FRANCHISE DISCLOSURE DOCUMENT
INDIVIDUAL CRESTCOM BUSINESS FRANCHISE AGREEMENT

FOR USE IN THE STATE OF NEW YORK ONLY



CRESTCOM INTERNATIONAL, LLC
(a Delaware limited liability company)
6900 East Belleview Avenue, Suite 100
Greenwood Village, Colorado 80111
Telephone: (303) 267-8200
www.crestcom.com

Crestcom International, LLC, a Delaware limited liability company, is offering a franchise program for the operation of a business which offers management, sales and personnel development training programs and materials.

The total investment necessary to begin operation of a Crestcom franchised business is $91,850 to $104,919. This includes $75,000 that must be paid to the franchisor or an 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 this Disclosure Document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental 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 our Franchising Department at 6900 East Belleview Avenue, Suite 100, Greenwood Village, Colorado 80111 and (303) 267-8200.

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, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: March 31, 2026

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Colorado. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Colorado than in your own state.

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

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

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

The Franchisor, its Predecessors and Affiliates. The Franchisor is Crestcom International, LLC. For ease of reference, Crestcom International, LLC is referred to as "we," or "us" in this Disclosure Document. The person who buys the franchise is referred to as "you" throughout this Disclosure Document. If you are a business entity, certain provisions of the Franchise Agreement also apply to the owners of the business entity and will be noted.

We are a Delaware limited liability company organized on December 21, 2007. We do business under our company name and no other name. We offer and sell franchises that operate under the name "Crestcom." Our principal place of business is located at 6900 East Belleview Avenue, Suite 100, Greenwood Village, Colorado, U.S.A. 80111. Our agents for service of process are disclosed in Attachment J.

We are owned by a holding company called Crestcom International Holdings, LLC ("Holdings"), a Delaware limited liability company formed on October 21, 2013. It acquired all of our ownership interest as of November 15, 2013. Under the FTC's Franchise Rule, Holdings is considered to be our parent. The principal business address for Holdings is the same as ours.

The Business. We are in the business of developing, producing, and distributing management, sales and personnel development training programs and conducting training seminars. We also offer franchises for management, sales and personnel development training businesses under the marks "CRESTCOM®" and "CRESTCOM TRAINERS TO THE WORLD®," and related service marks, trademarks and trade names ("Marks") using our system for operating the businesses and related licensed methods of doing business ("Licensed Methods"). We have developed a combination of live and video media training programs, including the Crestcom LEADER training program, previously referred to as the BULLET PROOF Manager training program, a video media-based, live facilitated training program which is typically provided over a 12-month period, and Crestcom LEADER+, a video media-based, live facilitated subscription program. Additionally, we and our predecessors have developed and copyrighted stand-alone video media, audio media, online media, and written training programs which are marketed to individuals and groups.

The Franchise. The franchise offered is for the operation of a management, sales and personnel development training business ("CRESTCOM Business") using the Marks and the Licensed Methods. The Licensed Methods feature the sale or use for a fee of written materials, visual aids, and audio, video, and online media designed to be used as stand-alone training programs or in conjunction with specialized live in-person instruction seminars ("Live Instruction") to instruct individuals, companies or other organizations ("clients") in a variety of areas, including business, sales, motivation, customer service and management skills and development. We will refer to all written materials, visual aids, audio media, video media, online media, and related marketing aids, and any substitutes for, or items that are a technological evolution of, any of the foregoing items, whether used in stand-alone training programs or Live Instruction, as "Materials" in this Disclosure Document. You may market the Materials from your residence or another approved franchise location.

Our CRESTCOM Business franchise program involves the licensing by us of the right to use our Marks and Licensed Methods in the operation of a management, sales and personnel development training business. Under our CRESTCOM Business franchise program, you are required to pay us an initial franchise fee, sign our standard franchise agreement (the "Franchise Agreement"), and operate your CRESTCOM Business according to our standards and specifications. A copy of our Franchise Agreement

is attached to this Disclosure Document as Attachment A. Persons who execute a Franchise Agreement are sometimes referred to in this Disclosure Document as "Franchisees."

