	If we ever litigate, you must do so in the courts that have jurisdiction over Erie County, New York (subject to applicable state law)
w	Choice of law	§ 27 1 of Franchise Agreement	New York law applies (subject to applicable state law)

THE FRANCHISE APPLICATION AGREEMENT

	Provision	Section in Franchise Application Agreement	Summary
(a)	Term of the agreement	Not applicable	
(b)	Renewal or extension of the term	Not applicable	
(c)	Requirements for you to obtain a renewal	Not applicable	
(d)	Termination by you	§ 7	You may terminate by written notice to us

	Provision	Section in Franchise Application Agreement	Summary
(e)	Termination by us without cause	§ 7	We may terminate by written notice to you
(f)	Termination by us with cause	§ 7	We may terminate by written notice to you
(g)	"Cause" defined-defaults which cannot be cured	Not applicable	No specific defaults listed
(h)	"Cause" defined-defaults which can be cured	Not applicable	No specific defaults listed
(i)	Your obligations on termination/non-renewal	Not applicable	You must maintain the confidentiality covenant
(j)	Assignment of contract by us	Not applicable	
(k)	"Transfer" by you – definition	Not applicable	
(l)	Our approval of transfer by you	Not applicable	
(m)	Conditions for our approval of transfer	Not applicable	
(n)	Our right of first refusal to acquire your business	Not applicable	
(o)	Our option to purchase your business	Not applicable	
(p)	Your death or disability	Not applicable	
(q)	Non-competition covenants during the term of the franchise	Not applicable	
(r)	Non-competition covenants after the franchise is terminated or expires	Not applicable	
(s)	Modification of the agreement	§ 10	Must be in writing by both parties

	Provision	Section in Franchise Application Agreement	Summary
(t)	Integration/merger clause	§ 10	Only the terms of the Franchise Application Agreement are binding (subject to state law) Any representations or promises made outside the Disclosure Document and Franchise Application Agreement may not be enforceable
(u)	Dispute resolution by arbitration or mediation	Not applicable	
(v)	Choice of forum	Not applicable	Subject to state law (see Exhibit B)
(w)	Choice of law	§ 10	New York law applies, subject to state law (see Exhibit B)

The provisions of the Franchise Agreement that provide for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U S C Section 101 et seq)

See the state addenda to the Franchise Agreement and disclosure document for special state disclosures

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote your franchise or the System, but we reserve the right to do so in the future

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

As of the date of this Disclosure Document, we wish to provide you with the following information which is based on the experience of our U S franchisees We do not currently require that you charge a certain maximum or minimum tutoring fee for your customers (although we reserve the right in the future to set maximum or minimum prices, subject to applicable law) Instead, we provide pricing guidelines that consider the market and business model requirements

Franchisee Sales The tables below provide information on the enrollments reported by our franchisees who operated during the entire 2019 fiscal year (April 1, 2018 through March 31, 2019)

Please read all of these tables together with all of the notes that follow

Table 1
Franchisee Reported Enrollments (includes re-enrollments)
April 1, 2018– March 31, 2019

Franchisees in Business
12-24 Months (34 franchisees)

Number of Enrollments (includes re-enrollments)				
	Average	Median	High	Low
Top Quartile	211	145	497	85
2nd Quartile	72	73	83	58
3rd Quartile	44	45	57	33
Bottom Quartile	15	15	27	1

Franchisees in Business
25+ Months (83 franchisees)

Number of Enrollments (includes re-enrollments)				
	Average	Median	High	Low
Top Quartile	255	217	453	168
2nd Quartile	115	107	167	85
3rd Quartile	67	68	84	50
Bottom Quartile	20	14	49	2

Table 2 Number of Reporting Franchisees April 1, 2018 to March 31, 2019			
Franchisees in Business 12-24 Months (34 franchisees)			
	Number of Reporting Franchisees	Number of Franchisees Above Enrollment Average	Number of Franchisees Below Enrollment Average
Top Quartile	8	2	6
2nd Quartile	8	4	4
3rd Quartile	9	5	4
Bottom Quartile	9	4	5
Franchisees in Business 25+ Months (83 franchisees)			
	Number of Reporting Franchisees	Number of Franchisees Above Enrollment Average	Number of Franchisees Below Enrollment Average
Top Quartile	20	9	11
2nd Quartile	21	8	13
3rd Quartile	21	11	10
Bottom Quartile	21	7	14

Notes

1 The number of "Enrollments" in Table 1 are the number of students who enrolled with each of the included franchisees for tutoring services for one or more tutoring sessions (but typically, 29 hours of tutoring) as reported to us by those franchisees The data does not include any sales or revenues from these enrollments

2 The hourly rate that is charged to families for in-home tutoring services is typically between $54 00 and $63 00 per hour, depending on location and other factors The hourly rate will also fluctuate depending upon the program that the student enrolls in, which is determined by a block of tutoring hours purchased, for example, a 12-hour program would be billed at $63 00/hour and a 96-hour program would be billed at $54 00/hour

3 Table 1 contains information on total enrollments (which includes re-enrollments) A "re-enrollment" is any repeat enrollment transaction by a client after the first enrollment During the last fiscal year, clients who either enrolled before or after April 1, 2018 did it on average 1 8 more times The average number of hours of a "re-enrollment" tutoring session is 25

4 The information in the Tables 1 and 2 above is for Tutor Doctor franchisees operating in the United States during the entire last fiscal year (April 1, 2018 through March 31, 2019) We did not include in this information any franchisees that operated for only a portion of the last fiscal year (4 franchisees in business for 12 to 24 months operating 8 units, and 8 franchisees in business for 25 months or more operating 16 units were not included in the tables because they were not operational for the time periods noted) We also did not include

in this Item 19 the data for franchisees that provided inadequate or no enrollment information (including one franchisee who have been in business for 25 or more months and who operates one unit)

5 The results are organized into four "Quartiles," with the "Top Quartile" representing the top performing 25% of the included franchisees, the "2nd Quartile" representing the second best performing 25% of the included franchisees, the "3rd Quartile" representing the third best performing 25% of the included franchisees, and the "Bottom Quartile" representing the bottom performing 25% of the included franchisees

6 Tutoring costs are approximately 38 02% of U S System-wide annual tutoring revenues generated by our franchisees Tutoring costs refer only to the amounts paid out to tutors who deliver the tutoring service in the home For each enrollment, this cost percentage as expressed above is determined by comparing the rate paid to each tutor throughout an enrollment vs the total revenue generated by that enrollment

7 In addition to tutoring costs, you will incur other costs and expenses in connection with operating your business These include, among others, royalties, occupancy costs, debt/financing costs, inventory and supply expenses, vehicle costs and fuel, Royalty Fees (8% or more of Gross Sales), marketing and advertising spend ($1,000 - $1,500 per Month), branding fee (2% of Gross Sales), Care Center Fee (4% of Gross Sales, a 1% rebate is available for meeting a specific target), Education Payment Plan fees (currently $60, but up to $120, per attendee per month), technology fees, computer hardware and software purchases and upgrades, legal and professional fees, income and other non-real estate taxes, and various other expenses You will incur these and other costs in connection with the operation of your business, and you and should conduct an independent investigation of the costs and expenses that you may or will incur in operating your franchised Tutor Doctor business

8 These figures and cost projections will vary from one location to another and from one geographic area to another

9 The amount that you may ultimately charge your customers and your revenue will depend on numerous factors, including general and local market conditions of your Business, the city in which your Business is situated, the level of competition in your Territory, the socio-economic status of the population within your Territory, how well you follow the System, your management skills, experience, business acumen, prevailing wage rates, ongoing working capital requirements, accounts receivable financing or other costs and the level of sales experienced by you (which may fluctuate over time)

10 The businesses from which data is reflected in this Item offered substantially the same products and services to the public as you will

* * *

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-

owned or franchised outlets We also do not authorize our employees or representatives to make any such representations either orally or in writing If you are purchasing an existing outlet, however, we may provide you with 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 the franchisor's management by contacting Frank Milner at 830 Dixon Road, Toronto, Ontario M9W 6Y8 Canada (tel (416) 646-0364), the Federal Trade Commission, and the appropriate state regulatory agencies

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No 1
System wide Outlet Summary
For fiscal years ending March 31, 2017, 2018 and 2019

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2017	247	280	+33
	2018	280	293	+13
	2019	293	343	+50
Company-Owned	2017	0	0	0
	2018	0	0	0
	2019	0	0	0
Total Outlets	2017	247	280	+33
	2018	280	293	+13
	2019	293	343	+50

Note 1 We do not count empire builders separately from our franchisees

Table No 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
For fiscal years ending March 31, 2017, 2018 and 2019

State	Year	Number of Transfers
Alabama	2017	0
	2018	0
	2019	1

State	Year	Number of Transfers
Arizona	2017	1
	2018	0
	2019	2
California	2017	6
	2018	3
	2019	6
Colorado	2017	0
	2018	1
	2019	0
Florida	2017	0
	2018	0
	2019	0
Georgia	2017	0
	2018	0
	2019	2
Maryland	2017	0
	2018	0
	2019	3
Missouri	2017	0
	2018	0
	2019	0
North Carolina	2017	0
	2018	0
	2019	2
Ohio	2017	1
	2018	0
	2019	0
Oregon	2017	0
	2018	0
	2019	0
Pennsylvania	2017	0
	2018	0
	2019	1
Texas	2017	2
	2018	1
	2019	1

State	Year	Number of Transfers
Utah	2017	0
	2018	0
	2019	1
Virginia	2017	0
	2018	0
	2019	0
Washington	2017	0
	2018	0
	2019	1
Total	**2017**	**10**
	2018	**5**
	2019	**20**

Table No 3
Status of Franchised Outlets
For fiscal years ending March 31, 2017, 2018 and 2018

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
Alabama	2017	6	0	0	0	0	0	6
	2018	6	1	3	0	0	0	4
	2019	4	0	0	0	0	1	3
Alaska	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	3	0	0	0	0	3
Arizona	2017	18	0	0	0	0	0	18
	2018	18	0	0	0	0	0	18
	2019	18	0	5	0	0	0	13
Arkansas	2017	3	0	3	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
California	2017	50	1	5	0	0	3	48
	2018	48	5	8	0	0	0	45
	2019	45	2	1	0	0	1	45
Colorado	2017	17	0	0	0	0	0	17
	2018	17	1	3	0	0	0	15
	2019	15	0	2	0	0	0	13

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
Connecticut	2017	3	3	0	0	0	0	6
	2018	6	0	0	0	0	0	6
	2019	6	0	1	0	0	0	5
Delaware	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
Florida	2017	22	7	4	0	0	0	25
	2018	25	8	3	0	0	1	29
	2019	29	4	1	0	0	0	32
Georgia	2017	8	4	0	0	0	0	12
	2018	12	9	8	0	0	0	13
	2019	13	6	1	0	0	2	16
Hawaii	2017	1	2	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Idaho	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Illinois	2017	0	4	0	0	0	0	4
	2018	4	1	1	0	0	0	4
	2019	4	9	0	0	0	0	13
Indiana	2017	0	0	0	0	0	0	0
	2018	0	3	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Iowa	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Kentucky	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	1	0	0	0	0	2
Louisiana	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
Maryland	2017	8	3	1	0	0	0	10
	2018	10	6	4	0	0	0	12
	2019	12	0	0	0	0	3	9
Massachusetts	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	4	1	0	0	0	5

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
Michigan	2017	2	0	1	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Minnesota	2017	7	0	4	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	1	0	0	0	0	4
Missouri	2017	1	2	0	0	0	0	3
	2018	3	4	0	0	0	0	7
	2019	7	0	5	0	0	0	2
Nebraska	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
Nevada	2017	2	0	0	0	0	0	2
	2018	2	3	0	0	0	0	5
	2019	5	0	1	0	0	0	4
New Jersey	2017	11	1	3	0	0	0	9
	2018	9	0	2	0	0	0	7
	2019	7	0	0	0	0	0	7
New Mexico	2017	1	1	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
New York	2017	8	1	0	0	0	0	9
	2018	9	0	2	0	0	0	7
	2019	7	9	0	0	0	0	16
North Carolina	2017	4	0	0	0	0	0	4
	2018	4	8	0	0	0	0	12
	2019	12	7	0	0	0	0	19
North Dakota	2017	0	1	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Ohio	2017	3	4	0	0	0	0	7
	2018	7	1	4	0	0	0	4
	2019	4	1	0	0	0	0	5
Oklahoma	2017	1	0	0	0	0	0	1
	2018	1	1	0	0	0	0	2
	2019	2	1	0	0	0	0	3
Oregon	2017	6	0	0	0	0	0	6
	2018	6	1	0	0	0	0	7
	2019	7	0	0	0	0	0	7

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
Pennsylvania	2017	4	4	0	0	0	0	8
	2018	8	0	0	0	0	0	8
	2019	8	2	0	0	0	1	9
Rhode Island	2017	1	1	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	1	0	0	0	1
South Carolina	2017	6	0	0	0	0	0	6
	2018	6	0	1	0	0	0	5
	2019	5	4	0	0	0	0	9
South Dakota	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	6	0	0	0	0	6
Tennessee	2017	3	0	0	0	0	0	3
	2018	3	1	0	0	0	0	4
	2019	4	7	0	0	0	0	11
Texas	2017	24	8	2	0	0	0	30
	2018	30	5	6	0	0	1	28
	2019	28	12	7	0	0	0	33
Utah	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	1	0	0	1	0
Virginia	2017	6	2	0	0	0	0	8
	2018	8	5	2	0	0	0	11
	2019	11	4	1	0	0	0	14
Washington	2017	4	2	1	0	0	0	6
	2018	6	0	1	0	0	0	5
	2019	5	3	1	0	0	1	6
Wisconsin	2017	7	1	0	0	0	0	8
	2018	8	0	0	0	0	0	8
	2019	8	2	0	0	0	0	10
Total	2017	247	53	17	0	0	3	280
	2018	280	63	48	0	0	2	293
	2019	293	90	30	0	0	10	343

Table No 4
Status of Company-Owned Outlets
For fiscal years ending March 31, 2017, 2018 and 2019

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Any State	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Total	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0

Table No 5
Projected Openings as of March 31, 2019

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Arizona	0	1	0
California	0	2	0
Colorado	0	1	0
Florida	3	2	0
Georgia	0	1	0
Illinois	0	1	0
Indiana	0	1	0
Kansas	0	1	0
Kentucky	0	1	0
Louisiana	0	1	0
Maryland	0	2	0
Massachusetts	0	1	0
Michigan	3	2	0
Minnesota	0	2	0
Missouri	0	1	0
Nevada	0	1	0
New York	0	2	0

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
North Carolina	1	1	0
Ohio	0	2	0
Oregon	0	1	0
South Carolina	0	1	0
Texas	4	2	0
Tennessee	0	1	0
Washington	0	2	0
Wisconsin	0	1	0
Total	**11**	**34**	**0**

A list of the names of all franchisees and empire builders and the addresses and telephone numbers of their businesses will be provided in Exhibit E to this Disclosure Document when applicable

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee or empire builder who had a business terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document will be listed on Exhibit F to this Disclosure Document when applicable **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system**

During the last three fiscal years, we have not any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the Tutor Doctor System

The following independent franchisee organization has asked to be included in this disclosure document

Independent Association of Tutor Doctor Franchisees
Chapter of the American Association of Franchisees and Dealers
P O Box 10158
Palm Desert, CA 92255-1058
619-209-3775
E-mail IATDF@aafdchapters org
Website www AAFD org

Except as noted above, there are no trademark-specific organizations formed by our franchisees that are associated with the Tutor Doctor System

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit D are our audited financial statements as of March 31, 2017, March 31, 2018 and March 31, 2019, as well as our unaudited financial statements for the period ended May 31, 2019 We encourage you to carefully review our financial statements (including the auditors' notes)

Our fiscal year ends on March 31 each year

ITEM 22
CONTRACTS

The following agreements are attached as exhibits to this Disclosure Document

Exhibit C	The Franchise Agreement with its exhibits A Data Addendum B Guarantee, Indemnification, and Acknowledgment C List of Principals D ACH Authorization Agreement E Telephone Number Assignment Agreement and Power of Attorney F Sample Form of Non-Disclosure and Non-Competition Agreement G Retail Location Addendum
Exhibit I	Form of General Release
Exhibit J	Franchise Application Agreement

ITEM 23
RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document appear at the end of the Disclosure Document Please return one signed copy to us and retain the other for your records

EXHIBIT A TO THE DISCLOSURE DOCUMENT
LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state laws If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states

CALIFORNIA Commissioner of Business Oversight Department of Business Oversight 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677	**NEW YORK** New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8236
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 205 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Department State Capitol Department 414 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Department of Business Regulation Securities Division, Building 69, First Floor John O Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Securities Regulation 124 South Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Division 200 St Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General's Office Consumer Protection Division, Franchise Section 525 West Ottawa Street G Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7622	**WASHINGTON** Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Minnesota Department of Commerce 85 7th Place East, Suite 280 St Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state law If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states

CALIFORNIA Commissioner of Business Oversight Department of Business Oversight 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677	**NEW YORK** New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 205 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Commissioner State Capitol 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Maryland Securities Commissioner 200 St Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
MICHIGAN Michigan Attorney General's Office Consumer Protection Division, Franchise Section 525 West Ottawa Street G Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7622	**WASHINGTON** Director of Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT B TO THE DISCLOSURE DOCUMENT
STATE SPECIFIC ADDENDA

EXHIBIT B-1

California Disclosure

In recognition of the requirements of the California Franchise Investment Law, Cal Corp Code §§ 31000-31516, and the California Franchise Relations Act, Cal Bus & Prof Code §§ 20000-20043, the Franchise Disclosure Document for Tutor Doctor Systems, Inc in connection with the offer and sale of franchises for use in the State of California shall be amended to include the following

1 The State Cover Page of the Franchise Disclosure Document shall be amended by the addition of the following paragraph

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

2 Item 1, "The Franchisor, Its Predecessors, and Affiliates," shall be amended by adding the following paragraph at the conclusion of the Item

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

3 In Item 3, "Litigation," shall be amended by adding the following paragraphs

> Pursuant to California law, this Item does not include any information regarding the arrest of any person(s) that did not result in a conviction or plea of nolo contendere
>
> Neither we, nor any person identified in Item 2 above, is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities and Exchange Act of 1934, 15 U S C § 78a, *et seq*) suspending or expelling such person from membership in such association or exchange

4 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by adding the following paragraphs at the conclusion of the Item

> California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control
>
> The Franchise Agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C § 101, *et seq*)

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

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

The Franchise Agreement requires mediation before all but only certain matters can be litigated The mediation will occur in Washington, D C , with the costs being borne by the franchisee and franchisor Litigation for matters not resolved through mediation is to take place in the appropriate courts located in Erie County, New York Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California

The Franchise Agreement requires application of the laws of the State of New York This provision may not be enforceable under California law

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

5 The Franchise Disclosure Document is amended to include the following

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

6 The Franchise Disclosure Document is amended to include the following

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information

California Disclosure (Page 2 of 2)

EXHIBIT B-2

Hawaii Disclosure

The following paragraphs are to be added in the state cover page

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

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

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

The name and address of the Franchisor's agent in this state authorized to receive service of process is Commissioner of Securities, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch, 335 Merchant Street, Room 205, Honolulu, Hawaii 96813

EXHIBIT B-3

Illinois Disclosure

In recognition of the requirements of the Illinois Franchise Disclosure Act, Ill Comp Stat §§ 705/1 to 705/44, the Franchise Disclosure Document for Tutor Doctor Systems, Inc for use in the State of Illinois shall be amended as follows

1 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following

> Illinois law governs the agreements between the parties to this franchise
>
> Section 4 of the Illinois Franchise Disclosure Act provides that any provision in the franchise agreement that designates jurisdiction or venue outside of the State of Illinois is void However, a franchise agreement may provide for arbitration outside of Illinois
>
> Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void
>
> Your right upon termination and non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act

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

EXHIBIT B-4

Maryland Disclosure

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Franchise Disclosure Document for Tutor Doctor Systems, Inc for use in the State of Maryland shall be amended as follows

1 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following language

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

The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law

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

2 Exhibit H, "Franchisee Disclosure Acknowledgment Statement," shall be amended by the addition of the following at the end of Exhibit H

The representations under this Franchisee Disclosure Acknowledgment Statement are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law

EXHIBIT B-5

Michigan Disclosure

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE, AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION THIS SUBSECTION APPLIES ONLY IF (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS, AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, MARKETING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR

CIRCUMSTANCES THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE *

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO

(i) THE FAILURE OF THE PROPOSED FRANCHISEE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C)

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES

*****

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

*****

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN $100,000 00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING, OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED AT THE OPTION OF THE FRANCHISOR, A SURETY BOND MAY BE PROVIDED IN PLACE OF ESCROW

*****

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE, CONSUMER PROTECTION DIVISION, ATTN FRANCHISE SECTION, 525 WEST OTTAWA STREET, G MENNEN WILLIAMS BUILDING, 1ST FLOOR, LANSING, MICHIGAN 48913

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO

DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
ATTN FRANCHISE SECTION
525 WEST OTTAWA STREET
G MENNEN WILLIAMS BUILDING, 1ST FLOOR
LANSING, MICHIGAN 48913

*NOTE NOTWITHSTANDING PARAGRAPH (F) ABOVE, WE INTEND TO, AND YOU AGREE THAT WE AND YOU WILL, ENFORCE FULLY THE PROVISIONS OF THE ARBITRATION SECTION OF OUR AGREEMENTS WE BELIEVE THAT PARAGRAPH (F) IS UNCONSTITUTIONAL AND CANNOT PRECLUDE US FROM ENFORCING THE ARBITRATION PROVISIONS UNDER THE FEDERAL ARBITRATION ACT

EXHIBIT B-6

Minnesota Disclosure

In recognition of the requirements of the Minnesota Franchises Law, Minn Stat §§ 80C 01 through 80C 22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn Rules §§ 2860 0100 through 2860 9930, the Franchise Disclosure Document for Tutor Doctor Systems, Inc for use in the State of Minnesota shall be amended to include the following

1 Item 13 is amended by the addition of the following language

The franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suite or demand regarding the use of the name

2 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs

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

Pursuant to Minn Rule 2860 4400D, any general release of claims that you or a transferor may have against us or our shareholders, directors, employees and agents, including without limitation claims arising under federal, state, and local laws and regulations shall exclude claims you or a transferor may have under the Minnesota Franchise Law and the Rules and Regulations promulgated thereunder by the Commissioner of Commerce

Minn Stat § 80C 21 and Minn Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to jury trial, any procedure, forum, or remedies as may be provided for by the laws of the jurisdiction

Minn Stat § 80C 17 prohibits any action from being commenced under the Minnesota Franchises Law more than three years after the cause of action accrues

3 Each provision of this addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commission of Commerce are met independently without reference to this addendum to the disclosure document

EXHIBIT B-7

New York Disclosure

ADDITIONAL RISK FACTORS

INFORMATION COMPARING FRANCHISORS IS AVAILABLE CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE ATTORNEY GENERAL, INVESTOR PROTECTION BUREAU, FRANCHISE SECTION, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005

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

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N Y Comp Code R & Regs tit 13, §§ 200 1 through 201 16), the Franchise Disclosure Document for Tutor Doctor Systems, Inc for use in the State of New York shall be amended as follows

1 Item 3, "Litigation," shall be amended by the addition of the following text

1 Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has any administrative, criminal, or a material civil or arbitration action (or a significant number of civil or arbitration actions irrespective of materiality) pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegations

2 Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has been convicted of a felony or pleaded *nolo contendere* to any other felony charge or, during the ten-year period immediately preceding the application for registration, been convicted of a misdemeanor or pleaded *nolo contendere* to any misdemeanor charge or been found liable in an arbitration proceeding or a civil action by final judgment, or been the subject of any other material complaint or legal or arbitration proceeding if such misdemeanor conviction or charge, civil action, complaint, or other such proceeding involved a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegation

3 Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, is subject to any currently effective injunctive or restrictive order or decree relating to franchises, or under any federal, state, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law as a result of 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 franchise as a real estate broker or sales agent

Except that, Preceptor Advantage, Inc v Tutor Doctor Systems, Inc , ICDR No 50 114 T 00503 11 On or about August 5, 2011, Preceptor Advantage, Inc , a Tutor Doctor franchisee, filed a demand for arbitration with the International Center for Dispute Resolution, asserting after amendment, that Tutor Doctor breached its franchise agreement and seeking monetary damages The parties have agreed to settle the action and the arbitration was stayed pending completion of the settlement In the settlement, Tutor Doctor agreed to permit Preceptor Advantage to resell its two franchise agreements to a third-party for a total purchase price of $97,000, the payment of which Tutor Doctor guaranteed

2 The last paragraph under Item 4, "Bankruptcy" is deleted in its entirety and the following language substituted in its place

Neither the franchisor, nor any predecessor or current officer of the Franchisor, during the ten-year period immediately preceding the date of this disclosure document, has filed as debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code, obtained a discharge of its debts under the bankruptcy code, or was a principal officer in a company, or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code or that obtained a discharge of its debts under the U S Bankruptcy Code during or within one year of the time that the officer or general partner held this position in the company or partnership

3 Item 5, "Initial Fees" is amended by the addition of the following

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

4 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by deleting rows d, j, and w, and the following new rows d, j, and w shall be substituted in their place

	Provision	Section in Franchise Agreement	Summary
d	Termination by you	Not applicable	Pursuant to New York General Business Law, the franchisee may terminate the Agreement on the grounds (if any) that are available by law
j	Assignment of contract by us	§ 16 1 of Franchise Agreement	There are no limits on our right to assign the Franchise Agreement However, no assignment will be made except to an assignee who, in Franchisor's judgment, is willing and able to assume the Franchisor's obligation under the agreement
w	Choice of law	§ 27 1 of Franchise Agreement	New York The foregoing choice of law should not be considered as a waiver of any right conferred upon the franchisor or the franchisee by the General Business Law of the State of New York, Article 33

5 There are circumstances in which an offering made by us would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the State of New York However, an offer or sale is deemed made in New York if the franchisee is domiciled in or the franchise will be opened in New York We are

required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33

STATEMENT OF DISCLOSURE DOCUMENT ACCURACY

THE FRANCHISOR REPRESENTS THAT THIS DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT

EXHIBIT B-8

North Dakota Disclosure

In recognition of the requirements of the North Dakota Franchise Investment Law, N D Cent Code, §§ 51-19-01 through 51-19-17, and the policies of the office of the State of North Dakota Securities Commission, the Franchise Disclosure Document for Tutor Doctor Systems, Inc shall be amended by the addition of the following language

1 The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N D C C)

A Restrictive Covenants Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N D C C , without further disclosing that such covenants will be subject to this statute

B Situs of Arbitration Proceedings Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business

C Restriction on Forum Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota

D Liquidated Damages and Termination Penalties Requiring North Dakota franchisees to consent to liquidated damages or termination penalties

E Applicable Laws Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota

F Waiver of Trial by Jury Requiring North Dakota franchisees to consent to the waiver of a trial by jury

G Waiver of Exemplary and Punitive Damages Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages

H General Release Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise

I Limitation on Claims Requiring North Dakota franchisees to consent to a limitation on when claims may be brought

EXHIBIT B-9

Rhode Island Disclosure

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28 1-1 through 19-28 1-34 the Franchise Disclosure Document for Tutor Doctor Systems, Inc for use in the State of Rhode Island shall be amended to include the following

1 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following

§ 19-28 1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act "

2 This addendum to the Disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act §§ 19-28 1-1 through 19-28 1-34, are met independently without reference to the Disclosure document

EXHIBIT B-10

Virginia Disclosure

In recognition of the requirements contained in Section 13 1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document of Tutor Doctor Systems, Inc is amended as follows

According to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause If any grounds for default or termination stated in the franchise agreement and development agreement does not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the provision may not be enforceable

According to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable

This addendum to the disclosure document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Virginia Retail Franchise Act are met independently without reference to this addendum to the Disclosure Document

EXHIBIT B-11

Washington Disclosure

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 180, the Franchise Disclosure Document for Tutor Doctor Systems, Inc in connection with the offer and sale of franchises for use in the State of Washington shall be amended to include the following

1 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs at the conclusion of the Item

'The state of Washington has a statute, RCW 19 100 180, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise

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

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

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

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

2 Each provision of this addendum to the disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 180, are met independently without reference to this addendum

EXHIBIT B-12

Illinois Franchise Agreement Amendment

In recognition of the requirements of the Illinois Franchise Disclosure Act, Ill Comp Stat §§ 705/1 to 705/44, the parties to the attached Tutor Doctor Systems, Inc Franchise Agreement (the "Agreement") agree as follows

Illinois law governs the agreements between the parties to this franchise

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

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void

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

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

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Illinois Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

Tutor Doctor Systems, Inc	_____
Franchisor	Franchisee Entity
By _____	By _____
Name _____	Name _____
Title _____	Title _____
Effective Date _____	

EXHIBIT B-13

Maryland Franchise Agreement Amendment

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Tutor Doctor Systems, Inc Franchise Agreement (the "Agreement") agree as follows

1 Section 2 2 7 of the Agreement, under the heading "Term And Renewal," shall be amended by the addition of the following

> The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

2 Section 16 5 1 of the Agreement, under the heading "Transfer of Interest," shall be amended by the addition of the following

> The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

3 Sections 27 2 and 27 7 of the Agreement, under the heading "Applicable Law and Dispute Resolution," shall be amended by the addition of the following

> A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law
>
> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise

4 Section 28 of the Agreement, under the heading "Acknowledgments," shall be amended by the addition of the following

> 28 14 The general release required as a condition of renewal, sale/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law
>
> 28 15 The foregoing acknowledgments are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law
>
> 28 16 The Franchisee Compliance Certification is not intended to, and shall not act, as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law

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

Maryland Amendment to the Franchise Agreement
(Page 1 of 2)

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Maryland Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

Tutor Doctor Systems, Inc
Franchisor

By _____

Name _____

Title _____

Effective Date _____

_____
Franchisee Entity

By _____

Name _____

Title _____

EXHIBIT B-14

Minnesota Franchise Agreement Amendment

In recognition of the requirements of the Minnesota Franchises Law, Minn Stat §§ 80C 01 through 80C 22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn Rules §§ 2860 0100 through 2860 9930, the parties to the attached Tutor Doctor Systems, Inc Franchise Agreement (the "Agreement") agree as follows

1 Section 2 2 7 of the Agreement, under the heading "Term And Renewal," shall be deleted in its entirety and shall have no force or effect, and the following paragraph shall be inserted in its place