When you purchase a CRESTCOM Business franchise, you will receive, on payment of your initial franchise fee, an "Initial Inventory" of training and sample documents. We can change the product mix of the Initial Inventory at any time, without notice, and may provide some or all of the materials digitally. You will also be given access to the Franchise Network portion of our intranet *Crestcom Operations and Communications Hub* ("C.O.A.C.H.") where we electronically place portions of our Procedures Manual, defined in Item 8 below, agreements you will use, and other information reserved to our Franchisees and clients.

As a Franchisee of ours, you also are granted the right to acquire Materials from us and our approved suppliers. You pay us a fixed monthly Distribution Fee and, when you sell the Materials to a client, you pay us a Royalty Fee based on your Gross Revenues. See Item 6 for a more detailed discussion of the Distribution Fee, Royalty Fee and your Gross Revenues.

Under our CRESTCOM Business franchise program, you will specialize in marketing video media-based, live-facilitated management and sales training programs, the most popular of which is the Crestcom LEADER training series. The Crestcom LEADER training participants typically attend half-day sessions conducted by a facilitator ("Facilitator") once a month for 12 consecutive months, and if participants choose to continue, once a quarter after the first 12 months under the Crestcom LEADER+ program. The Facilitator may be you or a person designated by you to conduct the training sessions. Participation in this and other authorized training programs enables participants to enhance their management or sales skills while simultaneously learning how to incorporate the same training within their own company.

We also offer a sales training program which established Franchisees may target to existing clients (the "Crestcom Next Generation Sales Academy Program" or the "Crestcom Sales Academy"), an ongoing advanced training program (the "Crestcom LEADER+ Program"), and an abbreviated version of the leadership and management program which established Franchisees may target to existing clients (the "Crestcom Supervisor Program"). Additionally, we have updated and adapted certain earlier iterations of our leadership and management programs to an online format which you may sell as an add-on to the standard Crestcom LEADER training program (the "Crestcom LEADER Catalogue"). You must meet our qualification requirements before marketing the Crestcom Next Generation Sales Academy Program, the Crestcom LEADER+ Program, the Crestcom Supervisor Program, or the Crestcom LEADER Catalogue. Franchisees who choose to market the Crestcom Next Generation Sales Academy Program must pay us an additional surcharge. We may also impose a surcharge on offering the Crestcom Supervisor Program, the Crestcom LEADER+ Program, and the Crestcom LEADER Catalogue, but we do not do so as of the date of this Disclosure Document. We may offer you the option to acquire other optional training programs in the future. If we do so, we will notify you of the terms and conditions under which you may acquire the optional training program, which may include additional franchise, license, access and other introductory fees or surcharges, other additional fees or surcharges, qualification requirements, additional training, and different operating specifications and standards. We may offer the optional training programs under a separate franchise agreement, an addendum to the Franchise Agreement, or another agreement, in our sole discretion, containing the terms and conditions for the relevant optional training program. We reserve the right to discontinue the Crestcom Next Generation Sales Academy Program, the Crestcom Supervisor Program, the Crestcom LEADER+ Program, the Crestcom LEADER Catalogue, and any other optional training programs at any time in our sole discretion upon notice to you.

As stated in Item 15 below, you will have a limited right to retain up to two salespersons ("Salespersons") to operate within your Assigned Area (defined in Item 12). If we have created a PMA Program (defined in Item 12) for your Assigned Area and designated a Principal Marketing Area (defined

in Item 12) for you, then there is no limitation on the number of Salespersons you may retain in your Principal Marketing Area.

We also enter into area representative agreements ("Area Representative Agreements") with third parties who agree to introduce potential Franchisees within designated geographic areas. Persons who enter into Area Representative Agreements with us ("Area Representatives") sometimes provide certain assistance and support to our Franchisees within their geographic area. Prior to 2015, we referred to our Area Representatives as Area Developers. We may delegate or assign some of our obligations to you to an Area Representative whose territory includes or is close to your Assigned Area. We may also pay the Area Representative a portion of the initial franchise fee and other fees paid by you to us, in exchange for performing these obligations. We do not grant Area Representatives any management responsibility relating to the sale or operation of CRESTCOM Businesses. Area Representative Agreements are only offered in selected geographic regions. Area Representative Agreements are offered with a separate disclosure document. Area Representatives who also acquire a CRESTCOM Business franchise from us will be disclosed with this Disclosure Document and will sign a copy of the Franchise Agreement for that CRESTCOM Business franchise.

If you introduce a prospective Franchisee or Area Representative to us who was not previously known to us, and that person becomes a Franchisee or Area Representative of ours, we will provide you with a credit to acquire Materials or other items from us equal to the lesser of (i) 15 percent of (a) the initial franchise fee, or (b) the initial area representative fee, as paid by the person or entity referred by you, or (ii) $10,000. If the new Franchisee or Area Representative pays its initial franchise fee, or its initial area representative fee, in installments, the credit will be provided on a pro rata basis by the last day of the month in which funds are received. Otherwise, the credit will be provided to you when the initial franchise fee, or initial area representative fee, is paid in full.

Market for the Franchise Services. The market for management, sales and personnel development training consists of individuals, companies and other organizations that have a desire to improve the skills of their management, sales and personnel staff. The Materials are designed to be marketed to a range of businesses, from those with two or more managers to Fortune 500 companies. The market is generally established and developed, but is growing as new businesses are established and existing businesses learn about the advantages of improving their management and sales techniques and personnel development. The sales of the services are not seasonal.

Competition. You may be in competition with other Franchisees and Area Representatives of ours located in your Assigned Area, as well as other companies which market management, sales and other types of training programs and/or video media, some of whom conduct management, sales or personnel development seminars. You will also compete with other organizations and business consultants who focus on management, sales and other business related subjects or skills.

Regulations. We know of no current federal, state or local regulations specific to the marketing of our Materials. However, you should familiarize yourself with federal, state or local laws of a more general nature, which may affect the operation of your CRESTCOM Business. It will be your responsibility to inquire into and comply with all applicable laws and regulations related to the operation of your CRESTCOM Business, including employment, worker's compensation, insurance, corporate, taxing and licensing laws and regulations.

Business History of Us and Our Predecessors and Affiliates. Through a business operated by a former officer of ours, Crestcom International, Ltd., our predecessor ("CIL"), participated in a prototype operation of a CRESTCOM Business from 1990 to 1997, originally in the State of Illinois and later in the

State of Arizona, U.S.A. This prototype operation was converted to a franchised CRESTCOM Business in 1997.

Since 1989, CIL and we have had licensed Franchisees outside of the United States for the operation of businesses similar to a CRESTCOM Business offered in this Disclosure Document. CIL first began offering franchises for CRESTCOM Businesses in the United States in April 1992. We first began offering franchises for CRESTCOM Businesses in January 2008, following our acquisition of substantially all of the assets of CIL. Neither we, nor any of our affiliates currently offer franchises in any other lines of business, although we may do so in the future. As of December 31, 2025, there were 168 franchises operating in 65 countries, including the United States of America.

Except as described above, none of our predecessors, affiliates or parents have conducted business or offered franchises in any other line of business.

ITEM 2
BUSINESS EXPERIENCE

President and Chief Financial Officer: Julie Draguns. Ms. Draguns has served as our President since March 2023 and our Chief Financial Officer since July 2015.

Executive Vice President and General Counsel: Usmaan Khan. Mr. Khan has served as our General Counsel since March 2015 and as our Executive Vice President since August 2025. Previously, from June 2014 to August 2025, he was our Director of Legal Affairs.

Director of Operations: Eduardo Pinzon. Mr. Pinzon has served as our Director of Operations since October 2017. He previously served as our Operations Manager from June 2016 to October 2017.

Director of New Product Development: Amy Schirmer. Ms. Schirmer has served as our Director of New Product Development since October 2017.

Director of Marketing: Cara Rufo. Ms. Rufo has served as our Director of Marketing since February 2022. From June 2020 through February 2022, she served as our Marketing Manager.