> 2 2 7 You must sign and deliver to us a release, in a form that we will provide (which will be a mutual release with limited exclusions), which will release all claims against us and our affiliates, and our respective officers, directors, agents, and employees If you are an entity, then your affiliates and your direct and indirect owners (and any other parties that we reasonably request) must also sign and deliver that release to us, excluding only such claims as you may have that have arisen under the Minnesota Franchises Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce

2 Section 2 of the Agreement, under the heading "Term And Renewal," shall be amended by the addition of the following paragraph

> Minnesota law provides franchisees with certain non-renewal rights In sum, Minn Stat § 80C 14 (subd 4) currently requires, except in certain specified cases, that a franchisee be given 180 days notice of non-renewal of the Franchise Agreement

3 Section 9 of the Agreement, under the heading "Proprietary Marks," shall be amended by the addition of the following paragraph

> Pursuant to Minnesota Stat Sec 80C 12, Subd 1(g), we are required to protect any rights you may have to our Proprietary Marks

4 Section 16 5 1 of the Agreement, under the heading "Transfer of Interest," shall be deleted in its entirety and shall have no force or effect, and the following paragraph shall be inserted in its place

> 16 5 1 The transferor must have executed a general release, in a form satisfactory to us, of any and all claims against us and our affiliates, successors, and assigns, and their respective directors, officers, shareholders, partners, agents, representatives, servants, and employees in their corporate and individual capacities including, without limitation, claims arising under this Agreement, any other agreement between you and us, and/or our respective affiliates, and federal, state, and local laws and rules, excluding only such claims as the transferor may have under the Minnesota Franchises Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce

5 Section 16 of the Agreement, under the heading "Transfer of Interest," shall be amended by the addition of the following paragraph

Minnesota law provides franchisees with certain transfer rights In sum, Minn Stat §80C 14 (subd 5) currently requires that consent to the transfer of the franchise may not be unreasonably withheld

6 Section 17 of the Agreement, under the heading "Default and Termination," shall be amended by the following paragraph

Minnesota law provides franchisees with certain termination rights In sum, Minn Stat § 80C 14 (subd 3) currently requires, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) of the Franchise Agreement

7 Section 18 7 of the Agreement, under the heading "Obligations upon Termination or Expiration," shall be deleted in its entirety and shall have no force or effect, and the following paragraph shall be substituted in its place

18 7 *Pay Damages* You agree to pay us all damages, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur as a result of your default under this Agreement and/or subsequent to the termination or expiration of this Agreement in seeking injunctive or other relief for the enforcement of any provisions of this Section 18

8 Sections 27 5 and 27 9 of the Agreement, under the heading "Applicable Law and Dispute Resolution," shall be deleted in their entirety and shall have no force or effect, and the following paragraphs shall be substituted in its place

27 5 *Injunctions* Nothing contained in this Agreement shall bar our right to seek injunctive relief (without having to post a bond) against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions

27 9 *Payment of Legal Fees* You agree to pay us all damages, costs and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur after the termination or expiration of the franchise granted under this Agreement in ***(a)*** seeking injunctive or other relief for the enforcement of any provisions of this Agreement (including without limitation Sections 9 and 17 above), and/or ***(b)*** successfully defending a claim from you that we misrepresented the terms of this Agreement, fraudulently induced you to sign this Agreement, that the provisions of this Agreement are not fair, were not properly entered into, and/or that the terms of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship

9 Section 27 of the Agreement, under the heading "Applicable Law and Dispute Resolution", shall be amended by the following paragraph 27 10, which shall be considered an integral part of the Agreement

27 10 Minn Stat § 80C 17 prohibits any action from being commenced under the Minnesota Franchises Law more than three years after the cause of action accrues Minn Stat § 80C 21 and Minn Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to jury trial, any procedure, forum, or remedies as may be provided for by the laws of the jurisdiction

10 Each provision of this Agreement shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce are met independently without reference to this addendum to the Agreement

IN WITNESS WHEREOF, the parties hereto have duly executed, and delivered this Minnesota Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

Tutor Doctor Systems, Inc
Franchisor

By _____

Name _____

Title _____

Effective Date _____

_____
Franchisee Entity

By _____

Name _____

Title _____

EXHIBIT B-15

New York Franchise Agreement Amendment

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N Y Comp Code R & Regs , tit 13, §§ 200 1 through 201 16), the parties to the attached Tutor Doctor Systems, Inc Franchise Agreement (the "Agreement") agree as follows

1 Section 2 2 7 of the Agreement, under the heading "Term And Renewal," shall be deleted in its entirety, and shall have no force or effect, and the following paragraph shall be substituted in its place

> 2 2 7 You must sign and deliver to us a release, in a form that we will provide (which will be a mutual release with limited exclusions), which will release all claims against us and our affiliates, and our respective officers, directors, agents, and employees If you are an entity, then your affiliates and your direct and indirect owners (and any other parties that we reasonably request) must also sign and deliver that release to us, provided, however, that all rights enjoyed by you and any causes of action arising in your favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force, it being the intent of this provision that the non-waiver provisions of N Y Gen Bus Law Sections 687 4 and 687 5 be satisfied, and

2 Section 16 5 1 of the Agreement, under the heading "Transfer of Interest," shall be deleted in its entirety, and shall have no force or effect, and the following paragraph shall be substituted in its place

> 16 5 1 The transferor must have executed a general release, in a form satisfactory to us, of any and all claims against us and our affiliates, successors, and assigns, and their respective directors, officers, shareholders, partners, agents, representatives, servants, and employees in their corporate and individual capacities including, without limitation, claims arising under this Agreement, any other agreement between you and us, and/or our respective affiliates, and federal, state, and local laws and rules, provided, however, that all rights enjoyed by the transferor and any causes of action arising in its favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force, it being the intent of this provision that the non-waiver provisions of N Y Gen Bus Law Sections 687 4 and 687 5 be satisfied,

3 Section 18 7 of the Agreement, under the heading "Obligations upon Termination or Expiration," shall be deleted in its entirety and shall have no force or effect, and the following paragraph shall be substituted in its place

> 18 7 *Pay Damages* You agree to pay us all damages, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur as a result of your default under this Agreement and/or subsequent to the termination or expiration of this Agreement in seeking injunctive or other relief for the enforcement of any provisions of this Section 18

4 Sections 27 5 and 27 9 of the Agreement, under the heading "Applicable Law and Dispute Resolution," shall be deleted in their entirety and shall have no force or effect, and the following paragraphs shall be substituted in its place

27 5 *Injunctions* Nothing contained in this Agreement shall bar our right to seek injunctive relief (without having to post a bond) against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions

27 9 *Payment of Legal Fees* You agree to pay us all damages, costs and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur after the termination or expiration of the franchise granted under this Agreement in ***(a)*** seeking injunctive or other relief for the enforcement of any provisions of this Agreement (including without limitation Sections 9 and 17 above), and/or ***(b)*** successfully defending a claim from you that we misrepresented the terms of this Agreement, fraudulently induced you to sign this Agreement, that the provisions of this Agreement are not fair, were not properly entered into, and/or that the terms of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship

5 Section 27 of the Agreement, under the heading "Applicable Law and Dispute Resolution," shall be amended by the addition of the following paragraph

Nothing in this Agreement should be considered a waiver of any right conferred upon you by New York General Business Law, Sections 680-695

6 There are circumstances in which an offering made by us would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York However, an offer or sale is deemed made in New York if you are domiciled in or the franchise will be opening in New York We are required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this New York Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

Tutor Doctor Systems, Inc
Franchisor

By _____

Name _____

Title _____

Effective Date _____

_____
Franchisee Entity

By _____

Name _____

Title _____

EXHIBIT B-16

North Dakota Franchise Agreement Amendment

In recognition of the requirements of the North Dakota Franchise Investment Law, N D Cent Code, §§ 51-19-01 through 51-19-17, and the policies of the office of the State of North Dakota Securities Commission, the parties to the attached Tutor Doctor Systems, Inc Franchise Agreement (the "Agreement") agree as follows

1 The Agreement shall be amended by the addition of the following Section 29

29 The parties acknowledge and agree that they have been advised that the North Dakota Securities Commissioner has determined the following agreement provisions are unfair, unjust or inequitable to North Dakota franchisees

A Restrictive Covenants Any provision which discloses the existence of covenants restricting competition contrary to Section 9-08-06, N D C C , without further disclosing that such covenants will be subject to this statute

B Situs of Arbitration Proceedings Any provision requiring that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business

C Restriction on Forum Any provision requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota

D Liquidated Damages and Termination Penalties Any provision requiring North Dakota franchisees to consent to liquidated damages or termination penalties

E Applicable Laws Any provision which specifies that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota

F Waiver of Trial by Jury Any provision requiring North Dakota franchisees to consent to the waiver of a trial by jury

G Waiver of Exemplary and Punitive Damages Any provision requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages

H General Release Any provision requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise

I Limitation on Claims Requiring North Dakota franchisees to consent to a limitation on when claims may be brought

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this North Dakota Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

Tutor Doctor Systems, Inc
Franchisor

By _____

Name _____

Title _____

Effective Date _____

_____
Franchisee Entity

By _____

Name _____

Title _____

EXHIBIT B-17
Rhode Island Franchise Agreement Amendment

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28 1-1 through 19-28 1-34, the parties to the attached Tutor Doctor Systems, Inc Franchise Agreement (the "Agreement") agree as follows

1 Section 27 of the Agreement, under the heading "Applicable Law and Dispute Resolution," shall be amended by the addition of the following paragraph

> Section 19-28 1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act "

2 This amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28 1-1 through 19-28 1-34, are met independently without reference to this amendment

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Rhode Island Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

Tutor Doctor Systems, Inc
Franchisor

By _____

Name _____

Title _____

Effective Date _____

_____
Franchisee Entity

By _____

Name _____

Title _____

EXHIBIT B-18

Washington Franchise Agreement Amendment

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 010 through 19 100 940, the parties to the attached Tutor Doctor Systems, Inc Franchise Agreement (the "Agreement") agree as follows

1 The state of Washington has a statute, RCW 19 100 180, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise

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

3 In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

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

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

6 Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 010 through 19 100 940, are met independently without reference to this amendment

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Washington Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

Tutor Doctor Systems, Inc
Franchisor

_____
Franchisee Entity

By _____

Name _____

Title _____

Effective Date _____

By _____

Name _____

Title _____

EXHIBIT C TO THE DISCLOSURE DOCUMENT
FRANCHISE AGREEMENT AND RETAIL LOCATION ADDENDUM

Tutor Doctor Systems, Inc.

Franchise Agreement

Tutor Doctor Systems, Inc
Franchise Agreement

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Tutor Doctor Systems, Inc.
Franchise Agreement

THIS FRANCHISE AGREEMENT (the "**Agreement**") is made and entered into as of the "**Effective Date**" that we have indicated on the signature page of this Agreement by and between

- Tutor Doctor Systems, Inc , a Delaware corporation, with its principal place of business at 2711 Centreville Road, Suite 400, Wilmington, Delaware 19808 ("**we**," "**us**," or "**our**"), and

- _____ a [resident of] [corporation organized in] [limited liability company organized in] the state of _____ and having offices at _____ ("**you**" or the "**Franchisee**")

Introduction

*We own a format and system relating to the establishment and operation of "Tutor Doctor" businesses providing affordable tutoring and online services at a student's home ("**Tutor Doctor Businesses**")*

*Among the distinguishing characteristics of a Tutor Doctor Business are that it operates under our "Tutor Doctor" system Our System includes (among other things) tutoring curriculum and teaching services ("**Services**") and related products, professional image and high customer service standards, confidential and proprietary information and trade secrets, distinctive images, designs, business formats, training methods, procedures, and specifications, uniform standards, specifications, and procedures for operations, procedures for management, software, training and assistance, and advertising and promotional programs (together, the "**System**")*

*We identify the System by means of our Proprietary Marks Our proprietary marks include certain trade names (for example, the mark "Tutor Doctor" and logo), service marks, trademarks, logos, emblems, and indicia of origin, as well as other trade names, service marks, and trademarks that we may periodically specify in writing for use in connection with the System (all of these are referred to as our "**Proprietary Marks**") We continue to develop, use, and control the use of our Proprietary Marks in order to identify for the public the source of services and products marketed under those marks and under the System, and to represent the System's high standards of quality, appearance, and service*

We are in the business of developing and awarding franchise rights to third party franchisees, such as you You will be in the business of operating a Tutor Doctor Business, using the same brand and Proprietary Marks as other independent businesses that operate other Tutor Doctor Businesses under the System We will not operate your Tutor Doctor Business for you, although we have (and will continue) to set standards for Tutor Doctor Businesses that you will have chosen to adopt as yours by signing this Agreement and by your day-to-day management of your Tutor Doctor Business to our brand standards

You have asked to enter into the business of operating a Tutor Doctor Business under our System and wish to obtain a franchise from us for that purpose, as well as to receive the training and other assistance we provide as described in this Agreement You also understand and acknowledge the importance of our high standards of quality, appearance, and service and the necessity of operating the business franchised under this Agreement in conformity with our standards and specifications

*You recognize that many Tutor Doctor Businesses do not operate out of a retail location Accordingly, you further acknowledge that if you would like to operate a retail location in connection with your Tutor Doctor Business, then you will need to enter into a retail location addendum to this Agreement (a "**Retail Location Addendum**")*

Therefore, recognizing all of the details noted above, the parties have chosen to enter into this Agreement, taking into account all of the promises and commitments that they are each making to one another in this contract, and for other good and valuable consideration (the sufficiency and receipt of which they hereby acknowledge) and they agree as follows

1 GRANT

1 1 *Rights and Obligations* We grant you the right, and you accept the obligation, all under the terms and conditions of this Agreement

1 1 1 To operate one Tutor Doctor Business under the System in the format ("Local Territory Franchise" or "Regional Territory Franchise") designated in the Data Addendum (Exhibit A) (referred to as the "**Business**" or "**Franchised Business**"),

1 1 2 To use the Proprietary Marks and the System, but only in connection with the Franchised Business (recognizing that we may periodically change or improve the Proprietary Marks and the System), and

1 1 3 To do all of those things only at and from (**a**) the Approved Office (as defined in Section 1 2 below), and (**b**) customer locations in your Protected Territory (as defined in Section 1 3 below) (collectively, "**Permitted Locations**")

1 2 *Office* The address of the office from which you will operate your Franchised Business is specified in Exhibit A to this Agreement, and is referred to as the "**Approved Office** "

1 2 1 You may offer Services locations within the Protected Territory (without our prior written approval), so long as you conduct Services and offer products only at or from a Permitted Location

1 2 2 If you wish to operate your Franchised Business from any location other than the Permitted Locations in your Protected Territory (such as a remote or retail location), then you must ask for and obtain our prior written approval (which we have the right to grant or not grant) Among other things, you must be in compliance with the terms of this Agreement in order to be approved

1 2 3 If you wish to operate a physical location in connection with your Franchised Business, then you must first obtain our prior written approval and enter into (and comply with) the terms of our then-current Retail Location Addendum (a current copy of which is attached to this Agreement as Exhibit G) Among other things, you must be in compliance with the terms of this Agreement in order to be approved

1 3 *Protected Territory and Exclusions*

1 3 1 The term "**Protected Territory**" means the area that we have designated in Exhibit A to this Agreement During the term of this Agreement, we will not operate, or grant the right to any other party to operate, a Tutor Doctor Business in the Protected Territory, except as otherwise provided in this Section 1 3 and in Section 1 5 below

1 3 2 We retain all other rights, including the right, among other things, on any terms and conditions we deem advisable, and without granting you any rights in these matters, to do any or all of the following (and, in each case, despite their actual or threatened impact on sales at the Franchised Business)

1 3 2 1 Establish, and franchise others to establish, Tutor Doctor Businesses to serve students anywhere outside the Protected Territory

1 3 2 2 Provide, and license others to provide, Services and products to, and/or establish Tutor Doctor Businesses at any Large Account (defined below), whether the students associated with the Large Account are inside or outside the Protected Territory

1 3 2 3 Establish, and license others to establish, any businesses offering any products and services (including businesses that provide tutoring and online or computer-based learning services), whether or not under the System or using the Proprietary Marks, whether those business are located inside or outside of the Protected Territory

1 3 2 4 Acquire (or be acquired) and then operate any business of any kind, whether located inside or outside the Protected Territory

1 3 2 5 Sell and distribute, or license others to sell and distribute, directly or indirectly, any products from any location or to any purchaser (including, but not limited to, the sale of items at wholesale and to purchasers in the Protected Territory through mail order, and on the Internet, under our Proprietary Marks or as private-labeled items), so long as these sales are not made from a Tutor Doctor Business operated inside the Protected Territory (excluding any Large Account)

1 4 *Territorial Rules*

1 4 1 We offer two types of Protected Territories under this Agreement ***(a)*** a "Local Territory" and ***(b)*** a "Regional Territory " The Data Addendum (Exhibit A) designates whether your Protected Territory is a Local Territory or a Regional Territory, as well as other details such as the boundaries of your Protected Territory

1 4 1 1 *Local Territory* A Local Protected Territory is defined by zip code boundaries and will include a population of approximately seventy-five thousand (75,000) to one hundred thousand (100,000) people Except for the protections granted to you under Section 1 3 above, a "Local Territory" Protected Territory will be non-exclusive and other Tutor Doctor Businesses will be permitted to offer Services and products within your Protected Territory You will have the right to offer and sell Services and products to customers located only within your Local Protected Territory

1 4 1 2 *Regional Territory* The Regional Protected Territory is typically comprised of a state or an equivalent geographic area As part of a "Regional Territory" Business, you are also granted a Local Territory situated within the Regional Territory The Regional Territory will be non-exclusive, and other franchisees may be granted a Regional Territory that includes all or some of the Regional Territory you are granted However, the Local Territory that you are granted within your Regional Territory will have the

same protections as noted in Section 1 3 and 1 4 1 1 above You will have the right to offer and sell products and Services to customers located only within your Regional Protected Territory

1 4 2 You may offer, advertise, and market the Services and products of the Franchised Business, and directly solicit customers, inside (but only inside) your Protected Territory (subject to our right to approve all advertising and marketing materials as set forth in Section 13 7 below), except as otherwise provided below The terms "**direct solicitation**" and "**directly solicit**" include, but are not limited to, solicitation in person, by telephone, by mail, by e-mail or other electronic means, advertising, marketing, and by distribution of brochures, business cards or other materials

1 4 3 You may not directly solicit customers located outside of the Protected Territory unless you receive our prior written consent to do so We will review and we have the right to approve or deny each such request on a case-by-case basis We also reserve the right at any time to withdraw any consent previously provided

1 4 4 If we grant our consent for you to directly solicit customers outside of your Protected Territory, you may only perform such direct solicitation, and accept customers from or offer Services and products from the Franchised Business, outside of the Protected Territory if you do so in compliance with this Section 1 5 (including the conditions if any that we place on your solicitation of customers outside the Protected Territory)

1 4 5 Upon your request, and only if we determine that it is appropriate, we have the right to grant (or deny) permission for you to directly solicit customers from areas located outside the Protected Territory, provided that those customers are not within the protected territory of another Tutor Doctor Business (an "**Open Area**") We will have the right (for example, if another Tutor Doctor Business opens to serve an Open Area) to require that you stop directly soliciting customers from within that area and that you immediately stop offering Services and products from the Franchised Business to any customers in that area

1 4 6 If any of your advertising within the Protected Territory is in media that will or may reach a significant number of persons outside of the Protected Territory, you must notify us and obtain our prior written consent (in addition to the requirements in Section 13 8 below) We may periodically establish rules and policies in the Brand Standards Manuals and otherwise in writing regarding such advertising, including, as an example, that such advertising include the contact information for all of the Tutor Doctor Businesses that are affected by the advertising

1 4 7 You acknowledge that *(a)* other Tutor Doctor Businesses will operate under restrictions similar to those set out in this Section 1 4 (the "**Territorial Rules**"), which means that in some instances, other Tutor Doctor Businesses may sponsor advertising that reaches persons in your Protected Territory, and (**b**) we do not represent or guarantee that other Tutor Doctor Businesses will always abide by the Territorial Rules, and we will have no liability to you for such violations

1 5 *Large Accounts* The term "**Large Account**" means any customer, or group of customers, that together have multiple affiliated outlets that we designate based upon our determination that these businesses in multiple locations are of strategic importance to us We will have the right to negotiate the terms and conditions of all Services and products to be provided to Large Account customers, in accordance with the terms of Section 8 14 below

2 TERM AND RENEWAL

2 1 *Term* The term of this Agreement starts on the Effective Date and, unless this Agreement is earlier terminated in accordance with its provisions, will expire ten (10) years from the Effective Date

2 2 *Renewal* You will have the right to renew your rights to operate the Franchise Business for one (1) additional successor term of ten (10) years, so long as you have satisfied all of the conditions specified in Sections 2 2 1 through 2 2 10 before each such renewal

2 2 1 You agree to give us written notice of your election to renew at least six (6) months before the end of the term of this Agreement (but not more than one (1) year before the term expires)

2 2 2 You must upgrade and refresh the materials used for the Franchised Business (including, without limitation, any vehicles that you operate in connection with the Franchised Business) to comply with our then-current standards in effect for new Tutor Doctor Businesses (if necessary and not already meeting those standards)

2 2 3 At the time of renewal, you must be in material compliance with the provisions of this Agreement (including any amendment to this Agreement), any successor to this Agreement, and/or any other contract between you (and your affiliates) and us (and our affiliates), you must have met our minimum performance standards that we periodically require, and in our reasonable judgment, you must have been in material compliance during the term of this Agreement, even if we did not issue a notice of default or exercise our right to terminate this Agreement if you did not meet your obligations

2 2 4 You must have timely met all of your financial obligations to us, our affiliates, the Branding Fund, and/or the Regional Fund, as well as your vendors, throughout the term of this Agreement (even if we did not issue a notice of default or exercise our right to terminate this Agreement if you did not meet your obligations)

2 2 5 You must sign our then-current form of franchise agreement, which will supersede this Agreement in all respects (except with respect to the renewal provisions of the new franchise agreement, which will not supersede this Section 2), and which you acknowledge and agree may contain terms, conditions, obligations, rights, and other provisions that are substantially and materially different from those spelled out in this Agreement (including, for example, a higher percentage royalty fee and marketing contribution) If you are an entity, then your owners (whether direct, indirect, and/or beneficial owners) must sign and deliver to us a personal guarantee of your obligations under the renewal form of franchise agreement (In this Agreement, the term "**entity**" includes a corporation, limited liability company, partnership, and a limited liability partnership)

2 2 6 Instead of a new initial franchise fee, you agree to pay to us a renewal fee in the amount of Ten Thousand Dollars ($10,000)

2 2 7 You (and your owners, whether direct, indirect or beneficial) agree to sign and deliver to us a release, in a form that we will provide (which will be a mutual release with limited exclusions), which will release all claims against us and our affiliates, and our respective officers, directors, members, managers, agents, and employees If you

are an entity, then your affiliates and your direct and indirect owners (and any other parties that we reasonably request) must also sign and deliver that release to us

2 2 8 You and your personnel must meet our then-current qualification and training requirements

2 2 9 You must be current with respect to your financial and other obligations to your lessor, suppliers, and all other parties with whom you do business

3 OUR DUTIES

3 1 *Training* We will provide you with the training specified in Section 6 below

3 2 *Opening and Additional Assistance* We will provide a representative to be present at the opening of the Franchised Business We will provide such additional on-site pre-opening and opening supervision and assistance that we think is advisable, and as may be described in the Brand Standards Manual (defined below)

3 3 *Brand Standards Manual* We will loan to you one (1) copy of (or provide you with access to), during the term of this Agreement, our confidential operations manuals and other written instructions relating to the operation of a Tutor Doctor Business (the "**Brand Standards Manual**"), in the manner and as described in Section 10 below

3 4 *Marketing Materials* We have the right to approve or disapprove all marketing and promotional materials that you propose to use, pursuant to Section 13 below

3 5 *Branding Funds* We will administer the Branding Fund (as defined in Section 13 below) in the manner set forth in Section 13 below

3 6 *Inspection Before Opening* We will evaluate the Franchised Business before it first opens for business You agree to not open the Franchised Business or otherwise start operations until you have received our prior written approval

3 7 *Periodic Assistance* We will provide you periodic assistance in the marketing, management, and operation of the Franchised Business at the times and in the manner that we determine

3 8 *Services Performed* You acknowledge and agree that any of our designees, employees, agents, or independent contractors (such as an "area developer") may perform any duty or obligation imposed on us by the Agreement, as we may direct (if so, we will, nonetheless, remain responsible to you for the performance of these obligations)

3 9 *Our Decision-Making* In fulfilling our obligations under this Agreement, and in conducting any activities or exercising our rights pursuant to this Agreement, we (and our affiliates) will always have the right **(a)** to take into account, as we see fit, the effect on, and the interests of, other franchised and company-owned or affiliated businesses and systems, **(b)** to share market and product research, and other proprietary and non-proprietary business information, with other franchised businesses and systems in which we (or our affiliates) have an interest, and/or with our affiliates, **(c)** to test market various items in some or all parts of the System, **(d)** to introduce new proprietary items and non-proprietary items or operational equipment, and/or **(e)** to allocate resources and new developments between and among systems, and/or our affiliates, as we see fit You understand and agree that all of our obligations under this Agreement are subject to this Section, and that nothing in this Section will in any way affect your obligations under this Agreement

3 10 *Confirmation of Performance* After we have performed our pre-opening obligations to you under this Agreement, we may ask that you execute and deliver to us a confirmation (the "**Confirmation of Performance**"), in a form we reasonably request, confirming that we have performed those obligations If we ask you to provide us with such a certificate, you agree to execute and deliver the Confirmation of Performance to us within three (3) business days after our request However, if you do not reasonably believe that we have performed all of our pre-opening obligations, you must, within that same three (3) day period, provide us with written notice specifically describing the obligations that we have not performed Not later than three (3) business days after we complete all the obligations that you specified in that notice, you agree to execute and deliver the Confirmation of Performance to us You agree to do so even if we performed such obligations after the time performance was due under this Agreement The term "pre-opening obligations" means the obligations we have to you under this Agreement that must be performed before the date when your Franchised Business starts operating

4 FEES, SALES REPORTING

4 1 *Initial Franchise Fee* You agree to pay us an initial franchise fee in the amount as set out in the Data Addendum (Exhibit A) (the "**Initial Franchise Fee**") The Initial Franchise Fee is due and payable to us on the day that you sign this Agreement If you have paid a deposit to us ("**Deposit**") pursuant to our "Franchise Application Agreement," then, upon execution of this Agreement, the Deposit shall be applied toward the total Initial Franchise Fee due, and you must upon entering into this Agreement pay the balance of the Initial Franchise Fee The Initial Franchise Fee is not refundable in consideration of administrative and other expenses that we incur in granting this franchise and for our lost or deferred opportunity to grant a franchise to other parties

4 2 *Royalty Fee and Sales Reports* For each Month during the term of this Agreement, you agree to (**a**) pay us a continuing royalty fee in the amount equal to the greater of (i) eight percent (8%) of the Gross Sales (as defined below) of the Franchised Business, or (ii) the Minimum Royalty Fee (as defined in the Data Addendum (Exhibit A) ("**Royalty Fees**")), and (**b**) report to us, in the form and manner that we specify, your Gross Sales (a "**Sales Report**") As used in this Agreement

4 2 1 the term "**Month**" means a calendar month or such other four (4) to five (5) week period that we may designate (provided that there will not be more than 13 "Months" during any year), and

4 2 2 the term "**Gross Sales**" means all revenue from the sale of all Services and products and all other income of every kind and nature related to, derived from, or originating from the Franchised Business (whether or not permitted under this Agreement), including barter and the proceeds of any business interruption insurance policies, whether for cash or credit, and regardless of theft, or of collection in the case of credit Gross Sales excludes (a) any legitimate and reasonable discounts and/or refunds that you provide to customers, and (b) sales taxes or other taxes that you collect from your customers and actually pay to the appropriate taxing authorities

4 3 *Due Date* All payments required by Section 4 2 above and Section 13 below, and the Sales Report required under Section 4 2 above, must be paid and submitted so that they are received by us, in our offices, by 5 00pm (Toronto time) on the fifteenth (15th) day of each Month, based on the Gross Sales of the Franchised Business during the previous Month just ended In addition, you agree to all of the following

4 3 1 You agree to deliver to us all of the reports, statements, and/or other information that is required under Section 12 below, at the time and in the format that we reasonably request

4 3 2 You agree to establish an arrangement for electronic funds transfer to us, or electronic deposit to us of any payments required under this Agreement Among other things, to implement this point, you agree to sign and return to us our current form of "ACH - Authorization Agreement for Prearranged Payments (Direct Debits)," a copy of which is attached to this Agreement as Exhibit D (and any replacements for that form that we deem to be periodically needed to implement this Section 4 3 2), and you agree to, **(a)** comply with the payment and reporting procedures that we may specify in the Brand Standards Manual or otherwise in writing, and **(b)** maintain an adequate balance in your bank account at all times to pay by electronic means the charges that you owe under this Agreement If we elect to use ACH withdrawal to sweep payment of fees, then you will not be required to submit a separate payment to us unless you do not maintain sufficient funds to pay the full amount due

4 3 3 You acknowledge and agree that your obligations to make full and timely payment of Royalty Fees and Branding Fund Contributions (and all other sums due to us) are absolute, unconditional, fully-earned (by us), and due when you are open and in operation

4 3 4 You agree that you will not, for any reason, delay or withhold the payment of any amount due to us under this Agreement, put into escrow any payment due to us, set-off payments due to us against any claims or alleged claims that you may allege against us, the Branding Fund, the Regional Fund, affiliates, suppliers, or others

4 3 5 You agree that if you do not provide us, as requested, with access to your computer system to obtain sales information or, if we require pursuant to Section 12 1 4 below or otherwise, printed and signed sales reports, then we will have the right to impute your sales for any period using (among other things) your sales figures from any Month(s) that we choose (which may be those with your highest grossing sales), and that you agree to pay the royalties on that amount (whether by check or by our deduction of that amount from your direct debit account)

4 3 6 You agree that you will not, whether on grounds of alleged non-performance by us or others, withhold payment of any fee, including, without limitation, Royalty Fees or Branding Fund Contributions, nor withhold or delay submission of any reports due under this Agreement

4 4 *No Subordination* You agree (**a**) not to subordinate to any other obligation your obligation to pay us the royalty fee and/or any other amount payable to us, whether under this Agreement or otherwise, and (**b**) that any such subordination commitment that you may give without our prior written consent will be null and void