Director of Franchise Development: Dana Hise. Ms. Hise is our Director of Franchise Development beginning in April 2026. From September 2020 to April 2026, she served in various positions for Sales Empowerment Group in Chicago, Illinois, serving as Business Development Manager from September 2020 to December 2022, Senior Business Development Manager from December 2022 to December 2023, and Director of Business Development from December 2023 to April 2026.

All of the foregoing personnel work for us in our Greenwood Village, Colorado offices, unless otherwise noted.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

The initial franchise fee for one CRESTCOM Business franchise is $75,000. The initial franchise fee is customarily paid in two installments. In most cases a refundable deposit ("Deposit") of $2,500 is paid with the signing of the Confidentiality/Application Agreement ("Application Agreement"), a copy of which is attached to this Disclosure Document as Attachment B. Once the Deposit has been paid, you may attend the initial training program, which is a classroom training program that lasts approximately two days (the "Initial Training Program"). If after the Initial Training Program you and we agree to proceed with signing a Franchise Agreement, then the Deposit is converted to a down payment toward your initial franchise fee. The remaining amount due is typically paid in full with the signing of the Franchise Agreement. If either you or we elect not to proceed with the signing of the Franchise Agreement immediately after the completion of the Initial Training Program, then we will refund your Deposit.

If you have served as a veteran of the armed forces of the United States, you may be eligible to receive a discount of 10 percent off of the initial franchise fee that would otherwise be due.

We may, in our discretion, agree to finance a portion of your initial franchise fee. For information regarding financing, see Item 10 of this Disclosure Document.

Except as described above related to the Deposit, no portion of any initial fees or other amounts paid to us as described in this Item 5 are refundable under any circumstances once paid.

If applicable, a portion of your initial franchise fee may be paid by us to the Area Representative located in your Assigned Area or to another Franchisee or Area Representative who has referred you to us or provided us services related to your introduction to the Crestcom system.

Except as is provided in this Item 5, all initial franchise fees for U.S. Franchisees are uniform as to all persons currently acquiring a CRESTCOM Business franchise, except that we may in certain circumstances modify the fees and payment terms for certain franchisees and areas in our discretion.

[CONTINUED ON FOLLOWING PAGE]

ITEM 6
OTHER FEES

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty Fee[1]	19.75% of Gross Revenues	Monday of each week for funds received in the preceding week[5]	Gross Revenues include all revenues generated through your CRESTCOM Business or otherwise from the sale or other transfer or use of the Materials and Live Instruction and any other products and services, except for certain products or services we periodically designate as excluded. See Footnote 4. Beginning with the fourth full calendar quarter after the execution of your Franchise Agreement, you must meet certain minimum sales obligations. See Item 12 for a more detailed discussion of your minimum sales requirements.
Distribution Fee[1,2]	$875 per month	Payable monthly by no later than the 5th day of every month[5]	Beginning with the first full calendar month after you sign the Franchise Agreement, you pay the Distribution Fee.
Materials Costs[1]	Will vary, based on our or our approved supplier's published price list	Prior to shipment or as agreed[5]	We and our approved suppliers charge you for Materials you purchase or otherwise acquire.
New Materials Surcharge[1,3]	Currently $500 per media unit or module, but may be changed	On the earlier of the first order of the New Materials or 30 days from the date the New Materials become available, or per the terms of a promissory note[5]	You must acquire the access and rights to, and introduce, New Materials within 30 days of availability. See Footnote 3 below.
Crestcom Supervisor Program Surcharge[1,4]	Currently none. However, we may in the future charge a surcharge if you elect to market the Crestcom Supervisor Program.	If collected, payable on a basis that we establish at the time you acquire the rights to market the Crestcom Supervisor Program[5]	If you qualify, you have the option to market the Crestcom Supervisor Program. See Footnote 4 below.
Crestcom Next Generation Sales Academy Program Surcharge[1,4]	Currently $3,500 (less 3% if paid in full at the time you elect to market the Crestcom Next Generation Sales Academy Program), but may be changed	At the time you acquire the rights to market the Crestcom Next Generation Sales Academy Program, or per the terms of a promissory note[4]	If you qualify, you have the option to market the Crestcom Next Generation Sales Academy Program. You must pay this surcharge for the rights to market that training program. See Footnote 4 below.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Crestcom LEADER+ Surcharge[1,4]	Currently none. However, we may in the future charge a surcharge if you elect to market the Crestcom LEADER+ Program.	If collected, payable on a basis that we establish at the time you acquire the rights to market the Crestcom LEADER+ Program[5]	If you qualify, you have the option to market the Crestcom LEADER+ Program. See Footnote 4 below.
Crestcom LEADER Catalogue Surcharge[1,4]	Currently none. However, we may in the future charge a surcharge if you elect to the market the Crestcom LEADER Catalogue.	If collected, payable on a basis that we establish at the time you acquire the rights to market the Crestcom LEADER Catalogue.[5]	If you qualify, you have the option to market the Crestcom LEADER Catalogue. See Footnote 4 below.
360 Assessment[4]	Currently $50 per assessment and corresponding report	When incurred, based on terms of third party supplier	These fees are payable to the supplier of the 360 Assessment that you may market to your clients, at your option. The supplier may increase its rates for these services.
Client Access Fee[1]	Currently none. However, we may charge a fee upon 30 days' notice to you	If collected, payable on a basis that we establish[5]	For permitting your clients to view and utilize the Materials at the client's offices or elsewhere through an online streaming system that we may establish. The amount of this fee, once we begin collecting it, is subject to change on 30 days' notice.
PRO Facilitation Certification[1]	Currently none for you and up to two other Facilitators. However, we may in the future establish fees for PRO Facilitation Certification.	If collected, will be payable as incurred[5]	You are responsible for having at least one Facilitator complete the four-part PRO Facilitation Certification training within 180 days of commencement of your CRESTCOM Business.
PERFORM Facilitation Training[1]	Currently none. However, we may in the future establish fees for PERFORM Facilitation Training.	If collected, will be payable as incurred[5]	We reserve the right to charge this fee for an optional ongoing training program that we may make available to your Facilitators.
Customer Relationship Management Software[1]	We currently pay for this software, under our account, on behalf of incoming Franchisees for 12 months. After the first 12 months, you will be required to pay us the monthly fee imposed by the third party supplier for this software, which we will then pay to the supplier. The supplier's rate is currently in the range of $45 to $48 per month.	When incurred, based on terms of third party supplier	These fees, when applicable, are imposed by the supplier of the customer relationship management software. We collect these fees from Franchisees and pay them to the supplier. The supplier may increase its rates for this software. We currently pay for one license for you for a period of 12 months following the execution of the Franchise Agreement.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Crestcom Learning Portal ("CLP") Software[1]	Currently none. However, we may in the future charge a fee for ongoing license fees per user starting upon 30 days' notice to you.	If collected, payable on a basis that we establish[5]	We will provide you with access credentials for all of your enrolled participants. Access to the CLP is currently provided without an additional charge, but we may charge fees in the future for each of your participants on a monthly basis. The fees that we collect from Franchisees for the CLP software will be paid to the supplier. The supplier may increase its rates for this software.
Mandatory Computer System and Program Fee[1]	Currently none, other than the customer relationship management software license fee described above and (if collected) the CLP software fee described above. However, if we establish any other Mandatory Computer Systems and Programs, defined in Item 11, we may charge a fee related to the Mandatory Computer Systems and Programs	If collected, payable on a basis that we establish[5]	We may require you to obtain additional Mandatory Computer Systems and Programs in the future and pay fees related to those Mandatory Computer Systems and Programs.
E-mail Account / Website Fee[1]	Currently none. However, we may in the future charge a fee for providing the e-mail account, our website or both	If collected, payable on a regular basis with the Royalty Fee or the Distribution Fee, or as otherwise agreed[5]	We will provide you with an e-mail account with the domain name "crestcom.com." This account is currently provided without an additional charge, but we may charge a fee in the future for providing the e-mail account, our website or both, and can modify or discontinue providing the e-mail account, our website or both.