4 5 *Late Payment* If we do not receive any payment due under this Agreement (and if the appropriate marketing fund does not receive payment due) on or before the due date, then that amount will be deemed overdue If any payment is overdue, then you agree to pay us, in addition to the overdue amount, interest on the overdue amount from the date it was due until paid, at the rate of eighteen percent (18%) per annum (but not more than the maximum rate permitted by law, if any such maximum rate applies) Our entitlement to such interest will be in addition to any other remedies we may have Any report that we do not receive on or before the due date will also be deemed overdue

4 6 *Other Funds Due* You agree to pay us, within ten (10) days of our written request (which is accompanied by reasonable substantiating material), any amounts that we have paid, that we have become obligated to pay, and/or that we choose to pay on your behalf

4 7 *Technology, Website Management, and Care Center Fees*

4 7 1 You shall pay to us (or our designee), on a Monthly basis, a continuing and non-refundable technology fee in the amount of One Hundred and Fifty Dollars ($150) (the "**Technology Fee**") The Technology Fee shall be payable in consideration for the use of all of our technology, including your continued use of the required customer relationship management software

4 7 2 You shall also be required to pay to us (or our designee), each Month, a continuing and non-refundable website management fee in the amount of One Hundred and Fifty Dollars ($150) (the "**Website Management Fee**") The Website Management Fee shall be payable in consideration for the development and management of the website(s) maintained for the benefit of the System (in addition to other funds that may be used to support those websites, including various of the Branding Fund and other marketing related funds)

4 7 3 You must participate in our care center for lead conversions and customer bookings You shall pay to us our then-current care center fee ("**Care Center Fee**") The Care Center Fee is currently four percent (4%) of monthly Gross Sales (however, if you produce an average annual enrollment value for each unique client of Two Thousand Five Hundred Dollars ($2,500), then you will receive a one percent (1%) rebate of the Care Center Fee at the end of that calendar year) We expect the Care Center Fee to change in the future, to an amount that will be based on booked consultations and per minute charges

4 7 4 The Technology Fee Website Management Fee and Care Center Fees shall each be payable at the same time and in the same manner as the Royalty Fee You understand and agree that we cannot (and do not) guarantee or make any representations about the manner in which the website will be maintained, including the degree to which the website promotes and/or drives traffic to you

4 8 *Index* We have the right to adjust, for inflation, all fixed-dollar amounts under this Agreement (except for the Initial Franchise Fee) once a year to reflect changes in the Index from the year in which you signed this Agreement For the purpose of this Section 4 8, the term "**Index**" means the Consumer Price Index (1982-84=100, all items, CPI-U, all urban consumers) as published by the U S Bureau of Labor Statistics ("**BLS**") If the BLS no longer publishes the Index, then we will have the right to designate a reasonable alternative measure of inflation

5 FRANCHISED BUSINESS COMMENCEMENT

5 1 *Opening the Franchised Business* Unless you enter into the Retail Location Addendum, you or your Operating Principal (defined in Section 6 2 below) must complete our initial training program within ninety (90) days after the Effective Date You must begin operation of the Franchised Business within one (1) week after you or your Operating Principal successfully completes (to our satisfaction) our initial training program **Time is of the essence**

5 2 *Relocation* You agree not to relocate the Franchised Business without our prior written consent We will have the right to grant or to withhold our approval of any proposed location

or relocation and, if our approval is granted, you understand that our approval will not be deemed to be our guarantee, representation, or assurance that your Franchised Business will be profitable or successful at that location or elsewhere

5 3 *Pre-Opening* Before opening for business, you agree to meet all of the pre-opening requirements specified in this Agreement, the Brand Standards Manual, and/or that we may otherwise specify in writing

6 OPERATING PRINCIPAL, PERSONNEL, AND TRAINING

6 1 *Operating Principal and Management*

6 1 1 If you are a corporation, partnership or LLC, you must have an individual owner serve as your "**Operating Principal**" The Operating Principal must supervise the operation of the Franchised Business and must own at least fifty percent (50%) of the voting and ownership interests in the franchisee entity, unless you obtain our prior written approval for the Operating Principal to hold a smaller interest The Operating Principal must have qualifications reasonably acceptable to us to serve in this capacity, complete our training program as described below, must have authority over all business decisions related to the Franchised Business, must have the power to bind you in all dealings with us, and must have signed and delivered to us the Guarantee, Indemnification, and Acknowledgement attached to this Agreement as Exhibit B You may not change the Operating Principal without our prior written approval

6 1 2 The Franchised Business must at all times be under the active full-time management of either you or the Operating Principal who has successfully completed (to our satisfaction) our initial training program You must, at all times, actively promote the Services and products offered by the Franchised Business, and use best efforts to cultivate, develop and expand the market for these Services and products within the Protected Territory You (or, if you are an entity, the Operating Principal) shall devote full time and best efforts to the management and operation of the Franchised Business

6 1 3 The term "**Specially Trained Management Personnel**" is agreed to mean the Operating Principal and any other individuals who have successfully completed our initial and ongoing training requirements and possess the qualifications necessary to the management and/or service roles that each such performs in the Franchised Business

6 2 *Initial Management Training* Before opening your Business, you (or if you are an entity, your Operating Principal), and, if applicable, one (1) additional management individual, must attend and successfully complete, to our satisfaction, the initial training program we offer for Tutor Doctor Business franchisees at our headquarters or another location that we specify Depending on the qualifications of your Operating Principal relating to the Services to be provided to customers, we may require that you send a third person, with qualifications acceptable to us, to attend and successfully complete our initial training program You may send up to three (3) individuals (including the Specially Trained Management Personnel) to the initial training program If you ask to send more than three (3) individuals to the initial training program, and for each replacement training for a Specially Trained Management Personnel, you agree to pay us a training fee in the amount of Two Thousand Five Hundred Dollars ($2,500) for each individual to be trained, with payment to be made in full before training starts

6 3 *Additional Obligations and Terms Regarding Training*

6 3 1 If you (or your Operating Principal) ceases active management or employment at the Franchised Business, or if we disapprove of the service of you (or your Operating Principal) in a specific role (but not as an employee), or if we revoke the certification of you (or your Operating Principal) to serve in that capacity, then you agree to enroll a qualified replacement (who must be reasonably acceptable to us to serve in that capacity) in our initial training program within thirty (30) days after the former individual ended his/her full time employment and/or management responsibilities The replacement must attend and successfully complete the basic management training program, to our reasonable satisfaction, as soon as it is practical to do so

6 3 2 We may require that you and your Specially Trained Management Personnel attend such refresher courses, seminars, and other training programs as we may reasonably require periodically

6 3 3 We may require you to enroll each of your employees in web-based training programs relating to the Services and products that each will assist in providing to customers of the Business

6 3 4 All of your trainees must sign and deliver to us a personal covenant of confidentiality in substantially the form of Exhibit F to this Agreement

6 3 5 Training Costs and Expenses

6 3 5 1 We will bear the cost of providing the instruction and required materials, except as otherwise provided in Sections 6 2 and 6 5 of this Agreement

6 3 5 2 You agree to bear all expenses incurred in connection with any training, including without limitation the costs of transportation, lodging, meals, wages, benefits, and worker's compensation insurance for you and your employees

6 3 5 3 You also agree to cover all of your employees at all times (including the pre-opening period, and including those attending training) under the insurance policies required in Section 15 below

6 3 5 4 We have the right to reduce the duration or content of the training program for any trainee who has prior experience with our System or in similar businesses

6 4 *Additional On-Site Training* You may ask us to provide on-site training in addition to that which we will provide to you in connection with the initial training program and/or the opening of the Franchised Business, and if we are able to do so, then you agree to pay us our then-current per diem training charges as well as our out-of-pocket expenses Additionally, if we determine that you are not operating the Franchised Business in accordance with our standards as set forth in the Brand Standards Manual, we may place you in default of this Agreement and/or require you and/or your employees to complete additional training at the Franchised Business or a location that we designate, at your expense, which will include our then-current per diem training charges and our out-of-pocket expenses for any training conducted at your Franchised Business

6 5 *Conventions and Meetings* You agree to attend the conventions and meetings that we may periodically require and to pay a reasonable fee for each person who is required to attend (and, if applicable, additional attendees that you choose to send as well) You will be required to pay to us the convention or meeting attendance fee regardless of whether you (or your Operating Principal or manager) actually attend the meeting or convention You will also be responsible for all of the other costs of attendance, including travel, room and board, and your employees' wages, benefits and other expenses

7 PURCHASING AND SUPPLY OF PRODUCTS

While your Business will focus principally on the provision of Services, you will also offer certain products at your Business This Section 7 addresses those items

7 1 *Products* You agree to buy all products, equipment, furniture, supplies, materials (such as packaging), and other products used or offered for sale at or from the Business only from suppliers as to whom we have given you our prior written approval (and that we have not later disapproved) In this regard, the parties further agree

7 1 1 In determining whether we will approve any particular supplier, we will consider various factors, including **(a)** whether the supplier can demonstrate, to our continuing reasonable satisfaction, the ability to meet our then-current standards and specifications for such items, **(b)** whether the supplier has adequate quality controls and capacity to supply your needs promptly and reliably, **(c)** whether approval of the supplier would enable the System, in our sole opinion, to take advantage of marketplace efficiencies, and **(d)** whether the supplier will sign a confidentiality agreement and a license agreement in the form that we may require (which may include a royalty fee for the right to use our Proprietary Marks and any other proprietary rights, recipes, and/or formulae)

7 1 2 For the purpose of this Agreement, the term "**supplier**" includes, but is not limited to, manufacturers, distributors, resellers, and other vendors

7 1 3 You acknowledge and agree that we have the right to appoint only one supplier for any particular product or item (which may be us or one of our affiliates)

7 1 4 You agree to offer and sell only Services and products at the Franchised Business You may not offer or sell anything at the Franchised Business that is not a Service or a product

7 1 5 If you want to buy any products or any item from an unapproved supplier (except for proprietary items, which are addressed in Section 7 2 below), then you must first submit a written request to us asking for our prior written approval You agree not to buy from any such supplier unless and until we have given you our prior written consent to do so We have the right to require that our representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to us or to an independent laboratory that we have designated for testing You (or the supplier) may be required to pay a charge, not to exceed the reasonable cost of the inspection, as well as the actual cost of the test We have the right to also require that the supplier comply with such other requirements that we have the right to designate, including payment of reasonable continuing inspection fees and administrative costs and/or other payment to us by the supplier on account of their dealings with you or other franchisees, for use of our trademarks, and for services that we may render to such suppliers We also reserve the right, at our option, to

periodically re-inspect the facilities and products of any such approved supplier and to revoke our approval if the supplier does not continue to meet any of our then-current criteria We are not required to approve any particular supplier, nor to make available our standards, specifications, or formulas to prospective suppliers, which we have the right to deem confidential

7 1 6 You agree we have the right to establish one or more strategic alliances or preferred vendor programs with one or more nationally or regionally-known suppliers that are willing to supply all or some Tutor Doctor Businesses with some or all of the products and/or services that we require for use and/or sale in the development and/or operation of Tutor Doctor Businesses, notwithstanding anything to the contrary contained in this Agreement In this event, we may limit the number of approved suppliers with whom you may deal, designate sources that you must use for some or all products and other products and services, and/or refuse any of your requests if we believe that this action is in the best interests of the System or the network of Tutor Doctor Businesses We have the right to approve or disapprove of the suppliers who may be permitted to sell products to you Any of our affiliates that sell products to you will do so at our direction If you are in default of this Agreement, we reserve the right to direct our affiliates not to sell products to you, or to withhold certain discounts which might otherwise be available to you

7 1 7 You acknowledge and agree that we have the right to collect and retain all manufacturing allowances, marketing allowances, rebates, credits, monies, payments or benefits (collectively, "**Allowances**") offered by suppliers to you or to us (or our affiliates) based upon your purchases of products and other goods and services These Allowances include those based on purchases of products, other products, paper goods, beverages, and other items (such as packaging) You assign to us or our designee all of your right, title and interest in and to any and all such Allowances and authorize us (or our designee) to collect and retain any or all such Allowances without restriction

7 1 8 If we require you to offer and sell items that bear our Proprietary Marks, or to use items that bear our Proprietary Marks, then you must buy, use, and sell only the items that we require, and you must buy those items only from our approved suppliers

7 2 *Proprietary Items* You acknowledge and agree that (**a**) we have the right to require that certain items that you offer at the Franchised Business must be produced in accordance with our proprietary standards and specifications (and/or those of our affiliates), and that such items are our proprietary products, and (**b**) we have the right to require that you purchase and offer branded non-proprietary private-label products at your Business In order to maintain the high standards of quality and uniformity associated with proprietary items, and other products and packaging bearing the Proprietary Marks, you agree to purchase those proprietary items and products, as well as any packaging bearing the Proprietary Marks (and any other products we may now or in the future designate), only from us, our affiliates, and/or our approved suppliers, and not to offer or sell any other such products at or from the Franchised Business We have the right to determine whether any particular item will be a "Proprietary Item "

7 3 *Use of the Marks* You must require all marketing materials, signs, decorations, paper goods (including, without limitation, and all forms and stationery used in the Franchised Business), and other items which we may designate to bear the Proprietary Marks in the form, color,

location, and manner we prescribe (and subject to our prior written approval, for example as provided in Section 13 8 below)

7 4 *Manufacturing* You agree that you will not manufacture any items in the Franchised Business, including products that we have otherwise authorized and approved for production

8 YOUR DUTIES

In addition to all of the other duties specified in this Agreement, for the sake of brand enhancement and protection, you agree to all of the following

8 1 *Importance of Following Standards* You understand and acknowledge that every detail of the Franchised Business is important to you, to us, and to other "Tutor Doctor" franchisees and licensees in order to develop and maintain high operating standards, to provide superior customer service to customers and participants, to increase the demand for the services and products sold, by all franchisees, and to protect and enhance the reputation and goodwill associated with our brand

8 2 *Opening* In connection with the opening of the Franchised Business

8 2 1 You agree to conduct, at your expense, such promotional and marketing activities as we may require

8 2 2 You agree to open the Franchised Business by the date specified in Section 5 1 above Subject to availability and scheduling, we will send a representative to be present when you commence operations If we cannot provide our representative on the date that you propose to first open the Franchised Business for business, then you must reschedule such opening to a date on which our representative can be present, provided, that we will not unreasonably delay the commencement of operations at the Franchised Business due to these considerations

8 2 3 You agree not to commence operations of the Franchised Business until the Specially Trained Management Personnel have successfully completed all training that we require, and not until you have hired and trained to our standards a sufficient number of employees to service the anticipated level of the Franchised Business' customers

8 2 4 In addition, you agree not to commence operations of the Franchised Business until the Initial Franchise Fee and any other amounts due to us (and our affiliates) under this Agreement or any other agreements have been paid

8 3 *Staffing*

8 3 1 You agree to maintain a competent, conscientious staff in numbers sufficient to promptly service customers and to comply with staffing and service criteria, which may include without limitation specified positions that we may designate from time to time as necessary or appropriate for providing quality member experience according to our standards We will provide our requirements for service/function positions that we may establish from time to time and which will be set forth in our Brand Standards Manuals We reserve the right to require you to employ additional staff if we determine that you are not meeting our standards with respect to customer service and quality of performance

8 3 2 For the sake of efficiency and to enhance and protect our brand you and your staff must, at all times, cooperate with us and with our representatives, and conduct the operation of the business in a first-class and professional manner in terms of dealing with customers, vendors, and our staff as well We have the ongoing right, at any time, to conduct and update background checks on you and each of your personnel

8 3 3 Your employees must comply with such dress code or standards as we may require, which may include use of branded (or other "**uniform**") apparel, and otherwise identify themselves with the Proprietary Marks at all times in the manner we specify (whether in the Brand Standards Manual or otherwise in writing) while on a job for the Franchised Business We may also require that you and your employees comply with personal appearance standards (including dress code, shoes, hair color, body art, piercing, sanitation and personal hygiene, foundation garments, personal displays at work stations, etc)

8 4 *Operation According to Our Standards* To insure that the highest degree of quality and service is maintained, you agree to operate your Franchised Business in strict conformity with such methods, standards, and specifications that we may periodically require in the Brand Standards Manual or otherwise in writing In this regard, you agree to do all of the following

8 4 1 You agree to maintain in sufficient supply, and to offer and/or sell at all times only the Services and products that meet our written standards and specifications, and you also agree not to deviate from our standards and specifications by using or offering any non-conforming items without our specific prior written consent

8 4 2 You shall purchase or lease the motor vehicle we require and specify for the Franchised Business Such vehicle shall be professionally wrapped and/or logoed to our standards and specifications You shall ensure that, at all times, the motor vehicle is properly insured, according to our standards and/or as mandated by local law, and is properly maintained The motor vehicle must be kept in a neat and clean condition at all times If you replace the motor vehicle during the term of this Agreement, you shall inform us of such replacement, and any such replacement shall meet our standards and specifications

8 4 3 You agree (**a**) to sell or offer for sale only those Services and products that we have approved in writing for you to sell at your Franchised Business, (**b**) to sell or offer for sale all those Services and products, employing the techniques that we specify in writing, (**c**) not to deviate from our standards and specifications, including manner of maintenance of your equipment and products and the operation and maintenance of vehicles, (**d**) to stop selling and offering for sale any Services or products that we at any time disapprove in writing (recognizing that we have the right to do so at any time), (**e**) to purchase (or lease) and use certain vehicles, and only those vehicles, that we have approved and that meet our minimum standards and specifications that we will periodically specify, and (**f**) that if you propose to deviate (or if you do deviate) from our standards and specifications, whether or not we have approved the deviation, that deviation will become our property You further agree that before you may offer test preparation Services to customers you must be certified as qualified for such by us or our designee

8 4 4 You agree to permit us, or our agents, at any reasonable time, to inspect the products, equipment and to remove samples of items or products, without payment, in amounts reasonably necessary for testing by us or an independent third party to

determine whether the products, equipment, or samples meet our then-current standards and specifications In addition to any other remedies we may have under this Agreement, we may require you to bear the cost of such testing if we had not previously approved the supplier of the item or if the sample fails to conform to our specifications

8 4 5 *Vehicles and Signs*

8 4 5 1 You agree to buy and install, at your expense, all of the fixtures, vehicles, equipment, furnishings, and signs that we may specify

8 4 5 2 Without limiting Section 8 4 5 1 above and Section 8 7 below, you agree that in connection with operating the Franchised Business, you will purchase (or lease) and operate at all times during the term of this Agreement, only approved motor vehicles in accordance with the Brand Standards Manual In additional to all other requirements in the Brand Standards Manual, these vehicles must be fully operational and roadworthy, and display the wrapping and/or signage that we may periodically require You must obtain your first vehicle before you begin the initial training program You acknowledge and agree that we have the right to specify a particular make and configuration of vehicle(s) for the operation of the Franchised Business You and your employees must at all times use the vehicles only for the Franchised Business in connection with providing Services for the Franchised Business and not for any other personal or business reason

8 4 5 3 If you become aware of any problem (among other things, mechanical, operational, and appearance problems) with your vehicle(s) used in connection with the Franchised Business, you agree to correct the problem or replace the vehicle(s) within three (3) weeks (and sooner if the circumstances so require in order for safe operation) You agree to use magnets with our Proprietary Marks on any rented or replacement vehicle that you use for the operation of the Franchised Business (as specified in the Brand Standards Manual) until you return to using a vehicle that conforms with our vehicle wrapping standards

8 4 5 4 You also agree to replace the vehicles used in connection with the Franchised Business at your expense to meet our then-current specifications and design standards for vehicles (collectively, "**Vehicle Upgrades**") However, we will not require you to make a Vehicle Upgrade more than once every five (5) years (and not in an economically unreasonable amount), provided, however, that we may require remodeling or Vehicle Upgrades more often if remodeling or Vehicle Upgrades are required as a pre-condition to renewal (as described in Section 2 2 2 above)

8 4 6 If a threat or danger to public health or safety results from the maintenance or operation of the Franchised Business, you agree to immediately suspend operation of the Franchised Business, notify us in writing, and not resume operation until the threat or danger is fully remedied

8 5 *Hours and Days of Operation* You agree to operate the Franchised Business during such hours and days as we may periodically specify in the Brand Standards Manual or as we may otherwise approve in writing

8 6 *Health Standards and Operating Codes* You agree to fully and faithfully comply with all Operating Codes applicable to your Franchised Business You will have the sole responsibility to fully and faithfully comply with any Operating Codes, and we will not review whether you are in compliance with any Operating Codes The term "**Operating Codes**" means applicable federal, state, and local laws, codes, ordinances, and/or regulations that apply to the Services, products, and other aspects of operating the Franchised Business You agree to provide to us, within three (3) days of your receipt, a copy of all inspection reports, warnings, citations, certificates, and/or ratings resulting from inspections conducted by any federal, state or municipal agency with jurisdiction over the Franchised Business You must also obtain and maintain during the term of this Agreement all licenses and approvals from any governmental or regulatory agency required for the operation of the Franchised Business or provision of the Services you will offer, sell, and provide Where required, you must obtain the approval of any regulatory authority with jurisdiction over the operation of your Franchised Business You acknowledge that we will have no liability to you or any regulatory authority for any failure by you to obtain or maintain during the term of this Agreement any necessary licenses or approvals required for the operation of the Franchised Business

8 7 *Upgrading* You agree to upgrade the Franchised Business at your expense to conform to our then-current standards and requirements concerning presentation of the Proprietary Marks in a manner consistent with the then-current image for new Tutor Doctor Businesses (in addition to the requirements of Section 8 4 5 4 above)

8 8 *Use of the Proprietary Marks* You will require all marketing and promotional materials, signs, decorations, merchandise, any and all replacement trade dress products, and other items that we may designate to bear our then-current Proprietary Marks and logos in the form, color, location, and manner that we have then-prescribed

8 9 *If You Are an Entity*

8 9 1 *Corporate Franchisee* If you are a corporation, then you agree to **(a)** confine your activities, and your governing documents will at all times provide that your activities are confined, exclusively to operating the Franchised Business, **(b)** maintain stop transfer instructions on your records against the transfer of any equity securities and will only issue securities upon the face of which a legend, in a form satisfactory to us, appears which references the transfer restrictions imposed by this Agreement, **(c)** not issue any voting securities or securities convertible into voting securities, and **(d)** maintain a current list of all owners of record and all beneficial owners of any class of voting stock of your company and furnish the list to us upon request

8 9 2 *Partnership/LLP Franchisee* If you are a partnership or a limited liability partnership (LLP), then you agree to **(a)** confine your activities, and your governing documents will at all times provide that your activities are confined, exclusively to operating the Franchised Business, **(b)** furnish us with a copy of your partnership agreement as well as such other documents as we may reasonably request, and any amendments thereto, **(c)** prepare and furnish to us, upon request, a current list of all of your general and limited partners, and **(d)** consistent with the transfer restrictions set out in this Agreement, maintain instructions against the transfer of any partnership interests without our prior written approval

8 9 3 *LLC Franchisee* If you are a limited liability company (LLC), then you agree to **(a)** confine your activities, and your governing documents will at all times provide that your activities are confined, exclusively to operating the Franchised Business, **(b)** furnish us with a copy of your articles of organization and operating agreement, as well as such other documents as we may reasonably request, and any amendments thereto, **(c)** prepare and furnish to us, upon request, a current list of all members and managers in your LLC, and **(d)** maintain stop transfer instructions on your records against the transfer of equity securities and will only issue securities upon the face of which bear a legend, in a form satisfactory to us, which references the transfer restrictions imposed by this Agreement

8 9 4 *Guarantees* You agree to obtain, and deliver to us, a guarantee of your performance under this Agreement and covenant concerning confidentiality and competition, in the form attached as Exhibit B, from each current and future direct and indirect **(a)** shareholder of a corporate Franchisee, **(b)** member of a limited liability company Franchisee, **(c)** partner of a partnership Franchisee, and/or **(d)** partner of a limited liability partnership Franchisee

8 10 *Quality-Control and Customer Survey Programs* We may periodically designate an independent evaluation service to conduct a "mystery shopper," "customer survey," and/or similar quality-control and evaluation programs with respect to Tutor Doctor Businesses You agree to participate in such programs as we require, and promptly pay the then-current charges of the evaluation service If you receive an unsatisfactory or failing report in connection with any such program, then you agree to **(a)** immediately implement any remedial actions we require, and **(b)** reimburse us for the expenses we incur as a result thereof (including the cost of having the evaluation service re-evaluate the Franchised Business, our inspections of the Franchised Business, and other costs or incidental expenses)

8 11 *Prices* You agree that we may set reasonable restrictions on the maximum and minimum prices you may charge for the Services and products offered and sold from the Franchised Business under this Agreement You will have the right to set the prices that you will charge to your customers, provided, however, that (subject to applicable law) **(a)** if we have set a maximum price for a particular item, then you may charge any price for that item up to and including the maximum price we have set, and **(b)** if we have set a minimum price for a particular item, then you may charge any price for that item that is equal to or above the minimum price we have set

8 12 *Environmental Matters* We are committed to working to attain optimal performance of Tutor Doctor Businesses with respect to environmental, sustainability, and energy performance We each recognize and agree that there are changing standards in this area in terms of applicable law, competitors' actions, consumer expectations, obtaining a market advantage, available and affordable solutions, and other relevant considerations In view of those and other considerations, as well as the long-term nature of this Agreement, you agree that we have the right to periodically set reasonable standards with respect to environmental, sustainability, and energy for the System through the Brand Standards Manual, and you agree to abide by those standards

8 13 *Innovations* You agree to disclose to us all ideas, concepts, methods, techniques and products conceived or developed by you, your affiliates, owners and/or employees during the term of this Agreement relating to the development and/or operation of the Tutor Doctor Businesses All such products, services, concepts, methods, techniques, and new information will be deemed to be our sole and exclusive property and works made-for-hire for

us You hereby grant to us (and agree to obtain from your affiliates, owners, employees, and/or contractors), a perpetual, non-exclusive, and worldwide right to use any such ideas, concepts, methods, techniques and products in any businesses that we and/or our affiliates, franchisees and designees operate We will have the right to use those ideas, concepts, methods, techniques, and/or products without making payment to you You agree not to use or allow any other person or entity to use any such concept, method, technique or product without obtaining our prior written approval

8 14 *Large Accounts*

8 14 1 We will have the exclusive right, unless otherwise specifically delegated in writing, on behalf of us, you, and/or other franchisees utilizing the Proprietary Marks, to negotiate and enter into agreements or approve forms of agreement to provide services to "Large Account" customers, including any affiliate, company owned or franchised locations within the Protected Territory

8 14 2 Upon completion of your initial training, you must sign up to receive Large Account business and must service any Large Accounts we refer to you in accordance with the Large Account contract and the guidelines set forth in the Brand Standards Manual, including any Services requirements identified in the Brand Standards Manual

8 14 3 Any dispute as to whether a particular customer is a Large Account will be determined by us and our determination will be final and binding

8 14 4 Following the execution of a contract with or the acceptance of a bid by a Large Account customer which contemplates the provision of Services to one or more Large Account customer locations within or outside of the Protected Territory, we may, in our discretion, and if you are qualified to perform the Services and conditioned upon your substantial compliance with the terms of this Agreement and any addendum, refer the Large Account to you If we refer the Large Account to you, you must perform such Services pursuant to the terms and conditions of the Large Account contract and the guidelines contained in the Brand Standards Manual

8 14 5 If you fail to provide services to a Large Account customer in conformity with the terms and conditions of the Large Account contract or the Brand Standards Manual, we will have the right to

8 14 5 1 Terminate this Agreement in accordance with Section 17 3 1, and/or

8 14 5 2 Provide, directly or through any other licensee or franchisee utilizing the Proprietary Marks, services to the Large Account customer location(s) within the Protected Territory on the terms and conditions contained in the Large Account bid or contract, and/or

8 14 5 3 Contract with another party to provide such services to the Large Account customer location(s) within the Protected Territory on the terms and conditions contained in the Large Account bid

8 14 6 Neither the direct provision by us (or our franchisee, licensee, or agent) of services to Large Account customers as authorized in Section 8 14 5 2 above, nor our contracting with another party to provide such services as authorized in Section 8 14 5 3 above, will constitute a violation of Section 1 2 of this Agreement relating to

the territorial protections granted to you, even if such services are delivered from a location within the Protected Territory You disclaim any compensation or consideration for work performed by others in the Protected Territory pursuant to this Section 8 14

9 PROPRIETARY MARKS

9 1 *Our Representations* We represent to you that we own (or have an appropriate license to) all right, title, and interest in and to the Proprietary Marks, and that we have taken (and will take) all reasonably necessary actions to preserve and protect the ownership and validity in, and of, the Proprietary Marks

9 2 *Your Agreement* With respect to your use of the Proprietary Marks, you agree that

9 2 1 You will use only the Proprietary Marks that we have designated in writing, and you will use them only in the manner we have authorized and permitted in writing, and all items bearing the Proprietary Marks must bear the then-current logo

9 2 2 You will use the Proprietary Marks only for the operation of the business franchised under this Agreement and only at the location authorized under this Agreement, or in franchisor-approved marketing for the business conducted at or from that location (subject to the other provisions of this Agreement)

9 2 3 Unless we otherwise direct you in writing to do so, you agree to operate and advertise the Franchised Business only under the name "Tutor Doctor" without prefix or suffix

9 2 4 During the term of this Agreement and any renewal of this Agreement, you will identify yourself (in a manner reasonably acceptable to us) as the owner of the Franchised Business in conjunction with any use of the Proprietary Marks, including uses on invoices, order forms, receipts, and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Franchised Business as we may designate in writing

9 2 5 Your right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof will constitute an infringement of our rights

9 2 6 You agree not to use the Proprietary Marks to incur any obligation or indebtedness on our behalf

9 2 7 You agree not to use the Proprietary Marks

9 2 7 1 as part of your corporate or other legal name,

9 2 7 2 as part of your identification in any e-mail address, domain name, or other electronic medium (except as otherwise provided in Section 14 11 3 below), and/or

9 2 7 3 in connection with any employment or human-resources (H R) documents (including employment applications, paychecks, pay stubs, and employment agreements)

9 2 8 You agree to execute any documents that we (or our affiliates) deem necessary to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability

9 2 9 With respect to litigation involving the Proprietary Marks, the parties agree that

9 2 9 1 You agree to promptly notify us of any suspected infringement of the Proprietary Marks, any known challenge to the validity of the Proprietary Marks, or any known challenge to our ownership of, or your right to use, the Proprietary Marks licensed under this Agreement You acknowledge and agree that we will have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof We will also have the sole right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks

9 2 9 2 If you used the Proprietary Marks in accordance with this Agreement, then we will defend you at our expense against any third party claim, suit, or demand involving the Proprietary Marks arising out of your use thereof If you used the Proprietary Marks in a manner that does not comply with this Agreement, then we will still defend you, but at your expense, against such third party claims, suits, or demands

9 2 9 3 We agree to reimburse you for your out-of-pocket travel costs in doing such acts and things, and you will bear the salary costs of your employees, and we will bear the costs of any judgment or settlement, unless such litigation is the result of your use of the Proprietary Marks in a manner that does not comply with this Agreement

9 2 9 4 To the extent that such litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, then you agree to reimburse us (upon our request, which may be periodic and/or upon the conclusion of the proceedings) for the cost of such litigation and/or upon our written request, pay our legal fees directly (your obligation under this Section includes reasonable attorneys' fees, court costs, discovery costs, and all other related expenses, as well as the cost of any judgment or settlement)

9 2 9 5 If we undertake the defense or prosecution of any litigation or other similar proceeding relating to the Proprietary Marks, then you agree to sign any and all documents, and do those acts and things that may, in our counsel's opinion, be necessary to carry out the defense or prosecution of that matter (including becoming a nominal party to any legal action)

9 3 *Your Acknowledgements* You expressly understand and acknowledge that

9 3 1 We own all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them

9 3 2 The Proprietary Marks are valid and serve to identify the System and those who are authorized to operate under the System

9 3 3 Neither you nor any of your owners, principals, or other persons acting on your behalf will directly or indirectly contest the validity or our ownership of the Proprietary Marks, nor will you, directly or indirectly, seek to register the Proprietary Marks with any government agency (unless we have given you our express prior written consent to do so)

9 3 4 Your use of the Proprietary Marks does not give you any ownership interest or other interest in or to the Proprietary Marks, except the license granted by this Agreement

9 3 5 Any and all goodwill arising from your use of the Proprietary Marks will inure solely and exclusively to our benefit, and upon expiration or termination of this Agreement and the license granted as part of this Agreement, there will be no monetary amount assigned as attributable to any goodwill associated with your use of our System or of our Proprietary Marks

9 3 6 The right and license of the Proprietary Marks that we have granted to you under this Agreement is non-exclusive, and we therefore have the right, among other things

9 3 6 1 To use the Proprietary Marks ourselves in connection with selling Services and products,

9 3 6 2 To grant other licenses for the Proprietary Marks, in addition to licenses we may have already granted to existing franchisees, and

9 3 6 3 To develop and establish other systems using the same or similar Proprietary Marks, or any other proprietary marks, and to grant licenses or franchises for those other marks without giving you any rights to those other marks

9 4 *Change to Marks* We reserve the right to substitute different Proprietary Marks for use in identifying the System and the businesses operating as part of the System if our currently owned Proprietary Marks no longer can be used, or if we determine, exercising our right to do so, that substitution of different Proprietary Marks will be beneficial to the System In such circumstances, you must immediately cease using any discontinued marks and must immediately begin using such substituted marks (including in your marketing materials), and your right to use the substituted proprietary marks will be governed by (and pursuant to) the terms of this Agreement

10 CONFIDENTIAL MANUALS

10 1 *You Agree to Abide by the Brand Standards Manual* In order to protect our reputation and goodwill and to maintain high standards of operation under our Proprietary Marks, you agree to conduct your business in accordance with the written instructions that we provide, including the Brand Standards Manual We will lend to you (or permit you to have access to) one (1) copy of our Brand Standards Manual, only for the term of this Agreement, and only for your use in connection with operating the Franchised Business during the term of this Agreement

10 2 *Format of the Brand Standards Manual* We will have the right to provide the Brand Standards Manual in any format we determine is appropriate (including paper and/or by making some or all of the Brand Standards Manual available to you only in electronic form, such as through an internet website or an extranet) If at any time we choose to provide the

Brand Standards Manual electronically, you agree to immediately return to us any and all physical copies of the Brand Standards Manual that we have previously provided to you

10 3 *We Own the Brand Standards Manual* The Brand Standards Manual will at all times remain our sole property and you agree to promptly return the Brand Standards Manual when this Agreement expires or if it is terminated

10 4 *Confidentiality and Use of the Brand Standards Manual*

10 4 1 The Brand Standards Manual contains our proprietary information and you agree to keep the Brand Standards Manual confidential both during the term of this Agreement and after this Agreement expires and/or is terminated You agree that, at all times, you will insure that your copy of the Brand Standards Manual will be available in a current and up-to-date manner Whenever the Brand Standards Manual is not in use by authorized personnel, you agree to maintain secure access to the Brand Standards Manual at the Franchised Business, and you agree to grant only authorized personnel (as defined in the Brand Standards Manual) with access to the security protocols for the Brand Standards Manual

10 4 2 You agree to never make any unauthorized use, disclosure, and/or duplication the Brand Standards Manual in whole or in part

10 5 *You Agree to Treat Brand Standards Manual as Confidential* You agree that at all times, you will treat the Brand Standards Manual, any other manuals that we create (or approve) for use in the operation of the Franchised Business, and the information contained in those materials, as confidential, and you also agree to use your best efforts to maintain such information as secret and confidential You agree that you will never copy, duplicate, record, or otherwise reproduce those materials, in whole or in part, nor will you otherwise make those materials available to any unauthorized person

10 6 *Which Copy of the Brand Standards Manual Controls* You agree to keep your copy of the Brand Standards Manual only at the Franchised Business (and as provided in Section 10 4 above) and also to insure that the Brand Standards Manual are kept current and up to date You also agree that if there is any dispute as to the contents of the Brand Standards Manual, the terms of the master copy of the Brand Standards Manual that we maintain in our home office will be controlling Access to any electronic version of the Brand Standards Manual will also be subject to our reasonable requirements with respect to security and other matters, as described in Section 14 below

10 7 *Revisions to the Brand Standards Manual* We have the right to revise the contents of the Brand Standards Manual whenever we deem it appropriate to do so, and you agree to make corresponding revisions to your copy of the Brand Standards Manual and to comply with each new or changed standard

10 8 *Modifications to the System* You recognize and agree that we may periodically change or modify the System and you agree to accept and use for the purpose of this Agreement any such change in the System (which may include, among other things, new or modified trade names, service marks, trademarks or copyrighted materials, new products, new equipment or new techniques, as if they were part of this Agreement at the time when you and we signed this Agreement, provided the financial burden placed upon you is not substantial) You agree to make such expenditures and such changes or modifications as we may reasonably require pursuant to this Section and otherwise in this Agreement

11 CONFIDENTIAL INFORMATION

11 1 *Confidentiality*

11 1 1 You agree that you will not, during the term of this Agreement or at any time thereafter, communicate, divulge, or use (for yourself and/or for the benefit of any other person, persons, partnership, entity, association, or corporation) any Confidential Information that may be communicated to you or of which you may be apprised by virtue of your operation under the terms of this Agreement You agree that you will divulge our Confidential Information only to those of your employees as must have access to it in order to operate the Franchised Business

11 1 2 Any and all information, knowledge, know-how, and techniques that we designate as confidential will be deemed Confidential Information for purposes of this Agreement, except information that you can demonstrate came to your attention before disclosure of that information by us, or which, at or after the time of our disclosure to you, had become or later becomes a part of the public domain, through publication or communication by another party that has the right to publish or communicate that information

11 1 3 Any employee who may have access to any Confidential Information regarding the Franchised Business must execute a covenant that s/he will maintain the confidentiality of information they receive in connection with their association with you Such covenants must be on a form that we provide, which form will, among other things, designate us as a third party beneficiary of such covenants with the independent right to enforce them

11 1 4 As used in this Agreement, the term "**Confidential Information**" includes, without limitation, our business concepts and plans, curriculum, teaching methods, operating techniques, marketing methods, processes, vendor information, results of operations and quality control information, financial information, demographic and trade area information, market penetration techniques, plans, or schedules, the Brand Standards Manuals, customer profiles, preferences, or statistics, itemized costs, franchisee composition, territories, and development plans, and all related trade secrets or other confidential or proprietary information treated as such by us, whether by course of conduct, by letter or report, or by the use of any appropriate proprietary stamp or legend designating such information or item to be confidential or proprietary, by any communication to such effect made prior to or at the time any Confidential Information is disclosed to you

11 2 *Consequences of Breach* You acknowledge and agree that any failure to comply with the requirements of this Section 11 will cause us irreparable injury, and you agree to pay all costs (including, without limitation, reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 11

12 ACCOUNTING, FINANCIAL AND OTHER RECORDS, AND INSPECTIONS

12 1 *Accounting Records and Sales Reports*

12 1 1 With respect to the operation and financial condition of the Franchised Business, we will have the right to designate, and you agree to adopt, the fiscal year and interim

fiscal periods that we decide are appropriate for the System You must also use a third party payroll service provider that we have approved

12 1 2 With respect to the Franchised Business, you agree to maintain for at least seven (7) years during (as well as after) the term of this Agreement (and also after any termination and/or transfer), full, complete, and accurate books, records, and accounts prepared in accordance with generally accepted accounting principles and in the form and manner we have prescribed periodically in the Brand Standards Manual or otherwise in writing, including **(a)** daily cash reports, **(b)** cash receipts journal and general ledger, **(c)** cash disbursements and weekly payroll journal and schedule, **(d)** monthly bank statements, daily deposit slips and cancelled checks, **(e)** all tax returns, **(f)** supplier's invoices (paid and unpaid), **(g)** dated daily and weekly cash receipt reports in accordance with our standards, **(h)** semi-annual fiscal period balance sheets and fiscal period profit and loss statements, **(i)** operational schedules and weekly inventory records, **(j)** records of promotion and coupon redemption, and **(k)** such other records that we may periodically and reasonably request

12 1 3 We have the right to specify the accounting software and a common chart of accounts, and, if we do so, you agree to use that software and chart of accounts (and require your bookkeeper and accountant to do so) in preparing and submitting your financial statements to us We have the right to require you to use only a designated bookkeeping service and an approved independent certified public accountant You agree to provide to the accounting service provider complete and accurate information that we or the accounting service provider require, and agree that we will have full access to the data and information that you provide to the accounting service provider or through the designated program

12 1 4 Each Month, you agree to submit to us, in the form we specify and/or utilizing our Required Software, a sales report for the immediately preceding Month You agree to submit the report to us by whatever method that we reasonably require (whether electronically through your use of our Required Software or otherwise) for our receipt no later than the times required under Section 4 3 above You agree that if do not submit those reports to us in a timely manner, we will have the right to charge you for the costs that we incur in auditing your records

12 2 *Financial Statements*

12 2 1 You agree to provide us, at your expense, and in a format that we reasonably specify, a complete annual financial statement prepared within ninety (90) days after the end of each fiscal year of the Franchised Business during the term of this Agreement Your financial statement must be prepared according to generally accepted accounting principles, including a fiscal year-end balance sheet, an income statement of the Franchised Business for that fiscal year reflecting all year-end adjustments, and a statement of changes in your cash flow reflecting the results of operations of the Franchised Business during the most recently completed fiscal year

12 2 2 In addition, no later than the twentieth (20th) day after each Month (or, if we elect, other periodic time period) during the term of this Agreement after the opening of the Franchised Business, you will submit to us, in a format acceptable to us (or, at our election, in a form that we have specified) **(a)** a fiscal period and fiscal year-to-date profit and loss statement and a quarterly balance sheet (which may be unaudited) for

the Franchised Business, **(b)** reports of those income and expense items of the Franchised Business that we periodically specify for use in any revenue, earnings, and/or cost summary we choose to furnish to prospective franchisees (provided that we will not identify to prospective franchisees the specific financial results of the Franchised Business), and **(c)** copies of all state sales tax and federal income tax returns for the Franchised Business

12 2 3 You must certify as correct and true all reports and information that you submit to us pursuant to this Section 12 2

12 2 4 You agree that upon our request, and for a limited period of time, you will provide us (and/or our agents, such as our auditors) with passwords and pass codes necessary for the limited purpose of accessing your Computer System (defined below) in order to conduct the inspections specified in this Section 12 You also agree that you will change all passwords and pass codes after the inspection is completed

12 3 *Additional Information* You also agree to submit to us (in addition to the sales reports required pursuant to Section 12 1 4 above), for review or auditing, such other forms, reports, records, information, and data as and when we may reasonably designate, in the form and format, and at the times and places as we may reasonably require, upon request and as specified periodically in the Brand Standards Manual or otherwise in writing, including **(a)** information in electronic format, **(b)** restated in accordance with our financial reporting periods, **(c)** consistent with our then-current financial reporting periods and accounting practices and standards, and/or **(d)** as necessary so that we can comply with reporting obligations imposed upon us by tax authorities with jurisdiction over the Franchised Business and/or our company The reporting requirements of this Section 12 3 will be in addition to, and not in lieu of, the electronic reporting required under Section 14 below

12 4 *PCI Compliance and Credit Cards* With respect to your acceptance and processing of customer payments by credit and debit cards, you agree to do all of the following

12 4 1 You agree to maintain, at all times, credit-card relationships with the credit- and debit-card issuers or sponsors, check or credit verification services, financial-center services, merchant service providers, and electronic-fund-transfer systems (together, "**Payment Vendors**") that we may periodically designate as mandatory The term "Payment Vendors" includes, among other things, companies that provide services for electronic payment, including "Apple Pay", "Google Wallet", as well as other vendors' mobile and other payment applications) The obligations specified in this Section include your agreement to pay the applicable charges imposed by the Payment Vendors for participation in, and transactions conducted through, those methods

12 4 2 You agree not to use any Payment Vendor for which we have not given you our prior written approval or as to which we have revoked our earlier approval

12 4 3 We have the right to modify our requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke our approval of any service provider

12 4 4 You agree to comply with all of our policies regarding acceptance of payment by credit and/or debit cards, including for example minimum purchase requirements for a customer's use of a credit card (we may set these requirements in the Brand Standards Manual)

12 4 5 In addition to the other requirements of this Agreement to provide us with various information and reports, you agree to provide us with the information that we reasonably require concerning your compliance with data and cybersecurity requirements

12 4 6 You agree to comply with our requirements concerning data collection and protection, as specified in Section 14 3 below

12 4 7 You agree to comply with the then-current Payment Card Industry Data Security Standards as those standards may be revised and modified by the PCI Security Standards Council, LLC (see www pcisecuritystandards org), or any successor organization or standards that we may reasonably specify Among other things, you agree to implement the enhancements, security requirements, and other standards that the PCI Security Standards Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards

12 5 *Gift Cards and Incentive Programs* You agree to offer for sale, and to honor for purchases by customers all gift cards and other incentive or convenience programs that we may periodically institute (including loyalty programs that we or a third party vendor operate, as well as mobile payment applications), and you agree to do all of those things in compliance with our standards and procedures for such programs For this purpose, you must purchase the software, hardware, and other items needed to sell and process gift cards, and to contact with the supplier of gift cards and gift card processing services, as we may specify in writing in the Brand Standards Manuals or otherwise You must also pay such monthly and per-swipe transaction fees as may be required by the vendors of the gift card system You agree not to sell, issue, or redeem coupons, gift certificates and gift cards other than gift cards that we have approved in writing

12 6 *Our Right to Inspect Your Books and Records* We have the right at all reasonable times to examine, copy, and/or personally review or audit (at our expense) all of your sales receipts, books, records, and sales and income tax returns in person or through electronic access (at our option) We will also have the right, at any time, to have an independent audit made of your books and records If an inspection should reveal that you have understated any payments in any report to us, then this will constitute a default under this Agreement, and you agree to immediately pay us the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of one and one-half percent (1 5%) per month (but not more than the maximum rate permitted by law, if any such maximum rate applies) If we conduct an inspection because you did not timely provide sales reports to us, or if an inspection discloses that you understated your sales, in any report to us (and/or underpaid your royalties), by two percent (2%) or more, or if you did not maintain and/or provide us with access to your records, then you agree (in addition to paying us the overdue amount and interest) to reimburse us for any and all costs and expenses we incur in connected with the inspection (including travel, lodging and wages expenses, and reasonable accounting and legal costs) These remedies will be in addition to any other remedies we may have We may exercise our rights under this Section 12 directly or by engaging outside professional advisors (for example, a CPA) to represent us

13 MARKETING

13 1 *Marketing Activities and Funds* For each Month during the term of this Agreement, you agree to contribute an amount equal to two percent (2%) of Gross Sales to be allocated in the manner described in Section 13 2 below (the "**Branding Fund Contribution**") You

agree to pay the Branding Fund Contribution in the manner and at the times required under Section 4 3 above (and as otherwise provided in this Section 13)

13 2 *Allocation and Collection*

13 2 1 We have the right to allocate your Branding Fund Contribution in the proportion that we designate among the following

13 2 1 1 the Branding Fund,

13 2 1 2 local marketing, which we may allocate between

(a) any regional marketing fund established for your area (a "**Regional Fund**"), as provided in Section 13 4 below (but we are not required to establish a Regional Fund for your area), and

(b) funds that you will spend on local marketing and promotion

13 2 2 We have the right to periodically make changes to the allocation of the Branding Fund Contribution as specified in Section 13 2 1 among those funds and/or local marketing and promotion, by giving you written notice of the change, and those changes will take effect at the end of that month

13 2 3 No part of the Branding Fund Contribution (whether deposited in Branding Fund or a Regional Fund or designated for local marketing and promotional expenditures) shall be subject to refund or repayment under any circumstances

13 3 *Branding Fund* We have the right (but not the obligation) to establish, maintain, and administer a System wide marketing and promotional fund (the "**Branding Fund**") If we establish a Branding Fund, then the following provisions will apply to that Branding Fund

13 3 1 We (or our designee) will have the right to direct all marketing programs, with sole discretion over the concepts, materials, and media used in such programs and the placement and allocation thereof You agree and acknowledge that the Branding Fund is intended to maximize general public recognition, acceptance, and use of the System, and that we and our designee are not obligated, in administering the Branding Fund, to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Branding Fund

13 3 2 The Branding Fund, all contributions to that fund, and any of that fund's earnings, will be used exclusively to meet any and all costs of maintaining, administering, staffing, directing, conducting, preparing advertising, marketing, public relations and/or promotional programs and materials, and any other activities that we believe will enhance the image of the System (including, among other things, the costs of preparing and conducting marketing and media advertising campaigns on radio, television, cable, and other media, direct mail advertising, developing and implementing website, social networking/media, search optimization, and other electronic marketing strategies, marketing surveys and other public relations activities, employing marketing personnel (including salaries for personnel directly engaged in consumer-oriented marketing functions), advertising and/or public relations agencies to assist therein, purchasing and distributing promotional items, conducting and administering visual merchandising, point of sale, and other

merchandising programs, engaging individuals as spokespersons and celebrity endorsers, purchasing creative content for local sales materials, reviewing locally-produced ads, preparing, purchasing and distributing door hangers, free-standing inserts, coupons, brochures, and trademarked apparel, market research, conducting sponsorships, sweepstakes and competitions, engaging mystery shoppers for Tutor Doctor Businesses and their competitors, paying association dues (including the International Franchise Association), establishing third-party facilities for customizing local advertising, purchasing and installing signage, and providing promotional and other marketing materials and services to the Tutor Doctor Businesses operated under the System)

13 3 3 You agree to make your Branding Fund Contribution to the Branding Fund in the manner specified in Section 4 3 above The Branding Fund may also be used to make loans (at reasonable interest rates), and to provide rebates or reimbursements to franchisees for local expenditures on products, services, or improvements, approved in advance by us, which products, services, or improvements we deem, in our sole discretion, will promote general public awareness and favorable support for the System All sums you pay to the Branding Fund will be maintained in an account separate from our other monies and will not be used to defray any of our expenses, except for such reasonable costs and overhead, if any, as we may incur in activities reasonably related to the direction and implementation of the Branding Fund and marketing programs for franchisees and the System The Branding Fund and its earnings will not otherwise inure to our benefit We or our designee will maintain separate bookkeeping accounts for the Branding Fund

13 3 4 The Branding Fund is not and will not be our asset We will prepare and make available to you upon reasonable request an annual statement of the operations of the Branding Fund as shown on our books

13 3 5 Although once established the Branding Fund is intended to be of perpetual duration, we maintain the right to terminate the Branding Fund The Branding Fund will not be terminated, however, until all monies in the Branding Fund have been expended for marketing purposes

13 4 *Regional Fund* We have the right to designate any geographical area for purposes of establishing a Regional Fund If a Regional Fund for the geographic area in which the Franchised Business is located has been established at the time you commence operations under this Agreement, you must immediately become a member of such Regional Fund If a Regional Fund for the geographic area in which the Franchised Business is located is established during the term of this Agreement, you must become a member of such Regional Fund within thirty (30) days after the date on which the Regional Fund commences operation In no event will you be required to join more than one Regional Fund The following provisions will apply to each such Regional Fund

13 4 1 Each Regional Fund will be organized and governed in a form and manner, and will commence operations on a date, all of which we must have approved in advance, in writing

13 4 2 Each Regional Fund will be organized for the exclusive purpose of administering regional marketing programs and developing, subject to our approval, standardized promotional materials for use by the members in regional marketing

13 4 3 No marketing, advertising or promotional plans or materials may be used by a Regional Fund or furnished to its members without our prior approval, pursuant to the procedures and terms as set forth in Section 13 8 below

13 4 4 Once you become a member of a Regional Fund, you must contribute to a Regional Fund pursuant to the allocation that we specify, as described in Section 13 2 above, at the time required under Section 4 3 above, together with such statements or reports that we, or the Regional Fund (with our prior written approval) may require We also have the right to require that you submit your Regional Branding Fund contributions and reports directly to us for distribution to the Regional Branding Fund

13 4 5 A majority of the Tutor Doctor Business owners in the Regional Fund may vote to increase the amount of each Tutor Doctor Business owner's contribution to the Regional Fund by up to an additional two percent (2%) of each Tutor Doctor Business' Gross Sales Voting will be on the basis of one vote per Tutor Doctor Business You must contribute to the Regional Fund in accordance with any such vote by the Regional Fund to increase each Tutor Doctor Business' contribution as provided in this Section 13 4 5

13 4 6 Although once established, each Regional Fund is intended to be of perpetual duration, we maintain the right to terminate any Regional Fund A Regional Fund will not be terminated, however, until all monies in that Regional Fund have been expended for marketing purposes

13 5 *Local Marketing and Promotion* You must make Monthly expenditures on local marketing and promotion of the Business in such amounts as we may designate as part of the allocation of the Branding Fund Contribution specified in Section 13 2 above, with the understanding that regardless of the allocation of the Branding Fund Contribution, if any, that we allow you to retain and require you to spend on local marketing and promotion, you must spend a minimum of One Thousand Dollars ($1,000) each Month on local marketing and promotion As used in this Agreement, the term "local marketing and promotion" will consist only of the direct costs of purchasing and producing marketing materials (including camera ready advertising and point of sale materials), media (space or time), and those direct out of pocket expenses related to costs of marketing and sales promotion that you spend in your local market or area, advertising agency fees and expenses, postage, shipping, telephone, and photocopying, however, the parties expressly agree that local marketing may not include costs or expenses that you incur or that are spent on your behalf in connection with any of the following

13 5 1 Salaries and expenses of your employees, including salaries or expenses for attendance at marketing meetings or activities, or incentives provided or offered to such employees, including discount coupons,

13 5 2 Charitable, political, or other contributions or donations; and/or

13 5 3 The value of discounts provided to consumers

13 6 *Materials Available for Purchase* We may periodically make available to you for purchase marketing plans and promotional materials, including newspaper mats, coupons, merchandising materials, sales aids, point-of-purchase materials, special promotions, direct mail materials, community relations programs, and similar marketing and promotional materials for use in local marketing

13 7 *Standards* All of your local marketing and promotion must **(a)** be in the media, and of the type and format, that we may approve, **(b)** be conducted in a dignified manner, and **(c)** conform to the standards and requirements that we may specify You agree not to use any advertising, marketing materials, and/or promotional plans unless and until you have received our prior written approval, as specified in Section 13 8 below

13 8 *Our Review and Right to Approve All Proposed Marketing* For all proposed advertising, marketing, and promotional plans, you (or the Regional Fund, where applicable) must submit to us samples of such plans and materials (by means described in Section 24 below), for our review and prior written approval If you (or the Regional Fund) have not received our written approval within fourteen (14) days after we have received those proposed samples or materials, then we will be deemed to have disapproved them You acknowledge and agree that any and all copyright in and to advertising, marketing materials, and promotional plans developed by or on behalf of you will be our sole property, and you agree to sign such documents (and, if necessary, require your employees and independent contractors to sign such documents) that we deem reasonably necessary to give effect to this provision

13 9 *Rebates* You acknowledge and agree that periodic rebates, giveaways and other promotions and programs will, if and when we adopt them, be an integral part of the System Accordingly, you agree to honor and participate (at your expense) in reasonable rebates, giveaways, marketing programs, and other promotions that we establish and/or that other franchisees sponsor, so long as they do not violate regulations and laws of appropriate governmental authorities

13 10 *Considerations As to Charitable Efforts* You acknowledge and agree that certain associations between you and/or the Franchised Business and/or the Proprietary Marks and/or the System, on the one hand, and certain political, religious, cultural or other types of groups, organizations, causes, or activities, on the other, however well-intentioned and/or legal, may create an unwelcome, unfair, or unpopular association with, and/or an adverse effect on, our reputation and/or the good will associated with the Proprietary Marks Accordingly, you agree that you will not, without our prior written consent; take any actions that are, or which may be perceived by the public to be, taken in the name of, in connection or association with you, the Proprietary Marks, the Franchised Business, us, and/or the System involving the donation of any money, products, services, goods, or other items to, any charitable, political or religious organization, group, or activity

13 11 *Additional Marketing Expenditure Encouraged* You understand and acknowledge that the required contributions and expenditures are minimum requirements only, and that you may (and we encourage you to) spend additional funds for local marketing and promotion, which will focus on disseminating marketing directly related to your Franchised Business

14 TECHNOLOGY

14 1 *Computer Systems and Required Software* With respect to computer systems and required software

14 1 1 We have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware to be used by, between, or among Tutor Doctor Businesses, and in accordance with our standards, including without limitation (***a***) back office systems, (***b***) systems to store data, audio, video (including managed video security surveillance), telephone, voice messaging, retrieval, and transmission systems for use at Tutor Doctor Businesses, between or among Tutor Doctor Businesses, and between or among the Franchised Business,

and you, and us, (*c*) physical, electronic, and other security systems and measures, (*d*) printers and other peripheral devices, (*e*) archival back-up systems, and (*f*) internet access mode (e g , form of telecommunications connection) and speed, (collectively, all of the above are referred to as the "**Computer System**") Although a part of the system that we presently use is called "Big Apple," we have the right to change or eliminate that system as we see fit

14 1 2 We will have the right, but not the obligation, to develop or have developed for us, or to designate **(a)** computer software programs and accounting system software that you must use in connection with the Computer System (including applications, technology platforms, and other such solutions) ("**Required Software**"), which you must install, **(b)** updates, supplements, modifications, or enhancements to the Required Software, which you must install, **(c)** the media upon which you must record data, and **(d)** the database file structure of your Computer System If we require you to use any or all of the above items, then you agree that you will do so

14 1 3 You agree to install and use the Computer System and Required Software at your expense You agree to pay us or third party vendors, as the case may be, initial and ongoing fees in order to install, maintain, and continue to use the Required Software, hardware, and other elements of the Computer System

14 1 4 You agree to implement and periodically make upgrades and other changes at your expense to the Computer System and Required Software as we may reasonably request in writing (collectively, "**Computer Upgrades**")

14 1 5 You agree to comply with all specifications that we issue with respect to the Computer System and the Required Software, and with respect to Computer Upgrades, at your expense You agree to afford us unimpeded access to your Computer System and Required Software, including all information and data maintained thereon, in the manner, form, and at the times that we request

14 1 6 You also agree that we will have the right to approve or disapprove your use of any other technology solutions (including beacons and other tracking methodologies)

14 2 *Data*

14 2 1 You agree that all data that you collect, create, provide, or otherwise develop (including data saved, uploaded from your Computer System to our system, held by a vendor in connection with the Franchised Business, and/or downloaded to our system) is and will be owned exclusively by us, and that we will have the right to access, download, and use that data in any manner that we deem appropriate without compensation to you

14 2 2 You agree that all other data that you create or collect in connection with the System, and in connection with your operation of the Franchised Business (including customer information and transaction data), is and will be owned exclusively by us during the term of, and after termination or expiration of, this Agreement

14 2 3 In order to operate your Franchised Business under this Agreement, we hereby license use of such data back to you, at no additional cost, solely for the term of this Agreement and for your use in connection with operating the Franchised Business You acknowledge and agree that except for the right to use the data under this clause, you will not develop or have any ownership rights in or to the data

14 2 4 You agree to transfer to us all data (in the digital machine-readable format that we specify, and/or printed copies, and/or originals) promptly upon our request when made, whether periodically during the term of this Agreement, upon termination and/or expiration of this Agreement, any transfer of an interest in you, and/or a transfer of the Franchised Business

14 3 *Data Requirements and Usage* We may periodically specify in the Brand Standards Manual or otherwise in writing the information that you agree to collect and maintain on the Computer System installed at the Franchised Business, and you agree to provide to us such reports as we may reasonably request from the data so collected and maintained In addition

14 3 1 You agree to abide by all applicable laws pertaining to the privacy of consumer, employee, and transactional information ("**Privacy Laws**")

14 3 2 You agree to comply with our standards and policies that we may issue (without any obligation to do so) pertaining to the privacy of consumer, employee, and transactional information If there is a conflict between our standards and policies and Privacy Laws, you agree to **(a)** comply with the requirements of Privacy Laws, **(b)** immediately give us written notice of such conflict, and **(c)** promptly and fully cooperate with us and our counsel in determining the most effective way, if any, to meet our standards and policies pertaining to privacy within the bounds of Privacy Laws

14 3 3 You agree to not publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent as to such policy

14 3 4 You agree to implement at all times appropriate physical and electronic security as is necessary to secure your Computer System, including complex passwords that you change periodically, and to comply any standards and policies that we may issue (without obligation to do so) in this regard