Digital/E-mail Marketing Service	You must pay the rate charged by the third party supplier, which currently ranges from $0 to $299 per month. Most Crestcom Franchisees use the free account.	When incurred, based on terms of third party supplier	These fees, when applicable, are payable to the supplier of the digital/e-mail marketing service. The supplier may increase its rates for these services.
Special Needs Access to Materials or Live Instruction	Will vary	As incurred	You are responsible for all costs and expenses incurred for special equipment or to modify the format of the Materials, or the manner of conducting Live Instruction for, individuals who are blind, hearing impaired, or who have similar physical disabilities.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Shipping Costs and Taxes[1]	Will vary	Prior to shipment or as agreed[5]	You are responsible for all taxes and shipping costs incurred by us in selling and shipping Materials to you. Most client-facing Materials are provided and delivered virtually through Crestcom's proprietary learning management system.
Regional Meeting and Annual International Convention Fee[1]	Will vary[6]	As incurred[5]	You must attend the annual international convention each year. You also must attend up to one additional meeting each year. Unless waived by us, your attendance at these meetings is required. We may allocate all of the direct and indirect costs which are associated with holding each program and the annual international convention among all attendees, and if you or your representative attend you may be required to pay your pro-rata share. We may also allocate expenses for items or services specifically for the benefit of only a particular group among the members of that group. If you do not attend a mandatory meeting, you may be required to pay 125% of the pro-rata share of an attendee. Your obligation to pay your pro-rata share of the costs for the annual international convention will be waived for you for the first annual international convention that you attend after you sign your Franchise Agreement, provided that you attend the convention.
Audit Fee[1]	Cost of inspection or audit. If you commit an Act of Deception (as defined in Section 14.5 of the Franchise Agreement), $25,000.	As incurred. Payable in advance.[5]	This fee is payable if you understate your Gross Revenues by 2% or more, or if you fail for 3 consecutive reporting periods to submit to us any required statement or report, including weekly activity reports. You are also responsible for any expenses associated with collecting and delivering any documents requested by us for our inspection or audit. If you commit an Act of Deception, you must pay us $25,000 immediately upon notice from us to cover the cost of the audit. Any amounts unpaid, unreported or underreported must also be paid in full.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Transfer Fee[1]	$16,500	Prior to consummation of transfer[5]	This fee is payable if you transfer the Franchise Agreement, or other interest in your franchise. This fee will be refunded if we do not approve the transferee or if we determine that the transferee has failed to successfully complete our Initial Training Program. If you are executing the Franchise Agreement for a successor franchise term, we will apply the transfer fee in your original franchise agreement.
Transferee Training Fee[1]	$3,500	Prior to consummation of transfer[5]	If you transfer your Franchise Agreement or other interest in your franchise, the transferee must attend Franchisee training and pay a Franchisee training fee before assuming your franchise. This fee will be refunded to the transferee if we determine that the transferee does not meet our qualification requirements or fails to successfully complete our Initial Training Program. If you are executing the Franchise Agreement for a successor franchise term, we will apply the transferee training fee in your original franchise agreement.
Transfer Assistance Payment	$12,500, or $10,000 if the transferee is first identified by you rather than the Area Representative	Prior to consummation of transfer	Optional. This amount is payable to the Area Representative for your Assigned Area if you are seeking to transfer your Franchise Agreement or other interest in your franchise and you request this assistance.
Successor Franchise Fee[1]	$3,500	At time of exercise of the successor franchise rights[5]	Unless waived by us, you will sign our then current Franchise Agreement. If you are executing the Franchise Agreement for a successor franchise term, the successor franchise fee in your original franchise agreement will carry forward for future renewals.
Live Instruction Costs[1]	Will vary	As services are performed[5]	If you are unable or fail to perform any Live Instruction and we perform it for you, you must pay us the amount received from your client, plus our expenses associated with the Live Instruction, and a fee for our time based on our then current published rates.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
New Material and Supplier Approval[1]	Actual expenses of approval	As incurred[5]	If you request our approval of new materials or services, or a new supplier, we may require you or the supplier to reimburse us for any expenses we incur in determining if the material, service or supplier meets our specifications and standards.
Interest[1]	Lesser of 18% per annum or highest rate of interest allowed by law	As incurred[5]	Begins to accrue 7 days after payments are due.
Administrative Fee[1]	$10 per late fee or payment	As incurred[5]	We may charge an administrative fee of $10 if any report, fees, or other amounts are not delivered or paid when due.
Late Charge[1]	3% of the amount due.	As incurred[5]	We may assess this fee if any report, fees, or other amounts are not delivered or paid when due.
Unreported or Inaccurately Reported Sales or Underpayments[1]	Will vary under circumstances	Upon discovery of an Act of Deception (as defined in Section 14.5 of the Franchise Agreement)[5]	If you fail to report sales, provide false or inaccurate reports, fail to submit copies of contracts with clients, or underpay amounts owed, you must pay 100% of the gross amount derived from the applicable sales of Materials or services if you do not correct the matter within 25 days of notice.
Missed Training Fee[1]	$200	As incurred	If you miss any appointment for any training that we provide, other than the Initial Training Program, without notifying us at least 48 hours in advance, you must pay us this fee.
Additional and Refresher Training[1]	The then current rate, which is $500/day as of the date of this Disclosure Document	As incurred, prior to training[5]	See Items 7 and 11. We provide the Initial Training Program for up to three individuals as part of the initial franchise fee and at no additional charge. We provide follow-up LaunchPad to Success training for up to two individuals, and follow-up PRO Facilitation Certification training for up to three individuals, for free.
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Payable upon your failure to comply with the Franchise Agreement, or if you fail to prevail in litigation or arbitration against us related to the Franchise Agreement.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims arising from your CRESTCOM Business operations.

[1] Fees and costs which are imposed by and payable to us. All of these fees and costs are nonrefundable, except as specifically noted above for the transfer fee and transferee training fee. All fees are uniformly imposed on all U.S. Franchisees who sign our current Franchise Agreement unless stated otherwise. Certain fees in our current Franchise Agreement have changed from the amounts charged in the past and may change in the future. Therefore, existing and future Franchisees may have fees imposed on them that are different from those represented in this table. We may apply any payments that we owe you against any amounts that you owe us. Upon our request, you must immediately notify your clients and instruct them to make all payments directly to us, and you assign us those payment rights. If you fail to promptly instruct your clients or take other action requested by us, we are authorized to notify your clients directly. When we receive the payments, we will keep any fees or other amounts owed to us by you, and then deliver the remaining amount to which you are entitled, if any, to you. You remain responsible for fulfilling any obligations owed to your clients, regardless of this assignment of payments.

[2] The Distribution Fee represents a fixed portion of our income, which we realize from the first month after you sign the Franchise Agreement. The Distribution Fee is paid in exchange for certain ongoing services that we provide to our Franchisees, including (i) the ongoing consultation we will provide by telephone or other electronic methods, on a Franchisee's reasonable request, regarding the continued operation and management of a CRESTCOM Business; (ii) the market information we will periodically provide; (iii) support services in a Franchisee's efforts to engage qualified Salespeople; (iv) our services in preparing and distributing our newsletter, best practices guidelines, and other resources and maintaining our C.O.A.C.H. site; and (v) other ongoing services that we provide periodically which are not covered by a separate fee.

[3] Franchisees pay us an introductory surcharge when we produce or obtain a new, revised, or updated training program that may be provided in audio, video, online, or other media format that was not available on the effective date of the Franchisee's Franchise Agreement ("New Materials"). Franchisees must begin marketing the new program within 30 days after it becomes available. The current amount of the introductory surcharge is $500 per new media unit or module of the New Materials for the Crestcom LEADER training program. We may change the introductory surcharge by amending the Procedures Manual. You must be in compliance with your surcharge obligations as a condition of the exercise of the successor franchise rights or transfer of your Franchise Agreement. We may, in our discretion, agree to finance a portion of your New Materials surcharge as discussed in Item 10.