14 4 *Extranet* You agree to comply with our requirements (as set forth in the Brand Standards Manual or otherwise in writing) with respect to establishing and maintaining telecommunications connections between your Computer System and our Extranet and/or such other computer systems as we may reasonably require The term "**Extranet**" means a private network based upon Internet protocols that will allow users inside and outside of our headquarters to access certain parts of our computer network via the Internet We may establish an Extranet (but are not required to do so or to maintain an Extranet) If we establish an Extranet, then you agree to comply with our requirements (as set forth in the Brand Standards Manual or otherwise in writing) with respect to connecting to the Extranet, and utilizing the Extranet in connection with the operation of your Franchised Business The Extranet may include, without limitation, the Brand Standards Manual, training and other assistance materials, and management reporting solutions (both upstream and downstream, as we may direct) You agree to purchase and maintain such computer software and hardware (including telecommunications capacity) as may be required to connect to and utilize the Extranet You agree to execute and deliver to us such documents as we may deem reasonably necessary to permit you to access the Extranet

14 5 *No Separate Online Sites* Unless we have otherwise approved in writing, you agree to neither establish nor permit any other party to establish an Online Site relating in any manner whatsoever to the Franchised Business or referring to the Proprietary Marks We will have the right, but not the obligation, to provide one or more references or webpage(s), as we may

periodically designate, within our Online Site The term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including the Internet, World Wide Web, webpages, microsites, social media and networking sites (e g , Facebook, Twitter, LinkedIn, You Tube, Google Plus, Snapchat, Pinterest, Instagram, etc), blogs, vlogs, applications to be used on mobile devices (e g , iOS or Android apps), and other applications, etc (whether they are now in existence or developed at some point in the future) However, if we give you our prior written consent to have some form of separate Online Site (which we are not obligated to approve), then each of the following provisions will apply

14 5 1 You agree that you will not establish or use any Online Site without our prior written approval

14 5 2 Any Online site owned or maintained by or for your benefit will be deemed "marketing" under this Agreement, and will be subject to (among other things) our approval under Section 13 8 above

14 5 3 Before establishing any Online Site, you agree to submit to us, for our prior written approval, a sample of the proposed Online Site domain name, format, visible content (including, without limitation, proposed screen shots, links, and other content), and non-visible content (including, without limitation, meta tags, cookies, and other electronic tags) in the form and manner we may reasonably require

14 5 4 You may not use or modify such Online Site without our prior written approval as to such proposed use or modification

14 5 5 In addition to any other applicable requirements, you agree to comply with the standards and specifications for Online Sites that we may periodically prescribe in the Brand Standards Manual or otherwise in writing (including requirements pertaining to designating us as the sole administrator or co-administrator of the Online Site) You further agree that we may require you to use us or a third party we designate to provide the platform for any Online Sites you maintain

14 5 6 If we require, you agree to establish such hyperlinks to our Online Site and others as we may request in writing

14 5 7 If we require you to do so, you agree to make weekly or other periodic updates to our Online Site to reflect information regarding specials and other promotions at your Franchised Business

14 5 8 We may require you to make us the sole administrator (or co-administrator) of any social networking pages that you maintain or that are maintained on your behalf, and we will have the right (but not the obligation) to exercise all of the rights and privileges that an administrator may exercise

14 6 *Recordation of Gross Sales* You agree to record all sales and transactions for the Franchised Business on computer-based systems that we have approved in writing or on such other types of equipment that we may designate in the Brand Standards Manual or otherwise in writing, which will be deemed part of your Computer System You agree to utilize computer-based systems that are fully compatible with any program or system (which we will have the right to require) and you agree to record all Gross Sales and all sales information on such equipment

14 7 *Electronic Identifiers, E-Mail*

14 7 1 You agree not to use the Proprietary Marks or any abbreviation or other name associated with us and/or the System as part of any e-mail address, domain name, social network or social media name or address, and/or any other identification of you and/or your business in any electronic medium

14 7 2 You agree not to transmit or cause any other party to transmit advertisements or solicitations by e-mail, text message, and/or other electronic method without obtaining our prior written consent as to **(a)** the content of such electronic advertisements or solicitations, and **(b)** your plan for transmitting such advertisements In addition to any other provision of this Agreement, you will be solely responsible for compliance with any laws pertaining to sending electronic communication (including the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (known as the "CAN-SPAM Act of 2003") and the Federal Telephone Consumer Protection Act, as well as laws that apply from outside the U S , such as the Canadian Anti-Spam Law, or CASL) (As used in this Agreement, the term "**electronic communication**" includes all methods for sending communication electronically, whether or not currently invented or used, including without limitation e-mails, text messages, internet-based communication, and faxes)

14 8 *Outsourcing* You agree not to hire third party or outside vendors to perform any services or obligations in connection with the Computer System, Required Software, and/or any other of your obligations, without our prior written approval Our consideration of any proposed outsourcing vendors may be conditioned upon, among other things, such third party or outside vendor's entry into a confidentiality agreement with us and you in a form that we may reasonably provide and the third party or outside vendor's agreement to pay for all initial and ongoing costs related to interfaces with our computer systems The provisions of this section are in addition to and not instead of any other provision of this Agreement You agree not to install (and/or remove) any software or firmware from the Computer System without our prior written consent

14 9 *Telephone Service and Directories*

14 9 1 You must use our authorized supplier to obtain all of the phone number(s) for the Franchised Business and to install your telephones, and you acknowledge that your telephone numbers (and any facsimile numbers, if applicable) and any listings (including directory and Internet listings) for the Franchised Business shall be our property and must therefore remain with us following termination or expiration of this Agreement

14 9 2 You must participate in our centralized care center program for lead generation and customer bookings, under the terms and conditions of the program as defined in the Brand Standards Manuals You must utilize our designated phone numbers in all advertisements If you are engaged in businesses other than the Franchised Business, you must maintain different telephone numbers and may make no reference to the Franchised Business in any telephone directory listings of such other businesses

14 9 3 Upon termination of this Agreement for any reason, or expiration of this Agreement, the telephone and fax numbers shall remain with us, and in the event that we elect to disconnect any such numbers, you shall not provide a call forwarding or telephone number referral with respect to any such disconnected telephone number (except to

a telephone number designated by us) and shall not indicate in any manner you were previously affiliated with us

14 9 4 You further agree to execute any applicable telephone number transfer forms relating to telephone numbers for the Franchised Business that we require Also, you hereby irrevocably appoint and designate us as your attorney-in-fact to transfer any listed telephone numbers and directory listings relating to the Franchised Business if necessary, and to discontinue telephone and other directory listings using the fictitious name or assumed name, in the event of termination or expiration of this Agreement In order to facilitate this requirement, you agree to execute the "Telephone Number Assignment Agreement and Power of Attorney" attached to this Agreement as Exhibit E You must answer the telephones for the Franchised Business solely in the manner prescribed in the Brand Standards Manual

14 10 *Changes* You acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we will have the right to establish, in writing, reasonable new standards for the implementation of technology in the System, and you agree to abide by those reasonable new standards we establish as this Section 14 were periodically revised by us for that purpose

14 11 *Electronic Communication – Including E-Mail, Fax, and Texts* You acknowledge and agree that exchanging information with us by electronic communication methods is an important way to enable quick, effective, and efficient communication, and that we are entitled to rely upon your use of electronic communications as part of the economic bargain underlying this Agreement To facilitate the use of electronic communication to exchange information, you authorize the transmission of those electronic communications by us and our employees, vendors, and affiliates (on matters pertaining to the business contemplated under this Agreement) (together, "**Official Senders**") to you during the term of this Agreement

14 11 1 In order to implement the terms of this Section 14 11, you agree that **(a)** Official Senders are authorized to send electronic communications to those of your employees as you may occasionally designate for the purpose of communicating with us and others, **(b)** you will cause your officers, directors, members, managers, and employees (as a condition of their employment or position with you) to give their consent (in an electronic communication or in a pen-and-paper writing, as we may reasonably require) to Official Senders' transmission of electronic communication to those persons, and that such persons may not opt-out, or otherwise ask to no longer receive electronic communication, from Official Senders during the time that such person works for or is affiliated with you, and **(c)** you will not opt-out, or otherwise ask to no longer receive electronic communications, from Official Senders during the term of this Agreement

14 11 2 The consent given in this Section 14 11 will not apply to the provision of notices by either party under this Agreement using e-mail unless the parties otherwise agree in a pen-and-paper writing signed by both parties

14 11 3 We may permit or require you to use a specific e-mail address (or address using another communications method) (for example, one that will contain a Top Level Domain Name that we designate, such as "jan jones@TutorDoctorFranchisee com") (the "**Permitted E-mail Address**") in connection with the operation of the Franchised Business, under the standards that we set for use of that Permitted E-mail Address You will be required to sign the form E-Mail authorization letter that we may specify

for this purpose If we assign you a Permitted E-mail Address, then you agree that you (and your employees) will use only that e-mail account for all business associated with your Franchised Business

14 12 *Online Services* We have established and maintain an online platform to provide certain Services to customers located throughout the world (the "**Online Platform**") You are required to participate in the Online Platform and to make your personnel available to provide tutoring services in connection with the Online Platform in the manner required in the Brand Standards Manual, as it may be periodically revised You must comply with the procedures and specifications for the Online Platform that are described in the Brand Standards Manual

15 INSURANCE

15 1 *Required Insurance Coverage* Before starting any activities or operations under this Agreement, you agree to procure and maintain in full force and effect during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required under this Agreement for events having occurred during the Term of this Agreement), at your expense, at least the following insurance policy or policies in connection with the Franchised Business or other facilities on premises, or by reason of the establishment or operation of the Franchised Business Such policy or policies must be written by an insurance company or companies we have approved, having at all times a rating of at least "A-" in the most recent Key Rating Guide published by the A M Best Company (or another rating that we reasonably designate if A M Best Company no longer publishes the Key Rating Guide) and licensed and admitted to do business in the state in which the Franchised Business is located, and must include, at a minimum (except that we may reasonably specify additional coverages and higher policy limits for all franchisees periodically in the Brand Standards Manual or otherwise in writing to reflect inflation, identification of new risks, changes in the law or standards of liability, higher damage awards and other relevant changes in circumstances), the following

15 1 1 Comprehensive general liability insurance, with fire, vandalism and extended coverage insurance with primary and excess limits of not less than the full replacement value of the furniture, fixtures and equipment of the Franchised Business in the amount of Two Million Dollars ($2,000,000),

15 1 2 Worker's compensation and employer's liability insurance as well as such other insurance as may be required by statute or rule of the state in which you are located and operated, and

15 1 3 Automobile liability insurance with limits of not less than One Million Dollars ($1,000,000), when you purchase or lease the motor vehicle required under Section 8 4 2 above

15 1 4 Any other insurance coverage that is required by federal, state, or municipal law

15 2 *Endorsements* All policies listed in Section 15 1 above (unless otherwise noted below) must contain such endorsements as will, periodically, be provided in the Brand Standards Manual All policies must waive subrogation as between us (and our insurance carriers) and you (and your insurance carriers)

15 3 *Notices to us* In the event of cancellation, material change, or non-renewal of any policy, sixty (60) days' advance written notice must be provided to us in the manner provided in Section 24 below

15 4 *Other Insurance Does Not Impact your Obligation* Your obligation to obtain and maintain the foregoing policy or policies in the amounts specified will not be limited in any way by reason of any insurance that we may maintain, nor will your performance of that obligation relieve you of liability under the indemnity provisions set forth in Section 21 4 below Additionally, the requirements of this Section 15 will not be reduced, diminished, eroded, or otherwise affected by insurance that you carry (and/or claims made under that insurance) for other businesses, including other Tutor Doctor Businesses that you (and/or your affiliates) operate under the System

15 5 *Additional Named Insured* All public liability and property damage policies must list us as an additional named insured, and must also contain a provision that we, although named as an insured, will nevertheless be entitled to recover under said policies on any loss occasioned to us or our servants, agents, or employees by reason of the negligence of you or your servants, agents, or employees

15 6 *Certificates of Insurance* At least thirty (30) days before the time you are first required to carry any insurance under this Agreement, and from then on, at least thirty (30) days before the expiration of any such policy, you agree to deliver to us certificates of insurance evidencing the proper coverage with limits not less than those required under this Agreement All certificates must expressly provide that we will receive at least thirty (30) days' prior written notice if there is a material alteration to, cancellation, or non-renewal of the coverages evidenced by such certificates Additional certificates evidencing the insurance required by Section 15 1 above must name us, and each of our affiliates, directors, agents, and employees, as additional insured parties, and must expressly provide that any interest of same therein will not be affected by any breach by you of any policy provisions for which such certificates evidence coverage

15 7 *Proof of Coverage* In addition to your obligations under Section 15 6 above, on the first anniversary of the Effective Date, and on each subsequent anniversary of the Effective Date, you agree to provide us with proof of insurance evidencing the proper coverage with limits not less than those required under this Agreement, in such form as we may reasonably require If you for any reason fail to procure or maintain the insurance required by this Agreement, as revised from time to time for all franchisees by the Brand Standards Manuals or otherwise in writing, we shall have the right and authority (without, however, any obligation to do so) to immediately procure such insurance and to charge the same to you, which charges, together with a reasonable fee for our expenses in so acting, including attorneys' fees, shall be payable by you to us immediately upon your receipt of written notice

15 8 *Coverages are Minimums* You acknowledge and agree that the specifications and coverage requirements in this Section 15 are minimums, and that we recommend that you review these with your own insurance advisors to determine whether additional coverage is warranted in the operation of your Franchised Business

15 9 *Changes* We will have the right, periodically, to make such changes in minimum policy limits and endorsements as we may determine are necessary or appropriate, provided, however, all changes will apply to all of our franchisees who are similarly situated

16 TRANSFER OF INTEREST

16 1 *By Us* We will have the right to transfer or assign this Agreement and all or any part of our rights or obligations under this Agreement to any person or legal entity, and any assignee of us, which assignee will become solely responsible for all of our obligations under this Agreement from the date of assignment

16 2 *Your Principals* If you are an entity, then each party that holds any interest (direct, indirect, and/or beneficial) in you (each, a "**Principal**"), and the interest that each such Principal holds, is identified in Exhibit C to this Agreement You represent and warrant to us, and agree, that your owners are accurately set forth on Exhibit C to this Agreement, and you also agree not to permit the identity of those owners and/or their respective interests in you, to change without complying with this Agreement

16 3 *Principals* We will have a continuing right to designate any person or entity that owns a direct or indirect interest in you as a Principal, and Exhibit C will be so amended automatically upon written notice to you

16 4 *By You* You understand and acknowledge that the rights and duties set forth in this Agreement are personal to you, and that we have granted this franchise in reliance on your (or your Principals') business skill, financial capacity, and personal character Accordingly

16 4 1 You agree not to make a transfer (and not to permit any other party to make a transfer) without our prior written consent

16 4 1 1 As used in this Agreement, the term "**transfer**" is agreed to mean any sale, assignment, conveyance, pledge, encumbrance, merger, creation of a security interest in, and/or giving away of any interest (including direct, indirect, and beneficiary interests) in **(a)** this Agreement, **(b)** you, **(c)** any or all of your rights and/or obligations under this Agreement, and/or **(d)** all or any significant portion of the assets of the Franchised Business

16 4 1 2 Any purported transfer for which we did not provide our prior written consent as required by this Section 16 shall be null and void and shall also constitute a material breach of this Agreement, for which we may immediately terminate this Agreement without opportunity to cure, pursuant to Section 17 2 5 below

16 4 2 If you are an entity (other than a partnership or a limited liability partnership), then you agree that **(a)** without our prior written approval, you will not issue any voting securities or interests, or securities or interests convertible into voting securities, and **(b)** the recipient of any such security or other interest will become a Principal under this Agreement, if we designate them as such

16 4 3 If you are a partnership or limited liability partnership, then the partners of that partnership will not, without our prior written consent, admit additional general partners, remove a general partner, or otherwise materially alter the powers of any general partner Each general partner in such a partnership will automatically be deemed to be a Principal

16 4 4 No Principal may transfer, pledge, and/or otherwise encumber their interest in you without our prior written consent

16 5 *Transfer Conditions* We will not unreasonably withhold any consent required by Section 16 4 above, provided, that if you propose to transfer your obligations under this Agreement or any material asset, or if any party proposes to transfer any direct or indirect interest in you, then we will have the right to require that you satisfy any or all of the following conditions before we grant our approval to the proposed transfer

16 5 1 The transferor must have executed a general release, in a form satisfactory to us, of any and all claims against us and our affiliates, successors, and assigns, and their respective officers, directors, members, managers, shareholders, partners, agents, representatives, servants, and employees in their corporate and individual capacities including, without limitation, claims arising under this Agreement, any other agreement between you and us, and/or our respective affiliates, and federal, state, and local laws and rules

16 5 2 The transferee of a Principal will be designated as a Principal and each transferee who is designated a Principal must enter into a written agreement, in a form satisfactory to us, agreeing to be bound as a Principal under the terms of this Agreement as long as such person or entity owns any interest in you, and, if your obligations were guaranteed by the transferor, the Principal must guarantee the performance of all such obligations in writing in a form satisfactory to us

16 5 3 The proposed new Principals (after the transfer) must meet our educational, managerial, and business standards, each must possess a good moral character, business reputation, and credit rating, have the aptitude and ability to operate the Franchised Business, as may be evidenced by prior related business experience or otherwise, and have adequate financial resources and capital to operate the Franchised Business

16 5 4 We will have the right to require that you execute, for a term ending on the expiration date of this Agreement, the form of franchise agreement that we are then offering to new System franchisees, and such other ancillary agreements that we may require for the business franchised under this Agreement, and those agreements will supersede this Agreement and its ancillary documents in all respects, and the terms of which may differ from the terms of this Agreement including, without limitation, a higher royalty and marketing fee

16 5 5 If we request, then you must upgrade the Franchised Business to conform to the then-current standards and specifications of new Tutor Doctor Businesses then-being established in the System, and you agree to complete the upgrading and other requirements specified above in Section 8 7 within the time period that we specify

16 5 6 You agree to pay in full all of your monetary obligations to us and our affiliates, and to all vendors (whether arising under this Agreement or otherwise), and you must not be otherwise in default of any of your obligations under this Agreement (including your reporting obligations)

16 5 7 The transferor must remain liable for all of the obligations to us in connection with the Franchised Business that arose before the effective date of the transfer, and any covenants that survive the termination or expiration of this Agreement, and must execute any and all instruments that we reasonably request to evidence such liability

16 5 8 A principal of the transferee whom we designate to be a new Operating Principal, and those of the transferee's Specially Trained Management Personnel as we may

require, must successfully complete (to our satisfaction) all training programs that we require upon such terms and conditions as we may reasonably require (and while we will not charge a fee for attendance at such training programs, the transferee will be responsible for the salary and all expenses of the person(s) that attend training)

16 5 9 You agree to pay us a transfer fee to compensate us for our legal, accounting, training, and other expenses incurred in connection with the transfer The transfer fee will be in an amount equal to Ten Thousand Dollars ($10,000), plus any applicable broker or commission fees

16 5 10 The transferor must acknowledge and agree that the transferor will remain bound by the covenants contained in Sections 19 3 – 19 5 below

16 6 *Right of First Refusal* If you or any of your Principals wish to accept any *bona fide* offer from a third party to purchase you, any of your material assets, or any direct or indirect interest in you, then all of the following will apply

16 6 1 You (or the Principal who proposes to sell his/her interest) must promptly notify us in writing of the offer and provide to us the information and documentation relating to the offer that we may require We will have the right and option, exercisable within thirty (30) days after we have received all such information that we have requested, to send written notice to the seller that we intend to purchase the seller's interest on the same economic terms and conditions offered by the third party After exercising our right, we will also have the right to conduct additional reasonable due diligence and to require the seller to enter into a purchase agreement in a form mutually acceptable to us and to the seller If we elect to purchase the seller's interest, then the closing on such purchase will occur within thirty (30) days from the date of notice to the seller of the election to purchase by us

16 6 2 Any material change in the terms of the offer before closing will constitute a new offer subject to our same rights of first refusal (as set forth in this Section 16 6) as in the case of the third party's initial offer If we do not exercise the option afforded by this Section 16 6 that will not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 16, with respect to a proposed transfer

16 6 3 If the consideration, terms, and/or conditions offered by a third party are such that we may not reasonably be required to furnish the same consideration, terms, and/or conditions, then we may purchase the interest proposed to be sold for the reasonable equivalent in cash If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the consideration, terms, and/or conditions offered by the third party, they must attempt to appoint a mutually-acceptable independent appraiser to make a binding determination If the parties are unable to agree upon one independent appraiser, then we will promptly designate an independent appraiser and you will promptly designate another independent appraiser and those two appraisers will, in turn, promptly designate a third appraiser, and all three appraisers will promptly confer and reach a single determination, which determination will be binding upon both you and us Both parties will equally share the cost of any such appraisal

16 6 4 If we exercise our rights under this Section 16 6, then we will have the right to set off all amounts due from you (including one-half (½) of the cost of an appraisal, if any, conducted under Section 16 6 3 above) against any payment to you

16 7 *Death or Incapacity* If you or any Principal dies, becomes incapacitated, or enters bankruptcy proceedings, that person's executor, administrator, personal representative, or trustee must promptly notify us of the circumstances, and apply to us in writing within three (3) months after the event (death, declaration of incapacity, or filing of a bankruptcy petition) for consent to transfer the person's interest The transfer will be subject to the provisions of this Section 16, as applicable, however, we will not impose a transfer fee for such a transfer if you reimburse us for our reasonable out-of-pocket expenses incurred in reviewing, approving, and documenting a your proposed transaction, including our attorneys' fees

16 7 1 In addition, if the deceased or incapacitated person is the Operating Principal, we will have the right (but not the obligation) to take over operation of the Franchised Business until the transfer is completed and to charge a reasonable management fee for our services

16 7 2 For purposes of this section, "**incapacity**" means any physical or mental infirmity that will prevent the person from performing his or her obligations under this Agreement **(a)** for a period of thirty (30) or more consecutive days, or **(b)** for sixty (60) or more total days during a calendar year In the case of transfer by bequest or by intestate succession, if the heirs or beneficiaries are unable to meet the conditions of Section 16 3, the executor may transfer the decedent's interest to another successor that we have approved, subject to all of the terms and conditions for transfers contained in this Agreement

16 7 3 If an interest is not disposed of under this section within six (6) months after the date of death or appointment of a personal representative or trustee, we may terminate this Agreement under Section 17 2 below

16 8 *Consent to Transfer* Our consent to a transfer that is the subject of this Section 16 will not constitute a waiver of any claims that we may have against the transferring party, nor will it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferor or transferee

16 9 *No Transfers to a Non-Franchisee Party to Operate a Similar Business* You agree that neither you nor any Principal of yours will transfer or attempt to transfer any or all of your Franchised Business to a third party who will operate a similar business but not under the System and the Proprietary Marks, and not under a franchise agreement with us

16 10 *Bankruptcy Issues* If you or any person holding any interest (direct or indirect) in you become a debtor in a proceeding under the U S Bankruptcy Code or any similar law in the U S or elsewhere, it is the parties' understanding and agreement that any transfer of you, your obligations, and/or rights under this Agreement, any material assets of yours, and/or any indirect or direct interest in you will be subject to all of the terms of this Section 16, including without limitation the terms of Sections 16 4, 16 5, and 16 6 above

16 11 *Securities Offers* All materials for an offering of stock, ownership, and/or partnership interests in you or any of your affiliates that are required by federal or state law must be submitted to us for review as described below before such materials are filed with any government agency Any materials to be used in any exempt offering must be submitted to us for such review before their use

16 11 1 You agree that **(a)** no offering by you or any of your affiliates may imply (by use of the Proprietary Marks or otherwise) that we are participating in an underwriting, issuance, or offering of your securities or your affiliates, **(b)** our review of any

offering will be limited solely to the relationship between you and us (and, if applicable, any of your affiliates and us), and (c) we will have the right, but not obligation, to require that the offering materials contain a written statement that we require concerning the limitations stated above

16 11 2 You (and the offeror if you are not the offering party), your Principals, and all other participants in the offering must fully indemnify us and all of the Franchisor Parties (as defined in Section 21 5 2 below) in connection with the offering

16 11 3 For each proposed offering, you agree to pay us a non-refundable fee of Ten Thousand Dollars ($10,000) or such greater amount as is necessary to reimburse us for our reasonable costs and expenses (including legal and accounting fees) for reviewing the proposed offering

16 11 4 You agree to give us written notice at least thirty (30) days before the date that any offering or other transaction described in this Section 16 11 commences Any such offering will be subject to all of the other provisions of this Section 16, including without limitation the terms set forth in Sections 16 4, 16 5, 16 6, and further, without limiting the foregoing, it is agreed that any such offering will be subject to our approval as to the structure and voting control of the offeror (and you, if you are not the offeror) after the financing is completed

16 11 5 You also agree that after your initial offering, described above, for the remainder of the term of the Agreement, you will submit to us for our review and prior written approval all additional securities documents (including periodic reports, such as quarterly, annual, and special reports) that you prepare and file (or use) in connection with any such offering You agree to reimburse us for our reasonable costs and expenses (including legal and accounting fees) that we incur in connection with our review of those materials

17 DEFAULT AND TERMINATION

17 1 *Automatic* If any one or more of the following events take place, then you will be deemed to be in default under this Agreement, and all rights granted in this Agreement will automatically terminate without notice to you **(a)** if you will become insolvent or makes a general assignment for the benefit of creditors, **(b)** if a bill in equity or other proceeding for the appointment of a receiver for you or another custodian for your business or assets is filed and consented to by you, **(c)** if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction, **(d)** if proceedings for a composition with creditors under any state or federal law is instituted by or against you, **(e)** if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless unappealed or a supersedeas bond is filed), **(f)** if you are dissolved, or if execution is levied against your business or property, **(g)** if suit to foreclose any lien or mortgage against the Franchised Business premises or equipment is instituted against you and not dismissed within thirty (30) days, and/or **(h)** if the real or personal property of your Franchised Business will be sold after levy thereupon by any sheriff, marshal, or constable

17 2 *With Notice* If any one or more of the following events occur, then you will be in default under this Agreement, and we will have the right to terminate this Agreement and all rights granted under this Agreement, without affording you any opportunity to cure the default, effective immediately upon the delivery of our written notice to you (in the manner provided in Section 24 below)

17 2 1 If you do not commence operation of the Franchised Business within the time limits specified in Section 5 1 above, and within the requirements specified in Sections 5 and 8 2 above,

17 2 2 If you at any time cease to operate or otherwise abandon the Franchised Business for two (2) consecutive business days (during which you are otherwise required to be open, and without our prior written consent to do so), or otherwise forfeit the right to do or transact business in the jurisdiction where the Franchised Business is located,

17 2 3 If you, any of your Principals or personnel are convicted of a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or our interest therein,

17 2 4 If a threat or danger to public health or safety results from the maintenance or operation of the Franchised Business,

17 2 5 If you or any of your Principals purport to transfer any rights or obligations under this Agreement or any interest to any third party in a manner that is contrary to the terms of Section 16 above,

17 2 6 If you fail to comply with the requirements of Section 19 below,

17 2 7 If, contrary to the terms of Sections 10 or 11 above, you disclose or divulge the contents of the Brand Standards Manual or other confidential information that we provide to you,

17 2 8 If an approved transfer of an interest in you is not completed within a reasonable time, as required by Sections 16 7 above,

17 2 9 If you knowingly maintain false books or records, or submit any false reports (including information provided as part of your application for this franchise) to us,

17 2 10 If you commit three (3) or more defaults under this Agreement in any fifty-two (52) week period, whether or not each such default has been cured after notice,

17 2 11 If, after receipt of notice from us of a violation of the provisions of Sections 7 1 and/or 8 4 above, you continue to purchase any products from an unapproved supplier, or sell any products or services from the Business that are not products or Services, as prohibited under Sections 7 1 and 8 4 above,

17 2 12 If you or any of your Specially Trained Management Personnel fail to attend and successfully complete any mandatory training program unless attendance is excused or waived, in writing, by us,

17 2 13 If your bank or credit card issuer (if we have required you to provide us with a valid credit card on which to charge continuing fees due hereunder) has declined or denied a charge by us three (3) times during the term of this Agreement,

17 2 14 If you engage in any conduct or practice that is fraudulent, unfair, unethical, or a deceptive practice, and/or

17 2 15 If you make any unauthorized or improper use of the Proprietary Marks, or if you or any of your Principals use the Proprietary Marks in a manner that we do not permit (whether under this Agreement and/or otherwise) or that is inconsistent with our direction, or if you or any of your Principals directly or indirectly contest the validity of our ownership of the Proprietary Marks, our right to use and to license others to use the Proprietary Marks, or seek to (or actually do) register any of our Proprietary Marks with any agency (public or private) for any purpose without our prior written consent to do so

17 3 *With Notice and Opportunity to Cure*

17 3 1 Except as otherwise provided above in Sections 17 1 and 17 2 above, if you are in default of your obligations under this Agreement, then we may terminate this Agreement by giving you written notice of termination (in the manner provided under Section 24 below) stating the nature of the default at least thirty (30) days before the effective date of termination, provided, however, that you may avoid termination by **(a)** immediately initiating a remedy to cure such default, **(b)** curing the default to our satisfaction, and **(c)** promptly providing proof of the cure to us, all within the thirty (30) day period If you do not cure any such default within the specified time (or such longer period as applicable law may require), then this Agreement will terminate without further notice to you effective immediately upon the expiration of the thirty (30) day period (or such longer period as applicable law may require)

17 3 2 If you are in default under the terms of any other franchise agreement or other contract between you (and/or your affiliates) and us (and/or our affiliates), that will also constitute a default under Section 17 3 1 above

17 4 *Bankruptcy* If, for any reason, this Agreement is not terminated pursuant to this Section 17, and the Agreement is assumed, or assignment of the same to any person or entity who has made a *bona fide* offer to accept an assignment of the Agreement is contemplated, pursuant to the U S Bankruptcy Code, then notice of such proposed assignment or assumption, setting forth **(a)** the name and address of the proposed assignee, and **(b)** all of the terms and conditions of the proposed assignment and assumption, must be given to us within twenty (20) days after receipt of such proposed assignee's offer to accept assignment of the Agreement, and, in any event, within ten (10) days before the date application is made to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption We will then have the prior right and option, to be exercised by notice given at any time before the effective date of such proposed assignment and assumption, to accept an assignment of the Agreement to us upon the same terms and conditions, and for the same consideration, if any, as in the *bona fide* offer made by the proposed assignee, less any brokerage commissions that may be payable by you out of the consideration to be paid by such assignee for the assignment of the Agreement

17 5 *Our Rights Instead of Termination* If we are entitled to terminate this Agreement in accordance with Sections 17 2 or 17 3 above, we will also have the right to take any lesser action instead of terminating this Agreement, including terminating, modifying, or eliminating completely, the Protected Territory described in Section 1 3 above

17 6 *Reservation of Rights under Section 17 5* If any rights, options, arrangements, or areas are terminated or modified in accordance with Section 17 5 above, such action will be without prejudice to our right to terminate this Agreement in accordance with Sections 17 2 or 17 3 above, and/or to terminate any other rights, options or arrangements under this Agreement

at any time thereafter for the same default or as a result of any additional defaults of the terms of this Agreement

17 7 *Damages* You agree to pay us all damages, costs, and expenses (including reasonable attorneys' fees, court costs, discovery costs, and all other related expenses), that we incur as a result of any default by you under this Agreement and any other agreement between the parties (and their respective affiliates) (in addition to other remedies that we may have)

18 OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted under this Agreement to you will forthwith terminate, and all of the following will take effect

18 1 *Cease Operation* You agree to **(a)** immediately and permanently stop operating the Franchised Business, and **(b)** never directly or indirectly represent to the public that you are a present or former franchisee of ours

18 2 *Stop Using Marks and Intellectual Property* You agree to immediately and permanently cease to use, in any manner whatsoever, all aspects of the System, including the Program Materials and any other confidential methods, procedures and techniques associated with the System, the mark "Tutor Doctor" and any and all other Proprietary Marks, distinctive forms, slogans, signs, symbols, and devices associated with the System, and any and all other intellectual property associated with the System Without limiting the foregoing, you agree to stop making any further use of any and all signs, marketing materials, displays, stationery, forms, and any other articles that make any use of, reference to, and/or display of the Proprietary Marks

18 3 *Cancel Assumed Names* You agree to take such action as may be necessary to cancel any assumed name or equivalent registration which contains the mark "Tutor Doctor" and any and all other Proprietary Marks, and/or any other service mark or trademark of ours, and you will give us evidence that we deem satisfactory to provide that you have complied with this obligation within five (5) days after termination or expiration of this Agreement

18 4 *Our Option to Buy Your Assets* We will have the right (but not the obligation), which we may exercise at any time within thirty (30) days after expiration, termination, or default under this Agreement and/or default under your lease/sublease for the premises of any retail location that you may have established, to buy from you (and/or your affiliates) any or all of the tangible assets related to the operation of the Franchised Business, at the lesser of your cost or fair market value The parties agree that "cost" will be determined based upon a five (5) year straight-line depreciation of original costs For equipment and fixtures that are five (5) or more years old, the parties agree that fair market value is deemed to be ten percent (10%) of the equipment's original cost If we elect to exercise any option to purchase provided in this Section, we will have the right to set off all amounts due from you

18 5 *No Use of the Marks in Other Businesses* You agree, if you continue to operate or subsequently begin to operate any other business, that you will not use any reproduction, counterfeit copy, and/or colorable imitation of the Proprietary Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake, or deception, or which is likely to dilute our rights in and to the Proprietary Marks You further agree not to use, in any manner whatsoever, any designation of origin, description, trademark, service mark, or representation that suggests or implies a past or present association or connection with us, the System, the equipment, and/or the Proprietary Marks

18 6 *Pay All Sums Due* You agree to promptly pay all sums owing to us and our affiliates (regardless whether those obligations arise under this Agreement or otherwise) In the event of termination for any of your defaults, those sums will include all damages, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses), that we incur as a result of the default

18 7 *Pay Damages* You agree to pay us all damages, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur as a result of your default under this Agreement and/or subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Section 18, which will be in addition to amounts due to us under Section 18 11 below

18 8 *Return Confidential Information* You agree to immediately return to us the Brand Standards Manual, the Program Materials, and all other manuals, records, and instructions containing confidential information (including, without limitation, any copies thereof, even if such copies were made in violation of this Agreement), all of which are acknowledged to be our property You further agree to transfer all telephone numbers and directories to us pursuant to the terms of Section 14 9 4 above

18 9 *Right to Continue Operations* In order to preserve the goodwill of the System following expiration and/or termination, we (or our designee) will have the right (without liability to you, your Principals, or otherwise) to continue (or delegate to a third party the right to continue) to operate the Franchised Business' operation and maintaining the goodwill of the business

18 10 *Customer Deposits and Tutor Details Payments* In order to preserve the goodwill of the System following expiration and/or termination, you agree to (a) provide to us a written report of all funds taken from customers for services that have not yet been fully delivered as of the date of termination and/or expiration ("**Pre-Payments**"), including such detail as we may require, (b) refund all Pre-Payments in full to the appropriate customers (unless we require you to pay them to us or to our designee), (c) provide us with a written report concerning all tutors that you have engaged, including such detail as we may require, including any unfulfilled obligations that you may have to make payments to those tutors

18 11 *Lost Future Royalties* If we terminate this Agreement based on your default, or if you abandon or otherwise cease to operate the Franchised Business, then in addition to all other amounts due to us under this Agreement and otherwise, you agree to pay to us, as liquidated damages, an amount calculated as follows **(a)** the average of your monthly Royalty Fees that are due under this Agreement for the twelve (12) months immediately before your abandonment or our delivery of the notice of default (or, if you have been operating for less than 12 months, the average of your monthly Royalty Fees for the number of months you have operated the Business), **(b)** multiplied by the lesser of 24 or the number of months remaining in the then-current term of this Agreement under Section 2 You agree that the liquidated damages as provided above are a reasonable pre-estimate of the amounts that we will lose if such a termination, abandonment, or other similar act occurs, and that the liquidated damages are not a penalty

18 12 *Our Rights* You agree not to do anything that would potentially interfere with or impede the exercise of our rights under this Section 18

18 13 *Offsets* We have the right to offset amounts that you owe to us against any payment that we may be required to make under this Agreement

19 COVENANTS

19 1 *Full Time Efforts* You agree that during the term of this Agreement, except as we have otherwise approved in writing, you (or the Operating Principal) will devote full time, energy, and best efforts to the management and operation of the Franchised Business

19 2 *Understandings*

19 2 1 You acknowledge and agree that **(a)** pursuant to this Agreement, you will have access to valuable trade secrets, specialized training and Confidential Information from us and our affiliates regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System, **(b)** the System and the opportunities, associations and experience we have established and that you will have access to under this Agreement are of substantial and material value, **(c)** in developing the System, we and our affiliates have made and continue to make substantial investments of time, technical and commercial research, and money, **(d)** we would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information among franchisees in our system if franchisees were permitted to hold interests in Competitive Businesses (as defined below), and **(e)** restrictions on your right to hold interests in, or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder your activities

19 2 2 As used in this Section 19, the term "**Competitive Business**" is agreed to mean any business which is the same as or substantially similar to a business that offers tutoring and similar online educational services (whether at a student's home or other locations)

19 3 *Covenant Not to Compete or Engage in Injurious Conduct* Accordingly, you covenant and agree that, during the term of this Agreement and for a continuous period of two (2) years after the expiration or termination of this Agreement, and/or a transfer as contemplated in Section 16 above, you will not directly, indirectly, for yourself, or through, on behalf of, or in conjunction with any party, in any manner whatsoever, do any of the following

19 3 1 Divert or attempt to divert any actual or potential business or customer of any Tutor Doctor Business to any competitor or otherwise take any action injurious or prejudicial to the goodwill associated with the Marks and the System

19 3 2 Disparage to, or otherwise share negative opinions with, any third parties regarding us, the System or any Tutor Doctor Businesses specifically or generally

19 3 3 Own, maintain, develop, operate, engage in, franchise or license, make loans to, lease real or personal property to, and/or have any whatsoever interest in, or render services or give advice to, any Competitive Business

19 4 *Where Restrictions Apply* During the term of this Agreement, there is no geographical limitation on the restrictions set forth in Section 19 3 above During the two-year period following the expiration or earlier termination of this Agreement, or a transfer as contemplated under Section 16 above, these restrictions will apply only within the Protected Territory, within twenty-five (25) miles of the Protected Territory, or within twenty-five (25) miles of any then-existing or planned Tutor Doctor Business operated elsewhere, except as

we may otherwise approve in writing These restrictions will not apply to businesses that you operate that we (or our affiliates) have franchised to you pursuant to a valid franchise agreement

19 5 Post-Term You further covenant and agree that, for a continuous period of two (2) years after (**a**) the expiration of this Agreement, (**b**) the termination of this Agreement, and/or (**c**) a transfer as contemplated in Section 16 above

19 5 1 you will not directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, firm, partnership, corporation, or other entity, sell, assign, lease, and/or transfer any or all of the Franchised Business to any person, firm, partnership, corporation, or other entity that you know, or have reason to know, intends to operate a Competitive Business in the Protected Territory

19 5 2 You agree that, by the terms of any conveyance, selling, assigning, leasing or transferring your interest in the Franchised Business, you shall include these restrictive covenants as necessary to ensure that a Competitive Business that would violate this Section is not operated at in the Protected Territory for this two-year period, and you will take all steps necessary to ensure that these restrictive covenants become a matter of public record

19 6 *Periods of Non-Compliance* Any period of non-compliance with the requirements of this Section 19, whether such non-compliance takes place after termination, expiration, and/or a transfer, will not be credited toward satisfying the two-year obligation specified above

19 7 *Publicly-Held Entities* Section 19 3 3 above will not apply to your ownership of less than five percent (5%) beneficial interest in the outstanding equity securities of any publicly-held corporation As used in this Agreement, the term "**publicly-held corporation**" will be deemed to refer to a corporation which has securities that have been registered under the Securities Exchange Act of 1934

19 8 *Personal Covenants* You agree to require and obtain execution of covenants similar to those set forth in Sections 9 3, 11, 16, 18 above, and this Section 19 (as modified to apply to an individual), from your Specially Trained Management Personnel and other managerial and/or executive staff, as well as your Principals The covenants required by this section must be in the form provided in Exhibit F to this Agreement If you do not obtain execution of the covenants required by this section and deliver to us those signed covenants, that failure will constitute a default under Section 17 2 6 above

19 9 *Construction* The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement We have the right to reduce in writing the scope of any part of this Section 19 and, if we do so, you agree to comply with the obligations as we have reduced them

19 10 *Claims Not a Defense* You agree that the existence of any claims you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of the covenants in this Section 19 You agree to pay all costs and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in connection with the enforcement of this Section 19

19 11 *Covenant as to Anti-Terrorism Laws* You and the owners of your business ("**Owners**") agree to comply with and/or to assist us to the fullest extent possible in our efforts to comply with Anti-Terrorism Laws (as defined below) In connection with such compliance, you and the

Owners certify, represent, and warrant that none of their respective property or interests are "blocked" under any of the Anti-Terrorism Laws and that neither you nor any of the Owners are in violation of any of the Anti-Terrorism Laws You also agree not to knowingly hire or do business with (or continue to employ or do business with) any party who is blocked under any of the Anti-Terrorism Laws The term "**Anti-Terrorism Laws**" means Executive Order 13224 issued by the President of the United States, as supplemented, the USA PATRIOT Act, and all other laws and regulations addressing or in any way relating to terrorist acts and/or acts of war

19 12 *Defaults* You acknowledge and agree that your violation of the terms of this Section 19 would result in irreparable injury to us for which no adequate remedy at law may be available, and you accordingly consent to the issuance of an injunction prohibiting any conduct in violation of the terms of this Section 19

20 TAXES, PERMITS, AND INDEBTEDNESS

20 1 *Payment of Taxes* You agree to promptly pay when due all taxes levied or assessed, including, without limitation, unemployment and sales taxes, and all accounts and other indebtedness of every kind that you incur in the conduct of the business franchised under this Agreement You agree to pay us an amount equal to any sales tax, gross receipts tax, or similar tax (other than income tax) imposed on us with respect to any payments that you make to us as required under this Agreement, unless the tax is credited against income tax that we otherwise pay to a state or federal authority

20 2 *Payment of Trade Creditors* You agree to promptly pay when due all trade creditors and vendors (including any that are affiliated with us) that supply goods or services to you and/or the Franchised Business

20 3 *Your Right to Contest Liabilities* If there is a bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law, however, in no event will you permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the premises of the Franchised Business, or any improvements thereon

20 4 *Compliance with Law* You agree to comply with all federal, state, and local laws, rules, and regulations, and to timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the business franchised under this Agreement, including, without limitation, licenses to do business, health certificates, fictitious name registrations, sales tax permits, and fire clearances To the extent that the requirements of any such laws are in conflict with the terms of this Agreement, the Brand Standards Manual, or our other instructions, you agree to **(a)** comply with said laws, **(b)** immediately provide us with written notice describing the nature of the conflict, and **(c)** cooperate with us and our counsel in developing a way to comply with the terms of this Agreement, as well as applicable law, to the extent that it is possible to do so

20 5 *Notice of Violations and Actions* You agree to notify us in writing within five (5) days after you receive notice of any health or safety violation, the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, or within five (5) days occurrence of any accident or injury which may adversely affect the operation of the Franchised Business or your financial condition, or give rise to liability or a claim against either party to this Agreement

21 INDEPENDENT CONTRACTOR AND INDEMNIFICATION

21 1 *Independent Contractor Relationship* The parties acknowledge and agree that

21 1 1 this Agreement does not create a fiduciary relationship between them,

21 1 2 you are the only party that will be in day-to-day control of your franchised business, even though we will share the brand and Proprietary Marks as specified in this Agreement, and neither this Agreement nor any of the systems, guidance, computer programs, processes, or requirements under which you operate alter that basic fact,

21 1 3 nothing in this Agreement and nothing in our course of conduct is intended to make either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever, and

21 1 4 neither this Agreement nor our course of conduct is intended, nor may anything in this Agreement (nor our course of conduct) be construed, to state or imply that we are the employer of your employees and/or independent contractors, nor vice versa

21 2 *Notice of Status* At all times during the term of this Agreement and any extensions hereof, you will hold yourself out to the public as an independent contractor operating the business pursuant to a franchise from us You agree to take such action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place at the Approved Office and/or in communications with your customers and your tutors, the content of which we reserve the right to specify

21 3 *No Contracts in our Name* It is understood and agreed that nothing in this Agreement authorizes you to make any contract, agreement, warranty, or representation on our behalf, or to incur any debt or other obligation in our name, and that we will in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, nor will we be liable by reason of any act or omission in your conduct of the Franchised Business or for any claim or judgment arising therefrom against either party to this Agreement

21 4 *Indemnification* You agree to indemnify and hold harmless each of the Franchisor Parties against any and all Damages arising directly or indirectly from any Asserted Claim as well as from your breach of this Agreement Your indemnity obligations will survive the expiration or termination of this Agreement, and will not be affected by any insurance coverages that you or we may maintain

21 5 *Definitions* As used in Section 21 4 above, the parties agree that the following terms will have the following meanings

21 5 1 "**Asserted Claim**" means any allegation, claim or complaint that is the result of, or in connection with, your exercise of your rights and/or carrying out of your obligations under this Agreement (including any claim associated with your operation of the Franchised Business or otherwise), or any default by you under this Agreement, notwithstanding any claim that any Franchisor Party was or may have been negligent

21 5 2 "**Franchisor Parties**" means us, our shareholders, parents, subsidiaries, and affiliates, and their respective officers, directors, employees, and agents

21 5 3 "**Damages**" means all claims, demands, causes of action, suits, damages, liabilities, fines, penalties, assessments, judgments, losses, and expenses (including without limitation expenses, costs and lawyers' fees incurred for any indemnified party's primary defense or for enforcement of its indemnification rights)

21 6 *Indemnification Procedure* We will give you reasonable notice of any Assert Claim for which the Franchisor Parties intend to seek indemnification, however, the failure to give notice will not relieve you of any obligation except to the extent of any actual prejudice to you You will have a reasonable opportunity to assume the defense of the Asserted Claim, at your expense and through legal counsel reasonably acceptable to us, provided that you must proceed in good faith, expeditiously, and diligently, and that the defense that you undertake does not jeopardize any of the Franchisor Parties' defenses We will have the right (i) to participate in any defense that you undertake with counsel of our own choosing, at our expense, and (ii) to undertake, direct, and control the defense and settlement of the Asserted Claim (at your expense) we determine that you have not properly and competently assumed defense of the Asserted Claim within a reasonable time and/or if, in our sole judgment, there would be a conflict of interest between us and you

22 FORCE MAJEURE

22 1 *Impact* Neither party will be responsible to the other for non-performance or delay in performance occasioned by causes beyond its control, including without limiting the generality of the foregoing **(a)** acts of nature, **(b)** acts of war, terrorism, or insurrection, **(c)** strikes, lockouts, labor actions, boycotts, floods, fires, hurricanes, tornadoes, and/or other casualties, and/or **(d)** our inability (and that of our affiliates and/or suppliers) to manufacture, purchase, and/or cause delivery of any services or products used in the operation of the Franchised Business

22 2 *Transmittal of Funds* The inability of either party to obtain and/or remit funds will be considered within control of such party for the purpose of Section 22 1 above If any such delay occurs, any applicable time period will be automatically extended for a period equal to the time lost, provided, however, that the party affected makes reasonable efforts to correct the reason for such delay and gives to the other party prompt notice of any such delay, and further provided, however, that you will remain obligated to promptly pay all fees owing and due to us under this Agreement, without any such delay or extension

23 APPROVALS AND WAIVERS

23 1 *Request for Approval* Whenever this Agreement requires our prior approval or consent, agree to make a timely written request to us therefor, and such approval or consent must be obtained in writing

23 2 *No Warranties or Guarantees* You acknowledge and agree that we make no warranties or guarantees upon which you may rely, and that we assume no liability or obligation to you, by providing any waiver, approval, consent, or suggestion to you in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefor

23 3 *No Waivers* No delay, waiver, omission, or forbearance on our part to exercise any right, option, duty, or power arising out of any breach or default by you or any other franchisee under any of the terms, provisions, covenants, or conditions of this Agreement, and no custom or practice by the parties at variance with the terms of this Agreement, will constitute our waiver of our right to enforce any such right, option, duty, or power as against you, or as to subsequent breach or default by you If we accept late payments from you or any

payments due, that will not be deemed to be our waiver of any earlier or later breach by you of any terms, provisions, covenants, or conditions of this Agreement No course of dealings or course of conduct will be effective to amend the terms of this Agreement

24 NOTICES

24 1 Any and all notices required or permitted under this Agreement must be in writing, sent in the English language, and personally delivered, sent by certified U S mail, or by another method that affords the sender evidence of delivery, of rejected delivery, or attempted delivery to the respective parties at the addresses shown on the signature page of this Agreement (unless and until a different address has been designated by written notice to the other party)

24 2 Any notice that gives the sender evidence of delivery, rejected delivery, or delivery that is not possible because the recipient moved and left no forwarding address will be deemed to have been given at the date and time of receipt, rejected, and/or attempted delivery

24 3 The Brand Standards Manual, any changes that we make to the Brand Standards Manual, and/or any other written instructions that we provide relating to operational matters, are not considered to be "notices" for the purpose of the delivery requirements in this Section 24

25 ENTIRE AGREEMENT AND AMENDMENT

25 1 *Entire Agreement* This Agreement and the exhibits referred to in this Agreement constitute the entire, full, and complete Agreement between the parties to this Agreement concerning the subject matter hereof, and supersede all prior agreements The parties confirm that **(a)** they were not induced by any representations other than the words of this Agreement (and the FDD) before deciding whether to sign this Agreement, and **(b)** they relied only on the words printed in this Agreement in deciding whether to enter into this Agreement However, nothing in this Section is intended as, nor will it be interpreted to be, a disclaimer by us of any representation made in our Franchise Disclosure Document ("**FDD**"), including the exhibits and any amendments to the FDD

25 2 *Amendment* Except for those changes that we are permitted to make unilaterally under this Agreement, no amendment, change, or variance from this Agreement will be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing

26 SEVERABILITY AND CONSTRUCTION

26 1 *Introductory Paragraphs* The parties agree that the introductory paragraphs of this Agreement, under the heading "Introduction," are accurate, and the parties agree to incorporate those paragraphs into the text of this Agreement as if they were printed here

26 2 *Severability* Except as expressly provided to the contrary herein, each portion, section, part, term, and/or provision of this Agreement will be considered severable, and if, for any reason, any section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such will not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions of this Agreement as may remain otherwise intelligible, and the latter will continue to be given full force and effect and bind the parties hereto, and said invalid portions, sections, parts, terms, and/or provisions will be deemed not to be a part of this Agreement

26 3 *No Third Party Rights* Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor will be deemed, to confer upon any person or legal entity other than you, we, and such of our respective successors and assigns as may be contemplated (and, as to you, permitted) by Section 16 4 above, any rights or remedies under or by reason of this Agreement

26 4 *Captions Don't Amend Terms* All captions in this Agreement are intended solely for the convenience of the parties, and no caption will be deemed to affect the meaning or construction of any provision hereof

26 5 *Including* The parties agree that when used in this Agreement, the terms "includes" and "including" means "*including but not limited to*"

26 6 *Survival* All provisions of this Agreement which, by their terms or intent, are designed to survive the expiration or termination of this Agreement, will so survive the expiration and/or termination of this Agreement

26 7 *How We Exercise Our Rights* Although we may exercise any of our rights, carry out any of our obligations, or otherwise discharge any of our duties under this Agreement directly, through the use of employees, independent contractors, professional advisors (for example, a CPA), or otherwise, we will still remain responsible for the proper performance of our obligations to you under this Agreement You agree that in any instance in which we have a right as set out in this Agreement, we may exercise that right (unless otherwise provided) once and/or at any additional times that we deem it appropriate to do so

26 8 *Expenses* Each party will bear all of the costs of exercising its rights and carrying out its responsibilities under this Agreement, except as otherwise provided

26 9 *Counterparts* This Agreement may be signed in counterparts, and signature pages may be exchanged by fax, each such counterpart, when taken together with all other identical copies of this Agreement also signed in counterpart, will be considered as one complete Agreement

27 APPLICABLE LAW AND DISPUTE RESOLUTION

27 1 *Choice of Law* This Agreement takes effect only when all of the parties have signed this document The parties agree that New York has a deep body of law that will aid in interpreting and understanding the terms of this Agreement and that they therefore have agreed that this Agreement will be interpreted and construed exclusively under the laws of the State of New York (which laws will prevail in the event of any conflict of law, without applying New York choice-of-law rules), provided, however, that if the covenants in Section 19 of this Agreement would not be enforced as written under New York law, then the parties agree that those covenants will instead be interpreted and construed under the laws of the state in which the Franchised Business is located Nothing in this Section 27 1 is intended by the parties to invoke the application of any franchise, business opportunity, antitrust, implied covenant, unfair competition, fiduciary, and/or other doctrine of law of the State of New York (or any other state) that would not otherwise apply without the words of this Section 27 1

27 2 *Choice of Venue* Subject to Section 27 3 below, the parties agree that any action that you bring against us, in any court, whether federal or state, must be brought only within the courts that have jurisdiction over Erie County, New York Any action that we bring against you in any court, whether federal or state, may be brought within the state and judicial district in which we maintain our principal place of business

27 2 1 The parties agree that this Section 27 2 will not be construed as preventing either party from removing an action from state to federal court, provided, however, that venue will be as set forth above

27 2 2 The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision

27 2 3 Any such action will be conducted on an individual basis, and not as part of a consolidated, common, or class action

27 3 *Mediation* Before any party may bring an action in court against the other, the parties agree that they must first meet to mediate the dispute (except as otherwise provided in Section 27 5 below) Any such mediation will be non-binding and will be conducted in accordance with the then-current rules for mediation of commercial disputes of JAMS, Inc (formerly, "Judicial Arbitration and Mediation Services, Inc ") at its location in Washington, D C

27 4 *Parties Rights Are Cumulative* No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor will be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each will be cumulative of every other right or remedy

27 5 *Injunctions* Nothing contained in this Agreement will bar our right to obtain injunctive relief in a court of competent jurisdiction against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions

27 6 ***WAIVER OF JURY TRIALS*** **EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING**

27 7 ***MUST BRING CLAIMS WITHIN ONE YEAR*** **EACH PARTY TO THIS AGREEMENT AGREES THAT ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES' RELATIONSHIP, AND/OR YOUR OPERATION OF THE FRANCHISED BUSINESS, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, SHALL BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR, IT IS EXPRESSLY ACKNOWLEDGED AND AGREED BY ALL PARTIES, SUCH CLAIM OR ACTION SHALL BE IRREVOCABLY BARRED THIS SECTION 27 7 DOES NOT APPLY TO CLAIMS FOR INDEMNIFICATION UNDER THIS AGREEMENT**

27 8 ***WAIVER OF PUNITIVE DAMAGES*** **EACH PARTY TO THIS AGREEMENT HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES IT HAS SUSTAINED (THE PARTIES AGREE THAT THE PROVISIONS OF SECTION 18 11 ARE CONSISTENT WITH THIS PROVISION AND SHALL BE ENFORCED NOTWITHSTANDING THE WAIVER IN THIS SECTION 27 8)**

27 9 *Payment of Legal Fees* You agree to pay us all damages, costs and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in **(a)** obtaining injunctive or other relief for the enforcement of any provisions of this Agreement (including without limitation Sections 9 and 17 above), and/or **(b)** successfully defending a claim from you that we misrepresented the terms of this Agreement, fraudulently induced you to sign this Agreement, that the provisions of this

Agreement are not fair, were not properly entered into, and/or that the terms of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship

28 ACKNOWLEDGMENTS

28 1 *Your Investigation of the Business Possibilities* You acknowledge and agree that you have conducted an independent investigation of the business franchised under this Agreement, recognize that this business venture involves business risks, and that your success will be largely dependent upon your ability (or, if you are an entity, your owners as independent businesspersons)

28 2 *No Warranties or Guarantees* We expressly disclaim the making of, and 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 the business venture contemplated by this Agreement

28 3 *Receipt of FDD and Complete Agreement* You acknowledge and agree receipt of a copy of this Agreement, the exhibit(s), and agreements relating to this Agreement (if any), with all of the blank lines filled in, with ample time within which to review with applicable advisors You also acknowledge that you received the FDD at least fourteen (14) days before the date on which this Agreement was signed

28 4 *You Have Read the Agreement* You acknowledge and agree that you have read and understood the FDD, this Agreement, and the exhibits to this Agreement

28 5 *Your Advisors* You acknowledge that we have recommended that you seek advice from advisors of your own choosing (including a lawyer and an accountant) about the potential benefits and risks of entering into this Agreement, and that you have had sufficient time and opportunity to consult with those advisors

28 6 *No Conflicting Obligations* Each party represents and warrants to the others that there are no other agreements, court orders, or any other legal obligations that would preclude or in any manner restrict such party from **(a)** negotiating and entering into this Agreement, **(b)** exercising its rights under this Agreement, and/or **(c)** fulfilling its responsibilities under this Agreement

28 7 *Your Responsibility for the Choice of the Protected Territory* You acknowledge and agree that you have sole and complete responsibility for the choice of the Protected Territory, that we have not (and will not be deemed to have, even by our approval of the Protected Territory) given any representation, promise, or guarantee of your success in the Protected Territory, and that you will be solely responsible for your own success in the Protected Territory

28 8 *Your Responsibility for Operation of the Franchised Business* Although we retain the right to establish and periodically modify System standards, which you have agreed to maintain in the operation of your franchised Business, you retain the right and sole responsibility for the day-to-day management and operation of the Franchised Business and the implementation and maintenance of system standards at the Franchised Business

28 9 *Different Franchise Offerings to Others* You acknowledge and agree that we may modify the terms under which we will offer franchises to other parties in any manner and at any time,

which offers and agreements have or may have terms, conditions, and obligations that may differ from the terms, conditions, and obligations in this Agreement

28 10 *Our Advice* You acknowledge and agree that our advice is just that, that our advice is not a guarantee of success, and that you are the party that must reach and implement your own decisions about how to operate your Franchised Business on a day-to-day basis under the System

28 11 *Your Independence* You acknowledge and agree that

28 11 1 you are the only party that employs and engages your staff (even though we may provide you with advice, guidance, and training),

28 11 2 we are not your employer,

28 11 3 we are not the employer of any of your staff, and even if we express an opinion or provide advice, we will play no role in your decisions regarding their employment (including matters such as recruitment, hiring, compensation, scheduling, employee relations, labor matters, review, discipline, and/or dismissal),

28 11 4 the guidance that we provide, and requirements under which you will operate, are intended to promote and protect the value of the brand and the Proprietary Marks,

28 11 5 when forming and in operating your business, you had to adopt standards to operate that business, and that instead of developing and implementing your own standards (or those of another party), you chose to adopt and implement our standards for your business (including our System and the requirements under this Agreement), and

28 11 6 you have made (and will remain responsible at all times for) all of the organizational and basic decisions about establishing and forming your entity, operating your business (including adopting our standards as your standards), and hiring employees and employment matters (including matters such as recruitment, hiring, compensation, scheduling, employee relations, labor matters, review, discipline, and/or dismissal), engaging professional advisors, and all other facets of your operation

28 12 *Success Depends on You* You acknowledge and agree that the success of the business venture contemplated under this Agreement is speculative and depends, to a large extent, upon your ability as an independent businessperson, your active participation in the daily affairs of the business, market conditions, area competition, availability of product, quality of services provided as well as other factors We do not make any representation or warranty express or implied as to the potential success of the business venture contemplated hereby

28 13 *Two or More Signatories* If two or more persons are signing this Agreement as the "franchisee" (each, a "**Signatory**"), the parties agree that

28 13 1 Each Signatory will have the power to individually bind "you" with respect to us and third parties,

28 13 2 We have the right to treat each Signatory as having the full authority to bind all other Signatories in any and all matters,

28 13 3 We have the right to treat each Signatory as if s/he represents and can act on behalf of all the other Signatory(ies) in all matters,

28 13 4 Even though there may be more than one Signatory, all of the Signatories' rights will be one and none of the Signatories will have the right to exercise any right independent of (and/or apart from) one another,

28 13 5 We have the right to communicate with or provide notice to any Signatory, and such communication or notice will be deemed as having been given to all Signatories, and

28 13 6 If there is a conflict among the Signatories (including us receiving conflicting information from or requests between the Signatories), we have the right to select from among any conflicting or inconsistent requests by, or information from, any of the Signatories, and our selection in such case will be final and dispositive with respect to any such conflict

28 14 *General Release* If this Agreement is not the first contract between you (and your affiliates) and us (and our affiliates), then you agree to the following

*You (on behalf of yourself and your parent, subsidiaries and affiliates and their respective past and present members, officers, directors, members, managers, shareholders, agents and employees, in their corporate and individual capacities) and all guarantors of your obligations under this Agreement (collectively, "**Releasors**") freely and without any influence forever release and covenant not to sue us, our parent, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities (collectively "**Releasees**"), with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "**claims**"), which any Releasor now owns or holds or may at any time have owned or held, including, without limitation, claims arising under federal, state and local laws, rules and ordinances and claims arising out of, or relating to this Agreement and all other agreements between any Releasor and any Releasee, the sale of any franchise to any Releasor, the development and operation of the Tutor Doctor Businesses and the development and operation of all other businesses operated by any Releasor that are franchised by any Releasee You understand as well that you may later learn of new or different facts, but still, it is your intention to fully, finally, and forever release all of the claims that are released above This includes your waiver of state laws that may otherwise limit a release (for example, Calif Civil Code Section 1542, which states that "[a] general release does not extend to claims which the creditor does not know or suspect exist in his [or her] favor at the time of executing the release, which if known by him [or her] must have materially affected his [or her] settlement with the debtor") You expressly agree that fair consideration has been given by us for this General Release and you fully understand that this is a negotiated, complete and final release of all claims This General Release does not release any claims arising from representations made in our Franchise Disclosure Document and its exhibits or otherwise impair or affect any claims arising after the date of this Agreement*

*****

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Agreement in duplicate on the day and year first above written

Tutor Doctor Systems, Inc
Franchisor

By _____

Name _____

Title _____

Effective Date _____

Address for Notices

2711 Centreville Road, Suite 400
Wilmington, Delaware 19808
Fax (416) 646-0366
Attn President

_____
Franchisee Entity

By _____

Name _____

Title _____

Address for Notices

_____
_____
Fax _____
Attn _____

TUTOR DOCTOR SYSTEMS, INC
FRANCHISE AGREEMENT
EXHIBIT A
DATA ADDENDUM

¶	Section Cross-Reference	Item
1	1 1	The Franchised Business will be a (select one) ☐ Local Territory Franchise ☐ Regional Territory Franchise
2	1 2	The Approved Office will be at _____ _____
3	1 3	The Protected Territory under this Agreement will be _____ _____
4	4 1	The Initial Franchise Fee is _____
5	4 2	The "Minimum Royalty Fee" will be

Year of Agreement	Minimum Royalty Fee per Month
First (1st) year	Five Hundred Dollars ($500)
Second (2nd) year	Seven Hundred and Fifty Dollars ($750)
Third (3rd) year	One Thousand Dollars ($1,000)
Fourth (4th) year	One Thousand Two Hundred and Fifty Dollars ($1,250)
Fifth (5th) year and each additional year	One Thousand Five Hundred Dollars ($1,500)

Initials

_____ Franchisee

_____ Franchisor

TUTOR DOCTOR SYSTEMS, INC
FRANCHISE AGREEMENT
EXHIBIT B
GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT

In order to induce Tutor Doctor Systems, Inc ("**Franchisor**") to sign the Tutor Doctor Franchise Agreement between Franchisor and _____ ("**Franchisee**"), dated _____, 201____ (the "**Agreement**"), each of the undersigned parties, jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns that all of Franchisee's obligations (monetary and otherwise) under the Agreement as well as any other contract between you and Franchisor (and/or Franchisor's affiliates) will be punctually paid and performed

Each person signing this Personal Guarantee acknowledges and agrees, jointly and severally, that

- Upon Franchisor's demand, s/he will immediately make each payment required of Franchisee under the Agreement and/or any other contract with Franchisor and/or its affiliates

- S/he waives any right to require Franchisor to ***(a)*** proceed against Franchisee for any payment required under the Agreement (and/or any other contract with Franchisor and/or its affiliates), ***(b)*** proceed against or exhaust any security from Franchisee, ***(c)*** pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee, and/or ***(d)*** give notice of demand for payment by Franchisee

- Without affecting the obligations of the undersigned persons under this Guarantee, Franchisor may, without notice to the undersigned, extend, modify, or release any of Franchisee's indebtedness or obligations, or settle, adjust, or compromise any claims against Franchisee Each of the undersigned persons waive notice of amendment of the Agreement (and any other contract with Franchisor and Franchisor's affiliates) and notice of demand for payment by Franchisee, and agree to be bound by any and all such amendments and changes to the Agreement (and any other contract with Franchisor and Franchisor's affiliates)

- S/he will defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any of its obligations under the Agreement (and any other contract with Franchisor and Franchisor's affiliates) and/or any amendment to the Agreement

- S/he will be personally bound by all of Franchisee's covenants, obligations, and promises in the Agreement

- S/he agrees to be individually bound by all of Franchisee's covenants, obligations, and promises in the Agreement, which include, but are not limited to, the covenants in the following portions of the Agreement **Section 9 3** (generally regarding trademarks), **Section 11** (generally regarding confidentiality), **Section 16** (generally regarding Transfers), **Section 18** (generally regarding obligations upon termination or expiration of this Agreement), and **Section 19** (generally regarding covenants against competition) of the Agreement

- S/he understands that **(a)** this Guarantee does not grant her/him any rights under the Agreement (including but not limited to the right to use any of Franchisor's marks such as the "Tutor Doctor" marks) and/or the system licensed to Franchisee under the Agreement, **(b)** that they have read, in full, and understand, all of the provisions of the Agreement that are referred to above in this Guarantee, and that they intend to fully comply with those provisions of the Agreement as if they were printed here, and **(c)** s/he has had the opportunity to consult with a lawyer of their own choosing in deciding whether to sign this Guarantee

This Guarantee will be interpreted and construed in accordance with **Section 27** of the Agreement (including but not limited to the waiver of punitive damages, waiver of jury trial, agreement to bring claims within one year, and agreement not to engage in class or common actions) Among other things, that means that this Guarantee will be interpreted and construed exclusively under the laws of the State of New York, and that in the event of any conflict of law, New York law will prevail (without applying New York conflict of law rules)

IN WITNESS WHEREOF, each of the undersigned persons has signed this Guarantee as of the date of the Agreement

_____	_____	_____
(in his/her personal capacity)	(in his/her personal capacity)	(in his/her personal capacity)
Printed Name _____	Printed Name _____	Printed Name _____
Date _____	Date _____	Date _____
Home Address	Home Address	Home Address
_____	_____	_____
_____	_____	_____

TUTOR DOCTOR SYSTEMS, INC
FRANCHISE AGREEMENT
EXHIBIT C
LIST OF PRINCIPALS

Name of Principal	Home Address	Interest %

Initials

_____ _____

you Franchisor

TUTOR DOCTOR SYSTEMS, INC
FRANCHISE AGREEMENT
EXHIBIT D

AUTHORIZATION AGREEMENT FOR ACH PAYMENTS
(DIRECT DEBITS FOR ROYALTY, BRANDING FUND CONTRIBUTION, AND OTHER FEES)

_____ (Name of Person or Legal Entity)

_____(ID Number)

The undersigned depositor ("**Depositor**" or "**you**") hereby authorizes Tutor Doctor Systems, Inc ("**Franchisor**") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the depository designated below ("**Depository**" or "**Bank**") to debit or credit such account(s) pursuant to our instructions

_____	_____
Depository	Branch

_____	_____	_____
City	State	Zip Code

_____	_____
Bank Transit/ABA Number	Account Number

This authorization is to remain in full and force and effect until sixty days after we have received written notification from you of its termination

Printed Name of Depositor _____

Signed By _____

Printed Name _____

Title _____

Date _____

TUTOR DOCTOR SYSTEMS, INC
FRANCHISE AGREEMENT
EXHIBIT E
TELEPHONE NUMBER ASSIGNMENT AGREEMENT AND POWER OF ATTORNEY

TELEPHONE NUMBER ASSIGNMENT AGREEMENT AND POWER OF ATTORNEY

FOR VALUE RECEIVED, the undersigned ("**you**" or the "**Franchisee**") irrevocably assigns the telephone listing and numbers stated below and any successor, changed or replacement number or numbers effective upon the date of termination or expiration of the Franchise Agreement described below to Tutor Doctor Systems Inc ("**Franchisor**") upon the following terms

1 This assignment is made under the terms of the Tutor Doctor Systems Inc Franchise Agreement dated _____, 201___ (the "**Franchise Agreement**") between Franchisor and you authorizing you to do business as a "Tutor Doctor" franchisee, which in part pertains to the telephone listing and numbers that you used in the operation of the Tutor Doctor business authorized under the Franchise Agreement

2 you retains the limited right to use the Numbers and Listings (defined and identified below) only for transactions and advertising under the Franchise Agreement while the Franchise Agreement remains in full force, but upon termination or expiration of the Franchise Agreement, the Franchisee's limited right of use of the Numbers and Listings also terminates In this event, you agrees to immediately discontinue use of the Numbers and Listings At Franchisor's request, you will immediately sign all documents, pay all monies, and take all other actions necessary to transfer the Numbers and Listings to Franchisor

3 The telephone numbers and affiliated listings subject to this assignment are _____ and all numbers on the rotary series and all numbers that you use in the Franchise in the future (the "**Numbers and Listings**")

4 You shall pay all amounts owed for the use of the Numbers and Listings it incurs On termination or expiration of the Franchise Agreement, you shall immediately pay all amounts owed for the Numbers and Listings, whether or not due, including all sums owed under existing contracts for telephone directory advertising

5 You appoint Franchisor as your attorney-in-fact to act in your place, for the purpose of assigning any telephone number covered by Paragraph 3 above to Franchisor or Franchisor's designees or transferees You grants Franchisor full authority to act in any manner proper or necessary to the exercise of these powers, including full power of substitution and signing or completion of all documents required or requested by any telephone company to transfer the Numbers and Listings, and ratifies every act that Franchisor lawfully performs in exercising those powers

This power of attorney is effective for five (5) years from the date of expiration, cancellation or termination of your rights under the Franchise Agreement for any reason

You intends that this power of attorney be coupled with an interest You declares this power of attorney to be irrevocable and renounces all right to revoke it or to appoint another person to perform the acts referred to in this instrument This power of attorney is not affected by your later incapacity This power is created to secure performance of a duty to Franchisor and is for consideration

THE PARTIES have caused this Agreement to be duly signed as evidenced by their signatures appearing below

Tutor Doctor Systems, Inc Franchisor	_____ Franchisee Entity
By _____	By _____
Name _____	Name _____
Title _____	Title _____
Effective Date _____	

TUTOR DOCTOR SYSTEMS, INC
FRANCHISE AGREEMENT
EXHIBIT F

SAMPLE FORM OF
NON-DISCLOSURE AND NON-COMPETITION AGREEMENT
(to be signed by franchisee with its executive/management personnel)

THIS NON-DISCLOSURE AND NON-COMPETITION AGREEMENT ("Agreement") is made this _____ day of _____, 201___, by and between _____ (the "**you**"), and _____, who is a Principal, manager, supervisor, member, partner, or a person in an executive or managerial position with, you (the "**Member**")

Background

A Tutor Doctor Systems, Inc ("**Franchisor**") owns a format and system (the "**System**") relating to the establishment and operation of "Tutor Doctor" businesses providing affordable tutoring and online services at a student's home, under its Proprietary Marks, as defined below (each, a "**Business**")

B Franchisor identifies "Tutor Doctor" Businesses by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin (including for example the mark "Tutor Doctor") and certain other trade names, service marks, and trademarks that Franchisor currently and may in the future designate in writing for use in connection with the System (the "**Proprietary Marks**")

C Franchisor and you have executed a Franchise Agreement ("**Franchise Agreement**") granting you the right to operate a "Tutor Doctor" Business (the "**Franchised Business**") and to offer and sell products, services, and other ancillary products approved by Franchisor and use the Proprietary Marks in connection therewith under the terms and conditions of the Franchise Agreement

D The Member, by virtue of his or her position with you, will gain access to certain of Franchisor's Confidential Information, as defined herein, and must therefore be bound by the same confidentiality and non-competition agreement that you is bound by

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows

1 Confidential Information Member agrees that Member will not, during the term of the Franchise Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, entity, association, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of the business franchised thereunder which may be communicated to Member or of which Member may be apprised by virtue of your operation under the terms of the Franchise Agreement Any and all information, knowledge, know-how, and techniques which Franchisor designates as confidential will be deemed confidential for purposes of this Agreement, except information which you can demonstrate came to its attention before disclosure thereof by Franchisor, or which, at or after the time of disclosure by Franchisor to you, had become or later becomes a part of the public domain, through publication or communication by others

2 Covenants Not to Compete

(a) Member specifically acknowledges that, pursuant to the Franchise Agreement, and by virtue of his/her position with you, Member will receive valuable specialized training and confidential information, including, without limitation, information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the System

(b) Member covenants and agrees that during the term of the Franchise Agreement, except as otherwise approved in writing by Franchisor, Member will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity

(i) Divert or attempt to divert any business or customer of the Franchised Business or of any Franchised Business using the System to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Franchisor's Proprietary Marks and the System

(ii) Either directly or indirectly for him/herself or on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity, own, maintain, operate, engage in, or have any interest in any business which is the same as or similar to the Franchised Business

(c) Member covenants and agrees that during the Post-Term Period (defined below), except as otherwise approved in writing by Franchisor, Member will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity, Member will not own, maintain, operate, engage in, or have any interest in any business which is the same as or similar to the Franchised Business and which business is, or is intended to be, located within a twenty-five (25) mile radius of the Protected Territory under the Franchise Agreement

(d) As used in this Agreement, the term "same as or similar to the Franchised Business" will include, but not be limited to, any business that offers tutoring and online services at a student's home

(e) As used in this Agreement, the term "Post-Term Period" means a continuous uninterrupted period of two (2) years from the date of ***(i)*** a transfer as contemplated under Section 16 of the Franchise Agreement, ***(ii)*** expiration or termination of the Franchise Agreement (regardless of the cause for termination), ***(iii)*** termination of Member's employment with you, and/or ***(iv)*** a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to the enforcement of this Agreement, either directly or indirectly (through, on behalf of, or in conjunction with any persons, partnership, corporation or entity)

3 Injunctive Relief Member acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Member agrees to pay all costs (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement

4 Severability All agreements and covenants contained herein are severable If any of them, or any part or parts of them, will be held invalid by any court of competent jurisdiction for any reason, then the Member agrees that the court will have the authority to reform and modify that provision in order that the restriction will be the maximum necessary to protect Franchisor's and/or Member's legitimate business needs as permitted by applicable law and public policy In so doing,

the Member agrees that the court will impose the provision with retroactive effect as close as possible to the provision held to be invalid

5 Delay No delay or failure by the Franchisor or you to exercise any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement

6 Third-Party Beneficiary Member hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with you

IN WITNESS WHEREOF, the Franchisee and the Member confirm that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on the date first written above

FRANCHISEE	MEMBER
_____	_____
By _____	By _____
Name _____	Name _____
Title _____	Title _____

TUTOR DOCTOR SYSTEMS, INC
FRANCHISE AGREEMENT
EXHIBIT G

RETAIL LOCATION ADDENDUM

THIS RETAIL LOCATION ADDENDUM ("**Addendum**") is entered into as of _____, 201__ (the "**Effective Date**") by and between

- Tutor Doctor Systems, Inc , a Delaware corporation, with its principal place of business at 2711 Centreville Road, Suite 400, Wilmington, Delaware 19808 ("**we**," "**us**," or "**our**"), and
- _____ a [resident of] [corporation organized in] [limited liability company organized in] and having offices at _____ _____ ("**you**" or the "**Franchisee**")

Introduction

*You and we entered into a Tutor Doctor Franchise Agreement on _____, 201__ (the "**Franchise Agreement**") for the purpose of establishing and operating the Franchised Business You now wish to establish and operate a retail location in connection with the operation of your Franchised Business (a "**Retail Location**") A retail location is a store where customers of the Franchised Business can visit and at which Services are performed and products are offered This Addendum sets out the terms and conditions, in addition to those in the Franchise Agreement, that are necessary for and applicable to your establishment of the Retail Location*

All capitalized terms that are not defined in this Addendum will have the same meaning as in the Franchise Agreement

In recognition of all of the details noted above, the parties have decided to enter into this Addendum, taking into account all of the promises and commitments that they are each making to one another in this contract, and they agree as follows

1 *Locating a Site* Within ninety (90) days after the date of this Addendum, you agree to acquire or lease/sublease, at your own expense, commercial real estate that is properly zoned for the operation of the Retail Location in connection with the Franchised Business at a site that we will have approved in writing as provided below Such location must be within the Protected Territory (described in Exhibit A to the Franchise Agreement) If you do not acquire or lease a site (that we have approved in writing) for the Franchised Business within the time required in this Paragraph 1, that will constitute a default under this Addendum, and we will have the right to terminate this Addendum pursuant to the terms of Section 17 2 of the Franchise Agreement

2 *Site Evaluation* We will provide you with our site selection guidelines, including our minimum standards for a location for the Retail Location, and such site selection counseling and assistance as we may deem advisable We are not required to, but may perform such on site evaluations as we may deem advisable in response to your requests for site approval, provided, however, we will not provide on site evaluation for

any proposed site before we have received from you all information we request regarding a site (prepared as set forth in Paragraph 3 below)

3 *Site Selection Package Submission and Approval* Within sixty (60) days after signing this Addendum, you must submit to us, in the form that we specify (***a***) a completed site approval form (in the form that we require), (***b***) such other information or materials that we may reasonably require, and (***c***) an option contract, letter of intent, or other evidence satisfactory to us that confirms your favorable prospects for obtaining the site You acknowledge that time is of the essence We will have ten (10) days after receipt of all such information and materials from you to approve or disapprove the proposed site as the location for the Retail Location We have the right to approve or disapprove any such site If we do not approve a proposed site by giving you written notice within the ten (10) day period, then we will be deemed to have disapproved the site

4 *Lease Responsibilities* Within fifteen (15) days after we have approved a site, you must execute a lease, which must be for a period that ends at the same time as the Franchise Agreement ends (or a binding agreement to purchase the site) Our approval of any lease will be conditioned upon inclusion in the lease or purchase agreement of terms acceptable to us However, you acknowledge and agree that even if we examine the lease, we are not responsible for review of the lease for any terms other than those contained in the Lease Rider We will have the right to require inclusion in the lease of any or all of the following provisions, which will

a Allow us the right to elect to take an assignment of the leasehold interest upon termination or expiration of your rights under this Addendum, or upon the termination or expiration of your rights under the lease,

b Require the lessor to provide us with a copy of any notice of deficiency under the lease sent to you, at the same time as notice is given to you (as the lessee under the lease), and which grants us the right (but not obligation) to cure any of your deficiencies under the lease within fifteen (15) business days after the expiration of the period in which you had to cure any such default should you fail to do so,

c Recognize your right to display and use the Proprietary Marks in accordance with the specifications required by the Manual, subject only to the provisions of applicable law,

d Require that the premises be used solely for the operation of a Tutor Doctor Business,

e Upon our request, require you to de-identify the premises as a Tutor Doctor Business and to promptly remove all Proprietary Marks, signs, equipment, decor and other items which we reasonably request be removed as being distinctive and indicative of a Tutor Doctor Business and the System (or, if you fail to do the foregoing things, then the lease must permit us to have sufficient access to the interior and exterior of the premises so that we may de-identify the premises, as provided above, at your cost), and

f State that any default under the lease will also constitute a default under the Franchise Agreement, and any default under the Franchise Agreement will also constitute a default under the lease

5 *Approved Office* After we have approved the location for the Retail Location and you have leased or acquired that location, the location will constitute the "**Approved Office**" described in Section 1 2 of the Franchise Agreement The Approved Office will be specified on Exhibit A to the Franchise Agreement, and will become a part the Franchise Agreement

a You acknowledge and agree that our approval of a site does not constitute an assurance, representation, or warranty of any kind, express or implied, as to the suitability of the site for the Retail Location or for any other purpose Our approval of the site indicates only that we believe the site complies with our minimum acceptable criteria solely for our own purposes as of the time of the evaluation The parties each acknowledge that application of criteria that have been effective with respect to other sites and premises may not be predictive of potential for all sites and that, subsequent to our approval of a site, demographic and/or economic factors, such as competition from other similar businesses, included in or excluded from criteria that we used could change, thereby altering the potential of a site Such factors are unpredictable and are beyond our control

b We will not be responsible for the failure of a site (even if we have approved that site) to meet your expectations as to revenue or operational criteria

c You acknowledge and agree that your acceptance of a franchise for the operation of the Retail Location at the site is based on your own independent investigation of the suitability of the site

d You agree that all of the provisions of the Franchise Agreement that apply to the Approved Office will apply to the Retail Location

6 *Standard Layout* We may (without obligation to do so) make available, at no charge to you, a standard layout plan for the construction of the Retail Location and for the exterior and interior design and layout, fixtures, equipment, and signs

7 *Preparing the Site* You agree that, promptly after obtaining possession of the Approved Office for the Retail Location, you must do all of the following things

a obtain all required zoning permits, all required building, utility, environmental, health, sign permits and licenses, and any other required permits and licenses,

b purchase or lease equipment, fixtures, furniture and signs as required under this Addendum (including but not limited to the specifications we have provided in writing, whether in the Manual or otherwise),

c complete the construction and/or remodeling, equipment, fixture, and sign installation and decorating of the Retail Location in full and strict compliance with plans and specifications for the Retail Location that we have approved in writing, as well as all applicable ordinances, building codes and permit requirements,

d obtain all customary contractors' sworn statements and partial and final waivers of lien for construction, remodeling, decorating and installation services, and

e otherwise complete development of and have the Retail Location ready to open and commence the conduct of its business in accordance with Paragraph 10 below

8 *Construction or Renovation* In connection with any construction or renovation of the Retail Location, and before starting any such construction or renovation, you agree to comply, at your expense, with all of the following requirements, which you must satisfy to our reasonable satisfaction

a You agree to employ a qualified, licensed architect or engineer, if necessary, who is reasonably acceptable to us to prepare, for our approval, preliminary plans and specifications for site improvement and construction of the Retail Location based upon any design and image specifications we have furnished to you Our approval will be limited to determining conformance with our standard image specifications and layout, and will not relate to your obligations with respect to any federal, state and local laws, codes and regulations including, without limitation, the applicable provisions of the Americans with Disabilities Act (the "**ADA**") regarding the construction, design and operation of the Retail Location, which subjects will be your sole responsibility

b You agree to comply with all federal, state, and local laws, codes and regulations, including, without limitation, the applicable provisions of the ADA regarding the construction, design and operation of the Retail Location If you receive any complaint, claim, or other notice alleging a failure to comply with the ADA, you agree to provide us with a copy of that notice within five (5) days after you have received the notice

c In connection with any standard layout and equipment plans that we provide to you, you acknowledge that such plans may not meet and are not meant to address the requirements of any federal, state or local law, code or regulation (including without limitation those concerning the ADA and/or similar rules governing public accommodations or commercial facilities for persons with disabilities), nor will such plans contain the requirements of, or be used for, construction drawings or other documentation necessary to obtain permits or authorization to build a specific Retail Location, compliance with all of which will be your responsibility and at your expense In addition

i You agree to adapt, at your expense, the standard location specifications to the Retail Location, subject to our approval, which we will not unreasonably withhold, provided that such plans and specifications conform to our general criteria

ii You will be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances, or regulations or which may be necessary or advisable owing to any restrictive covenants and environmental regulations relating to your location After having obtained such approvals and clearances, you must submit to us, for our prior written approval, final plans for construction based upon the preliminary plans and specifications We will not review nor will any approval be deemed to include your compliance with federal, state, or local laws and regulations, including the ADA, and you acknowledge and agree that compliance with such laws is and will be your sole responsibility Once we have approved those final plans, you cannot later change or modify the plans without our prior written consent Any such change made without our prior written permission will constitute a material default under this Addendum and we may withhold our authorization to open the Retail Location for business until the unauthorized change is rectified to our reasonable satisfaction

d You agree to obtain and maintain in force during the entire period of construction the insurance required under Section 15 of the Franchise Agreement, and you must deliver to us such proof of such insurance as we may require

9 *Pre-Opening* Before opening the Retail Location for business, you agree to meet all of the pre-opening requirements specified in this Addendum and the Franchise Agreement, the Brand Standards Manual, and/or that we may otherwise specify in writing Within ninety (90) days after the Retail Location first opens for business, you must give us a full written breakdown of all costs associated with the development and construction of the Retail Location, in the form that we may reasonably find acceptable or that we may otherwise require

10 *Opening the Retail Location*

a You agree to establish the Retail Location and have it open and in operation within one hundred eighty (180) days after the Effective Date of this Addendum Time is of the essence

b You agree not to open the Franchised Business until we have determined that all construction has been substantially completed, and that such construction conforms to our standards including, but not limited, to materials, quality of work, signage, decor, paint, and equipment, and we have given you our prior written approval to open, which we will not unreasonably withhold

11 *Remodeling and Upgrading* You agree to refurbish the Retail Location at your expense to conform to our then-current building design, exterior facade, trade dress, signage, furnishings, decor, color schemes, and presentation of the Proprietary Marks in a manner consistent with the then-current image for new Tutor Doctor Businesses, including, but not limited to, remodeling, redecoration, and modifications to existing improvements, all of which we may require in writing (collectively, "**Facilities Remodeling**") In this regard, the parties agree that you will not have to engage in Facilities Remodeling more than once every five (5) years during the term of the Franchise Agreement (and not in an economically unreasonable amount), provided, however, that we may require Facilities Remodeling more often if Facilities Remodeling are required as a pre-condition to renewal (as described in Section 2 2 2 of the Franchise Agreement)

12 *Use of the Premises* You may use the Retail Location only for the purpose of operating the Franchised Business and for no other purpose As used in this Addendum, the term "premises" include the grounds surrounding the Retail Location for the Franchised Business

13 *Premises* Upon termination or expiration of the Franchise Agreement, we will have the right (but not the obligation) to require you to assign to us any interest that you (and/or your affiliates) may have in the lease or sublease for the ground upon which the Retail Location is operated

a If we do not elect or if we are unable to exercise any option we may have to acquire the lease or sublease for the premises of the Retail Location, or otherwise acquire the right to occupy the premises, you will make such modifications or alterations to the premises operated under this Addendum (including, without limitation, the changing of the telephone number) immediately upon termination or expiration of the Franchise Agreement as may be necessary to distinguish the appearance of said premises from that of other Tutor Doctor Businesses, and must make such specific additional changes as we may reasonably request for that purpose Unless transferred to us on our request, you will cease use of all telephone numbers and any domain names, websites, e-mail addresses, and any other print and online identifiers, whether or not authorized by us, that you have while operating the Franchised Business In addition, you must promptly execute such documents or take such steps necessary to remove reference to the Franchised Business from all trade or business online and telephone directories, or at our request transfer the same to us

b If you fail or refuse to comply with all of the requirements of this Paragraph 13, then we (or our designee) will have the right to enter upon the premises of the Retail Location and Franchised Business, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at your cost, which expense you agree to pay upon demand

14 *Integration and Effect* This Addendum is an integral part of, and shall be incorporated into, the Franchise Agreement as if fully set forth therein The provisions of this Addendum are subject to the Franchise Agreement, but will govern, control, and supersede any inconsistent or conflicting provisions of the Franchise Agreement Except as expressly modified by this Addendum, the Franchise Agreement remains in full force and effect

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed this Addendum to the Franchise Agreement

TUTOR DOCTOR SYSTEMS, INC , a Delaware corporation	**FRANCHISEE**
	_____ [Name]
By _____	By _____
Title _____	Title _____
Dated _____	Dated _____

EXHIBIT E TO THE DISCLOSURE DOCUMENT
LIST OF FRANCHISEES

(As of March 31, 2019)

Name	Address	City	State	Zip Code	Phone Number
Anthony Pascoe*	PO Box 571828	Chugiak	AK	99567	507-977-7684
Karla and Ray Brauer*	739 Scenic Drive N E	Cullman	AL	35055	256-734-6500
Philip & Doris Henderson	6212 Lampwood Ct	Mobile	AL	36693	251-402-3635
Bill Davies*	5115 North Dysart Rd, Suite 202, Box 119	Litchfield	AZ	85340	623-935-7000
Tim Parmeter & Rene Roberts	4109 E Oxford Ln	Gilbert	AZ	85295	602-920-8401
Richard Spinos	19800 N 7th Street, Apt #2032	Phoenix	AZ	85024	602-281-8877
Richard Macchia and Cynthia Robinshaw*	6890 E Sunrise Drive, Ste #168	Tucson	AZ	85750	520-918-6040
Kimberly Selchan*	455 S Recker Rd #1101	Gilbert	AZ	85296	602-206-4989
Ashley Sherman Mulcahy*	22406 Aliso Park Drive	Lake Forest	CA	92630	949-940-8856
Nika Fouquet*	3734 Moore Street	Los Angeles	CA	90066	310-751-7575
Ali (Alex) Malekshahi and Azita Assmar*	27011 Pacific Terrace	Mission Viejo	CA	92692	949-627-8999
Andrew Jacobsen	2190 Cadjew St	Redding	CA	96003	530-209-9568
Daphne Engelken	19313 Creekside Circle	Salinas	CA	93908	831-455-9165
Christopher & Tiffany Lien*	4653 Carmel Mountain Road, Suite 308-81	San Diego	CA	92130	858-792-8887
Peter Hwang*	2828 Cochran Street, Suite 499	Simi Valley	CA	93065	805-852-7722
Jeffrey Frichner	43980 Mahlon Vail Road # 2701	Temecula	CA	92592	951-428-4100
Julie McLaughlin*	549 Boone Avenue	Vacaville	CA	95687	707-448-0815

Name	Address	City	State	Zip Code	Phone Number
Celena Turney & Raul Castenada	90 Cody Lane #4	Los Altos	CA	94022	650-400-8789
Brandie Jones*	3800 Stocker St , #33	Los Angeles	CA	90008	310-270-8926
Jon and Colleen Bonar	25844 Blake Ct	Stevenson Ranch	CA	91381	661-268-4281
Leo Calanglang	17723 Strawberry Glen St	Lathrop	CA	95330	209-356-9190
Glenn Mitchell*	160 Malcolm Drive	Pasadena	CA	91105	620-403-6405
Glen Furuta	261 Fairmont Avenue	San Carlos	CA	94070	650-207-4308
Eric Van Valkenburg	1400 Winding River Ct , #T-1	Broomfield	CO	80023	720-876-7812
Margaret and Kevin Kinney*	1445 Bear Cloud Drive	Colorado Springs	CO	80919	719-358-2444
Robert and Shannon Spence*	9457 South University Blvd , Suite 227	Highlands Ranch	CO	80126	303-679-3552
Jay Stype*	1514 Crestwood Circle	Longmont	CO	80504	303-774-9081
Linda Langhoff*	9275 Gray Court	Westminster	CO	80031	303-960-4486
Janice Williams	481 Sherman Pkwy	New Haven	CT	06511	888-788-8867
Mitchell Blank and Amy Dyan	PO Box 547	Tolland	CT	06084	860-616-4499
Elizabeth Meotti Gleason	103 North Cove Road	Old Saybrook	CT	06475	860-227-0121
Joanne Sumner-Obst*	7 Timber Lane	Westport	CT	06880	203-446-2995
Cristina Naranjo and Olga Torres*	4581 Weston Road, Suite 219	Weston	FL	33331	305-851-7051
Taylor Fountain	5277 Eagle Lake Drive	Palm Beach Gardens	FL	33418	561-776-1345
Gabriel Solorzano*	1111 Crandon Blvd , Suite A-507	Key Biscayne	FL	33149	786-713-4800
Thomas Avino	16007 Starling Crossing Dr	Lithia	FL	33547	813-853-7876
Brent and Shauna Foster*	3143 Forest Creek Drive	Melbourne	FL	32901	321-557-9507

Name	Address	City	State	Zip Code	Phone Number
Alison Parker and Lacey Frank	7228 W Lakeland Drive	Panama City	FL	32404	850-387-7400
Melanie Burnham	15757 Pines Blvd , Suite 113	Pembroke Pines	FL	33027	1-888-505-0034
Richard Russo and Karen Russo	6557 Creekview Terrace	Pinellas Park	FL	33781	727-545-4264
Colleen Brown	973 SW Eureka Ave	Port St Lucie	FL	34953	772-212-1122
Michelle Thompson*	442 Fairfield Drive	Sanford	FL	32771	407-492-4575
Antonio Arango*	508 Silverbell Court	St Johns	FL	32259	904-342-2194
Alvaro Bohorquez Ayala & Betsy Cacares	9831 Boca Gardens Trail, Apt B	Boca Raton	FL	33496	954-507-4347
Humberto Faggiano & Maria Cicenia*	1500 Weston Rd Suite 200-19	Weston	FL	33326	954-860-8083
Vivek & Reshmi Tirmal*	607 NE 11th Ave	Fort Lauderdale	FL	33304	954-388-8867
Naomi Kawazoe*	6601 Memorial Highway, Suite 111	Tampa	FL	33615	813-820-4057
Anthony Di Sanza	7513 Everleigh Ct	Orlando	FL	32819	407-278-7630
Jemma Lee-Fenyn	11523 Palmbrush Trail, #113	Lakewood Ranch	FL	34202	941-999-7323
Misty Sheffield	1020 Sugar Pike Way	Canton	GA	30115	770-224-7447
Judith & Robert Lamur*	105 Berkeley Way	Hampton	GA	30228	678-304-8850
Jonathan Sanders*	4317 Moonglow Trail	Lilburn	GA	30047	678-287-0638
Diane Bromfield	1813 Hunters Glen	Marietta	GA	30062	770-988-6262
Tyson Jeremy Kahle*	8545 Edwardton Drive	Rosewell	GA	30076	678-977-4391
Haley Thornton	1938 Johnson Ferry Rd NE – Apt D	Brookhaven	GA	30319	404-891-0247
Sugandha & Nikhil Kotru	3630 Dalwood Drive	Suwanee	GA	30024	678-276-8852
Holly Yates Stewart*	1456 Woodwind Court	Marietta	GA	30068	770-779-0840
Christine McCaskill & Ronyell Jones	390 Creekview Court NW	Marietta	GA	30064	770-769-1990
Justin Brandon*	4572 River Hill Circle	Ellenwood	GA	30294	678-276-8304
Stefanus & Nathalia Sigit-Sidharta	685 Grove Valley Dr	Cumming	GA	30041	770-830-2801
Bobbi & Anthony Collins*	204A 2nd Street	Honolulu	HI	96818	808-282-8328
Jill Evola-Vokt	346 Grant Street	Bettandorf	IA	52722	563-468-3763

Name	Address	City	State	Zip Code	Phone Number
Robert Rosedale*	372 S Eagle Road, Suite 346	Eagle	ID	83616	208-922-6416
Peter Eliot Ross*	14 W Fox Hill Dr	Buffalo Grove	IL	60089	847-984-1257
Leslie Demourelle	6807 S Cregier Ave	Chicago	IL	60649	773-649-1321
Robin & Ryan Helzerman	609 Joshua Court	Naperville	IL	60540	630-974-5782
Fazle H Siddiqui	249 North Gregory Street, Apt #17	Aurora	IL	60504	312-561-4907
Charles Hammerslough & Deborah Spertus*	1450 W Olive Ave #1	Chicago	IL	60660	773-293-7515
Stephanie Hess	2608 Applewood	Champaign	IL	61822	309-270-3847
William & Kelly Otter*	1189 Kelm Ct	Geneva	IL	60134	630-313-2037
James Dolan*	10670 Red Berry Ct	Fishers	IN	46037	317-863-2509
Suzanne Phillips	224 Stable Way	Nicholasville	KY	40356	859-309-2904
Robert (Chuck) and Ruby Richardson	8717 Watterson Trail	Louisville	KY	40299	502-693-3668
Bernard Hayes Jr	6210 Dorothea Street	New Orleans	LA	70126	504-273-0010
Jennifer Rosier	29 Brooksbie Road	Bedford	MA	01730	781-301-7272
Kevin & Julie Tahmoush*	21 Gannett Way	Hopedale	MA	01747	508-589-4590
Marlon L Davis	31 Heath Street	Somerville	MA	01245	857-995-3254
Yashika Mabry Cantrell*	14204 Village Manor Court	Upper Marlboro	MD	20774	301-456-5596
Phyllis Jean Clifford*	9132 Belvedere Dr	Frederick	MD	21704	240-409-6933
Patricia Vasco	9 Darnell Court	Olney	MD	20832	301-804-9500
Simeon & Tallesha Sanders*	1908 Mars Run Rd	Essex	MD	21221	504-231-0678
Jill Helen McDonnell	4254 Far Hill Dr	Bloomfield Hills	MI	48304	248-243-6664
Michael Richman	13180 Cedar Street	Charlevoix	MI	49720	313-899-0937
John and Linda Heslop	24542 Terra Del Mar	Novi	MI	48374	248-227-3010

Name	Address	City	State	Zip Code	Phone Number
Nancy Brydle*	568 Greenview Drive	Chanhassen	MN	55317	952-445-6198
Jeremy Jones	423 Manor Ridge Dr NW	Rochester	MN	55901	507-208-7236
Derek Fawcett	3703 NE 95th Street	Kansas City	MO	64156	844-888-6752
Robert Moellering	1726 Parkway Acres Court	Maryland Heights	MO	63043	314-542-9012
Andrew Dermack*	1600 Windy Ridge Road	Charlotte	NC	28270	704-774-6240
Abdul Rasheed Haneef	2180 Withrop Chase Drive	Charlotte	NC	28212	704-705-8513
Shawn Cooper	367 Armour Street	Davidson	NC	28036	704-437-4059
David Reed Parker	118 Southern Pine Dr	Shelby	NC	28152	980-295-2432
Joseph Catrambone*	1423 Napa Street NW	Concord	NC	28027	704-890-8887
Shanmugharaj Baksha*	2025 Kirkhaven Road	Morrisville	NC	27560	919-339-5072
Janice and Adrian Farquharson	57 Cedardale Court	Clayton	NC	27520	913-243-4426
Garrett Sanders*	1950 Trailwook Heights Ln , Apt #104	Raleigh	NC	27603	252-947-5959
Taani Strickel El Emam	2101 Scarlet Maple Drive	Raleigh	NC	27606	919-633-8873
Shertori Frappier	5822 Mitchell Grant Way	Charlotte	NC	28213	704-817-3694
Scott Gilchrest*	2713 Farnborough Rd	Raleigh	NC	27613	919-302-2687
Barbara Hugelen	747 49th Street S	Fargo	ND	58103	701-552-4999
Jonathan Burt	12910 Lafayette Ave	Omaha	NE	68154	402-218-4817
Tom and Jane Zampino*	263 Burning Tree Rd	Delran	NJ	8075	609-694-8722
Jay Rosenberg	555 North Ave 22-S	Fort Lee	NJ	7024	201-615-0847
Jessica Bush	200 2nd Avenue	Hawthorne	NJ	7506	201-492-1888
Anwaar Shamsi	4 Carnation Pl	Lawrenceville	NJ	08648	609-558-5247

Name	Address	City	State	Zip Code	Phone Number
Nicole Asta Kirkwood	37B East Daisy Ln	Mount Laurel	NJ	08054	856-793-7000
Matthew Woodcock	4605 5th Street NW	Albuquerque	NM	87107	505-359-8300
Christopher Elam & Pamela Gerth	30 Calle Verde Box 929	Corrales	NM	87048	505-377-6161
Kyle Dellinger	7437 Palermo Avenue	Las Vegas	NV	89147	702-321-8007
Mary (Mae) Ismael Ramirez & Robert Telles*	9624 Spanish Steps Ln	Las Vegas	NV	89117	702-858-1693
Katleen Dethier and Kenneth Lauer	50 Alleghany Road	Corfu	NY	14036	585-599-3566
Michael Warshawsky*	111 Rolling Hill Road	Manhasset	NY	11030	516-627-1969
Gayle Charlack	108 Raspberry Court	Melville	NY	11747	631-249-9407
Shawn Goldsmith	3699 Oceanside Road East	Oceanside	NY	11572	516-382-8363
David Carucci	480 6th Avenue #203	New York	NY	10011	646-588-1919
Heather Black	15 Lazy Trail	Penfield	NY	14526	585-643-7500
Lori Nahem	2390 Bryden Road	Columbus	OH	43209	614-493-2424
Ryan Baum	9805 Carriage Run Ct	Loveland	OH	45140	513-878-7299
William (Bill) Rickman	13296 Eckel Junction	Perrysburg	OH	43551	419-318-5995
Lisa Ott	12165 Emma Lane	Parma Heights	OH	44130	440-368-8900
Nathan Sernoffsky	5146 Overlook Drive	Mason	OH	45040	513-217-9792
Jenny and Gerald Ness-Hunkin	3732 E 84th Street	Tulsa	OK	74137	918-420-9529
Stephen Adewunmi	12651 South 85th East Avenue	Bixby	OK	74008	918-876-0404
Kristi & Ryan Whitlow	8713 NW 157th Place	Edmond	OK	73013	405-938-1171
Christopher Griggs and Gilbert Wiseman*	15119 SW Garnet Court	Beaverton	OR	97007	503-406-2006
Glenn Thorstensen	8155 SW Lummi Street	Tualatin	OR	97062	503-743-0992

Name	Address	City	State	Zip Code	Phone Number
Mark Seker and Carl Pruett*	7501 SW Virginia Avenue	Portland	OR	97219	503-327-8500
Kevin Price	137 S Pugh St , Ste 4	State College	PA	16801	814-201-6000
Srinivasan and Kalpana Muralidhar*	7 Old Coach Lane	Carlisle	PA	17013	717-386-5691
Daniel Stroup	PO Box 589 102 Maple Street	Mount Wolf	PA	17347	717-978-3100
Jason and Alice Boulrice	4951 South Mountain Drive	Emmaus	PA	18049	610-628-2895
Vernessa Hopkins*	664 Birch Circle	Telford	PA	18969	265-527-7692
Cameron Lewis	121 Main Street	North Kingstown	RI	02852	401-267-2222
Jesse Miller Peppers and Micah Jade Maddox*	1510 Deanne Drive	Beaufort	SC	29902	843-592-7532
Dorothy Rittenberry	2101 Heaven's Way	Summerville	SC	29483	843-486-2994
Steven and Donna Ptak*	127 S Harmon Dr	Mitchell	SD	57301	605-292-0670
Andrea Elin Unkel*	713 7th Street	Rapid City	SD	57701	605-269-5548
Gary and Donna Dean*	5020 Downman Court	Fort Mills	SC	29715	888-326-5039
James and Kimberley Meyers*	3916 South Mission Oaks Drive	East Ridge	TN	37412	423-252-2229
Salvador John and Maria Ferro*	345 Lakemont Circle	Franklin	TN	37067	615-636-1710
Reginald Manning	3657 W Romano Way	Germantown	TN	38138	901-462-9119
Thomas Joel Vance*	564 Bales Hollow Rd	Friendsville	TN	37737	865-712-3366
Daniel Edward Baird III	6009 Villa Road	Knoxville	TN	37918	865-321-8640
Andre Christopher Lee	6852 Hickory Rim Court	Antioch	TN	37013	615-246-5690
Adrienne McCormick Pierce	18719 South Moss Loop	Cypress	TX	77433	832-209-2704
Marquise Tyrone Wilson	15227 Cinnamon Teal	San Antonio	TX	78253	210-245-7763
Christine and Carlos Camarillo	25002 Shuman Creek	San Antonio	TX	78255	210-518-8893
Robert Jasper	4006 Bellinger Way	Missouri City	TX	77459	832-975-7956

Name	Address	City	State	Zip Code	Phone Number
Peter Lemery and Stacy Parkelj*	6821 Sharpshire Dr	Frisco	TX	75035	972-372-0338
Luis Castellanos and Olivia Lopez*	13492 Research Blvd , Suites 120-159	Austin	TX	75750	512-666-9638
Jinu P Mathew*	1128 Nick Circle	Allen	TX	75013	817-953-7042
Rajesh Verma*	2300 McDermott Rd , Suite 200-244	Plano	TX	75025	214-773-0922
Seda & Oguz Hulagu*	4207 Stoney Knoll Ln	Katy	TX	77494	832-913-1099
Michelle Smallwood	4520 Mont Blanc Dr	Bee Cave	TX	78738	512-550-9924
Fredrick Garner	2901 Indiana Blvd , Unit 10	Dallas	TX	75226	469-210-1539
Raquel & Alejandro Cuaron	6431 Los Robles Dr	El Paso	TX	79912	915-503-1910
Michelle & Francisco Frias*	950 Echo Lane, Suite 200	Houston	TX	77024	281-218-8867
Robert & Susan Park	20700 Tranquil Shores	Richmond	TX	77407	823-350-6563
Mazen Allawi*	1121 Yellow Irsi Rd	Leander	TX	78641	512-968-0791
Aimee Kristine & Kevin DeWolf	1214 Deleware Drive	Mansfield	TX	76063	682-718-2533
Rogelio Miguel Cortes Chavez	15103 Paso Real Drive	Houston	TX	77083	346-227-9270
Ruby Stevens-Morgan	102 Dove Trail	Navasota	TX	77868	936-207-0828
Norman Woolworth	120 Bollingwood Road	Charlottesville	VA	22903	434-422-3595
David Hay	39636 Golden Springs Ct	Hamilton	VA	20158	202-465-2538
Steve Magat	13304 Shady Knoll Ct	Henrico	VA	23233	804-912-1103
Gary Reed	806 Skelton Way	Newport News	VA	23608	757-327-7227
Rommel Velasquez	5830 Moonbeam Drive	Woodbridge	VA	22193	703-957-1620
Daniela Gilardelli*	9023 Patton Blvd	Alexandria	VA	22309	571-225-0150
Cris Higginbotham-Miranda	573 Friendship Way	Palmyra	VA	22963	434-249-6281
Natasha and Terry Johnson*	13613 Warwick Longbay Drive	Chester	VA	23836	804-295-7643
Sada Sheldon	200 General Booth Blvd , Ste 201	Virginia Beach	VA	23454	858-248-0777
Farina Ahsan	15700 116th Avenue NE, Apt A301	Bothell	WA	98011	425-236-7895
Kathleen McNalty	2440 Mountain View Drive	East Wenatchee	WA	98802	509-293-4311

Name	Address	City	State	Zip Code	Phone Number
Eric Olson	26826 118th Ct SE	Kent	WA	98030	206-719-6597
Kelly Hudson	8636 29th Way SE	Olympia	WA	98513	360-890-3100
Rade Gratton*	N67 W35 #643 E Stonewood Drive	Oconomowoc	WI	53066	262-326-5014
Jamie Jewell and Amy Ascher	W292N747 Windrift Court	Waukesha	WI	53188	262-222-0828
Kristy Ann Reed	6386 Scenic Dr East	West Bend	WI	53095	262-347-3841
Gina Moretti	2184 South 92 Street	Milwaukee	WI	53227	414-310-5950
Jeffrey and Rachel Jensen*	670 South 5th Avenue	Winneconne	WI	54986	920-706-1800

* These franchisees operate more than one unit

EXHIBIT F TO THE DISCLOSURE DOCUMENT
LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

(As of March 31, 2019)

Name	Address	City	State	Zip Code	Phone Number
Robert Reese	14809 Bel Aire Estates	Coker	AL	35452	205-219-1412
Kelley Johannsen*	13002 N Surrey Circle	Phoenix	AZ	85029	602-882-9897
Carla & Douglas Schetter	609 Susana Ave	Redondo Beach	CA	90277	310-529-6173
Gregory Lipford & Donna Hiney*	20905 Serrano Creek Road	Lake Forest	CA	92630	310-200-1330
Allison Alden	1335 Glen Eyrie Avenue	San Jose	CA	95125	949-413-3943
Robert Livingston Jr	5191 S Meade Street	Littleton	CO	80123	720-441-2772
Scott & Valeria Martin	458 Crawford Street	Golden	CO	80401	720-355-9725
Christine Juhasz	17 Monro Road	Enfield	CT	06082	720-290-9916
Kimberley Chambers	611 West 37th Street	Wilmington	DE	19802	860-763-3283
Lyndia Bell & Lance Lawson	2623 Highlands Creek Way	Lakeland	FL	33813	407-798-7906
Audra Coleman	2873 Open Sky Way	Douglasville	GA	30135	304-638-1500
Travis Martin	410 Thornwyck Trail	Roswell	GA	30076	305-828-7768
Cheryl Barker	3629 Evans Road	Atlanta	GA	30340	405-609-9258
Karen Silva	30 Autumn Street	Everett	MA	02149	847-769-5826
Linwood & Kalaya Nelson*	14103 Cork Corner	Laurel	MD	20707	617-387-5655
Kelly Phillips	3541 Charlotte St	Kansas City	MO	64109-2334	763-535-9085
Brandon Carlson	1551 Carriage Circle	Liberty	MO	64068	913-707-4218
Mason Baldwin*	3456 South Spring Ave	St Louis	MO	63116	816-415-4105
Michael Behm	10088 Sand Key Street	Las Vegas	NV	89178	631-741-8856
Patt Avin	9 Silver Cup Circle	West Warwic	RI	02893	703-622-3600

Name	Address	City	State	Zip Code	Phone Number
Parker Knapp	5814 Spring River Lane	Fulshear	TX	77441	214-733-3205
Timothy & Misty Owens*	4259 FM 698	Nacogdoches	TX	75964	832-350-9133
Malcolm & Rikela Mayo*	25 Highland Pkwy Village, Ste 100 #730	Dallas	TX	75202	936-560-6520
Shana Deering	1541 Desert Hills	Haslet	TX	76052	214-733-3205
Kerby Pierre	210 Forestview Rd	Hickory Creek	TX	75065	832-431-7991
Marco Antonio Ramos	18611 Rogers Lake	San Antonio	TX	78258	850-264-5372
Clayton & Bonnie Anderson	455 E Ocampo Lane	Elk Ridge	UT	84651	210-802-6648
Richard Bunch	2025 Tyler Avenue, Unit 4	Ogden	UT	84401	502-296-4894
James Hardy	29 Club Drive	Stafford	VA	22554	703-969-7422
Dustin Piercy	2936 NW Conrad Ct	Camus	WA	98607	425-636-0055
Alan Banks	11004 North East 11th Street #506	Bellevue	WA	98004	720-233-5528
Roy and Janet Pogrzeba*	10911 Raven Ridge Rd , Ste #103-50	Raleigh	NC	27614	919-521-4028
Christian Holler	116 Hidden Pond Dr	Chadds Ford	PA	19317	484-539-3515
Clayton and Bonnie Andersen	455 E Ocampo Lane	Elk Ridge	UT	84651	502-296-7564

* These franchisees operated more than one unit

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

EXHIBIT G TO THE DISCLOSURE DOCUMENT
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EXHIBIT H TO THE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

As you know, Tutor Doctor Systems Inc (the "Franchisor") and you are preparing to enter into a franchise agreement (the "Franchise Agreement") (or multiple Franchise Agreements if you are becoming an "Empire Builder" Tutor Doctor franchisee) for the establishment and operation of a "Tutor Doctor" business (the "Franchised Business") The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor, or by employees or authorized representatives of a broker acting on behalf of the Franchisor ("Broker") that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor

In the event that you are intending to purchase an existing Franchised Business from an existing Franchisee, you may have received information from the transferring Franchisee, who is not an employee or representative of the Franchisor The questions below do not apply to any communications that you had with the transferring Franchisee Please review each of the following questions and statements carefully and provide honest and complete responses to each

1 Are you seeking to enter into the Franchise Agreement(s) in connection with a purchase or transfer of an existing Franchised Business from an existing Franchisee?

Yes _____ No _____

2 I had my first face-to-face meeting with a Franchisor representative on _____, 20__

3 Have you received and personally reviewed the Franchise Agreement(s), each addendum, and/or related agreement provided to you?

Yes _____ No _____

4 Do you understand all of the information contained in the Franchise Agreement(s), each addendum, and/or related agreement provided to you?

Yes _____ No _____

If no, what parts of the Franchise Agreement(s), any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary)

_____
_____
_____
_____
_____
_____

5 Have you received and personally reviewed the Franchisor's Disclosure Document that was provided to you?

Yes _____ No _____

6 Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes _____ No _____

7 Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes _____ No _____

If No, what parts of the Disclosure Document and/or Addendum do you not understand? (Attach additional pages, if necessary)

_____
_____
_____
_____
_____
_____

8 Have you discussed the benefits and risks of establishing and operating a Franchised Business with an attorney, accountant, or other professional advisor?

Yes _____ No _____

If No, do you wish to have more time to do so?

Yes _____ No _____

9 Do you understand that the success or failure of your Franchised Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes _____ No _____

10 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual or potential revenues, profits or operating costs of any particular Franchised Business operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

11 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

12 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchised Business will generate, that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

13 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating the Franchised Business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

14 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?

Yes _____ No _____

15 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or Franchise Agreement(s)?

Yes _____ No _____

16 Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

17 Have you paid any money to the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

18 Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who? _____

_____

If you have answered No to question 9, or Yes to any one of questions 10-17, please provide a full explanation of each answer in the following blank lines (Attach additional pages, if necessary, and refer to them below) If you have answered Yes to question 9, and No to each of questions 10-17, please leave the following lines blank

I signed the Franchise Agreement(s) and Addendum (if any) on _____, 20___, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor

Please understand that your responses to these questions are important to us and that we will rely on them By signing this Questionnaire, you are representing that you have responded truthfully to the above questions In addition, by signing this Questionnaire, you also acknowledge that

A You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace You hereby acknowledge your awareness of and willingness to undertake these business risks

B You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents (including the Broker or any other broker) as to the likelihood of success of the franchise Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including the Broker or any other broker) concerning actual, projected or forecasted franchise sales, profits or earnings If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None"

C You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures") The Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is

(i) a person or entity listed in the Annex to the Executive Order,

(ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism,

(iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or

(iv) owned or controlled by terrorists or sponsors of terrorism

You further covenant that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement(s) become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure

Acknowledged this _____ day of _____, 20____

Sign here if you are taking the franchise as an

INDIVIDUAL

_____
Signature

Print Name_____

_____
Signature

Print Name_____

_____
Signature

Print Name_____

_____
Signature

Print Name_____

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

_____
Print Name of Legal Entity

By _____
Signature

Print Name_____

Title_____

EXHIBIT I TO THE DISCLOSURE DOCUMENT

FORM OF GENERAL RELEASE

The following is our current general release language, which we expect to include in a release that a franchisee and/or transferor may sign as part of a renewal or an approved transfer We have the right to periodically modify the release

*Franchisee, its officers and directors, partners, members and managers, owners, and their respective agents, heirs, administrators, successors, and assigns (the "**Franchisee Group**"), hereby forever release and discharge, and forever hold harmless Tutor Doctor Systems, Inc , its current and former affiliates and predecessors, and their respective shareholders, partners, members, directors, officers, agents, representatives, heirs, administrators, successors, and assigns (the "**Franchisor Group**"), from any and all claims, demands, debts, liabilities, actions or causes of action, costs, agreements, promises, and expenses of every kind and nature whatsoever, at law or in equity, whether known or unknown, foreseen and unforeseen, liquidated or unliquidated, which the Franchisee Group and/or its owners had, have, or may have against any member of the Franchisor Group, including, without limitation, any claims or causes of action arising from, in connection with or in any way related or pertaining, directly or indirectly, to the Franchise Agreement, the relationship created by the Franchise Agreement, or the development, ownership, or operation of the Facility (The releases given here include the parties' waiver of state laws that might apply to limit a release (such as Calif Civil Code Section 1542, which states that "[a] general release does not extend to claims which the creditor does not know or suspect exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor")) The Franchisee Group further indemnifies and holds the Franchisor Group harmless against, and agrees to reimburse them for any loss, liability, expense, or damages (actual or consequential) including, without limitation, reasonable attorneys', accountants', and expert witness fees, costs of investigation and proof of facts, court costs, and other litigation and travel and living expenses, which any member of the Franchisor Group may suffer with respect to any claims or causes of action which any customer, creditor, or other third party now has, ever had, or hereafter would or could have, as a result of, arising from, or under the Franchise Agreement or the Facility The Franchisee Group and its owners represent and warrant that they have not made an assignment or any other transfer of any interest in the claims, causes of action, suits, debts, agreements, or promises described herein*

EXHIBIT J TO THE DISCLOSURE DOCUMENT
FRANCHISE APPLICATION AGREEMENT

FRANCHISE APPLICATION AGREEMENT

The undersigned, _____ (hereinafter referred to as the "Applicant") doing business under the name _____ wishes to apply as a potential franchisee with Tutor Doctor Systems Inc (hereafter referred to as the "Company") The Applicant has submitted the sum of _____ which represents 25% of the franchise fee to be applied as a partial deposit/payment for the [license type], priced at [Price] The PROTECTED LOCAL franchise included in the territory will consist of

IT IS UNDERSTOOD AND AGREED THAT

1 The Applicant has submitted to the Company a fully completed application, for consideration by the corporate management team

2 The Applicant shall have ___ business days to complete final payment for the territory after final approval by the corporate management team

3 The Applicant acknowledges that the Company and its representatives have made no representations other than those contained in official Company literature

4 Confidentiality During the Evaluation Period, certain confidential information about Company and its system will be disclosed or otherwise made known to Applicant ("Confidential Information") Applicant agrees to respect and maintain the confidential nature of such Confidential Information, and not in any way disclose the Confidential Information to anyone else, nor in any way use the Confidential Information in the operation of any business (excluding a Franchised Business operated pursuant to a franchise agreement) It is agreed that Applicant's obligations under this Section 6 shall not expire upon termination of this Agreement

5 Background Check Applicant authorizes the release of any information deemed necessary by Company to verify any and all of the information contained in the application This authorization for release of information includes but is not limited to matters of opinion relating to Applicant's background, mode of living, credit worthiness, character, ability, reputation and past performance Applicant authorizes all persons, schools, companies, corporation, credit bureaus, and law enforcement agencies to release such information without restriction or qualification to investigatory parties selected by Company, any of its officers, agents, employees and servants Applicant voluntarily waives all recourse and

releases them from liability for complying with this authorization This authorization and release shall apply to this as well as any future information request

6 Acknowledgment Applicant acknowledges receipt of Company's Franchise Disclosure Document at least fourteen (14) calendar days before the Effective Date

For New York Applicants only Applicant acknowledges receipt of Company's Franchise Disclosure Document at the earlier of the first personal meeting or ten (10) business days before the Effective Date

For Iowa Applicants only Applicant acknowledges receipt of Company's Franchise Disclosure Document at the earlier of the first personal meeting or fourteen (14) days before the Effective Date

For Michigan Applicants only Applicant acknowledges receipt of Company's Franchise Disclosure Document at least ten (10) business days before the Effective Date

7 No Franchise Rights This Agreement is not a franchise and does not grant Applicant any right whatsoever to use the "Tutor Doctor" marks and/or system, which rights can only be granted under a franchise agreement entered into by Applicant and Company Applicant shall not use the "Tutor Doctor" marks or system, nor shall Applicant make any representation or commitment on Company's behalf

This deposit/payment is non-refundable unless the Applicant is not approved by the Company for any territory, in which case the entire deposit shall be returned to the Applicant in full forthwith without interest or deduction The Company shall notify the Applicant in writing within 10 business days if the Applicant is not approved

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement Applicant acknowledges the receipt of a copy of this agreement

DATED at _____, this _____ day of _____ 20___

Tutor Doctor Systems Inc
per

_____ _____

Applicant

In the event that the applicant is approved, the final payment bank wire would be received from _____ (Sender's name) from _____ (Bank name) in_____ (City)

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 Tutor Doctor Systems Inc ("**TDS**") offers you a franchise, it must provide this disclosure document to you (a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or (b) under New York law, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale, or (c) Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship, or (d) Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first

If TDS does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the appropriate state agency listed on Exhibit A

TDS is the franchisor, with its offices at 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808 (tel 877 988 8679) and 830 Dixon Road, Toronto, Ontario M9W 6Y8 Canada Tutor Doctor Systems Inc authorizes the agents listed in Exhibit A to receive service of process for it in the particular state

The issuance date of this disclosure document is July 30, 2019

The franchise seller is Frank Milner at 830 Dixon Road, Toronto, Ontario M9W 6Y8 Canada (tel 877 988 8679) Any additional individual franchise sellers involved in offering the franchise are ____

I received a disclosure document dated July 30, 2019, that included the following Exhibits

A	List of State Agencies/Agents for Service of Process	F	List of Franchisees Who Have Left The System
B	State Specific Addenda	G	Table of Contents of Brand Standards Manual
C	Franchise Agreement and Retail Location Addendum	H	Franchisee Disclosure Acknowledgment Statement
D	Financial Statements	I	Form of General Release
E	List of Franchisees	J	Franchise Application Agreement

Date _____, 201____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name

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 Tutor Doctor Systems Inc ("**TDS**") offers you a franchise, it must provide this disclosure document to you (a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or (b) under New York law, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale, or (c) Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship, or (d) Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first

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D	Financial Statements	I	Form of General Release
E	List of Franchisees	J	Franchise Application Agreement

Date _____, 201_____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name

Please sign, date, and return this copy to us