[4] Franchisees who desire to market the Crestcom Next Generation Sales Academy Program must pay us this surcharge. The current amount of the surcharge is $3,500. There is currently no surcharge for the Crestcom Supervisor Program, the Crestcom LEADER+ Program, or the Crestcom LEADER Catalogue. We may add surcharges or change the surcharges by amending the Procedures Manual. To begin marketing the Crestcom Next Generation Sales Academy Program, the Crestcom Supervisor Program or the Crestcom LEADER+ Program, you must have an established base of clients satisfactory to us. Until you are approved by us to market the program, you cannot market or provide the Crestcom Next Generation Sales Academy Program, the Crestcom Supervisor Program, the Crestcom LEADER+ Program, or the Crestcom LEADER Catalogue. The Crestcom Next Generation Sales Academy Program, the Crestcom Supervisor Program, the Crestcom LEADER+ Program, and the Crestcom LEADER Catalogue may only

be marketed to existing clients in your Assigned Area. We reserve the right to modify or discontinue the Crestcom Next Generation Sales Academy, the Crestcom Supervisor Program, the Crestcom LEADER+ Program, or the Crestcom LEADER Catalogue at our sole discretion. We may, in our discretion, agree to finance a portion of your Crestcom Next Generation Sales Academy Program surcharge as discussed in Item 10. Similarly, the 360 Assessment is an optional assessment service you may offer to your clients. Currently, your revenues from the 360 Assessment will not be included in your Gross Revenues subject to Royalty Fees so long as the criteria set forth in the Procedures Manual are met, although we may change these terms in the future. You must pay the supplier for each assessment and report provided. We may introduce additional optional training programs and services in the future and offer you the rights to those programs for additional fees or surcharges.

[5] We may charge any fees against your credit card or bank account, at our option. Before you commence operations of your CRESTCOM Business, you must sign and deliver to us a credit card authorization permitting us to charge your credit card for all Royalty Fees, Distribution Fees, and other payments due to us under the Franchise Agreement or otherwise. You must also sign and deliver to us and your bank all documents needed to permit us to debit your bank account ("**ACH Withdrawal**") for the Royalty Fees, Distribution Fees, and other payments due to us under the Franchise Agreement or otherwise. As of the date of this Disclosure Document, we charge Distribution Fees by ACH Withdrawal, and other fees via credit card, although we may change how the various fees are charged in the future. The credit card and bank account must be dedicated exclusively to the CRESTCOM Business and not used for any other business or non-business purpose. If you change your credit card or if you change your account or transfer your account to a different bank, you must notify us within one day, and sign and deliver to us, and your bank if applicable, new documents to permit us to charge your credit card and debit your bank account within three days. You must also execute and deliver to us any replacement or additional credit card or ACH Withdrawal authorizations we request. These authorizations may be in electronic form, and the payments may be administered through an online system. You must maintain at least $5,000 in your bank account for the ACH Withdrawal and have a credit limit of at least $5,000 on your credit card. We may require you to pay all amounts due by means other than credit card or ACH Withdrawal whenever we deem appropriate, and may require that you execute the forms and complete the procedures we may establish to permit us to charge your fees to a bank account or credit card.

[6] The standard total registration fees for the regional meeting and annual international convention in 2025 were not more than $550 per attendee.

[CONTINUED ON FOLLOWING PAGE]

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of Expenditure	Column 2 Amount		Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
	Low	High			
Initial Franchise Fee (See Note 1)	$75,000	$75,000	Cash or Finance (See Item 5)	$2,500 with the execution of Application Agreement, balance with the signing of Franchise Agreement	Us
Distribution Fee (See Note 2)	$2,625	$2,625	Cash	Monthly	Us
Office Lease Costs (See Note 3)	-0-	$500	As Arranged	As Arranged	Third Parties
Initial Inventory (See Note 4)	-0-	-0-	N/A	N/A	N/A
Equipment and Supplies (See Note 5)	$575	$2,000	As Arranged	As Arranged	Third Parties
Insurance (See Note 6)	$350	$900	As Arranged	As Arranged	Third Parties
Travel and Living Expenses During Initial Training (See Note 7)	-0-	$2,569	As Arranged	As Arranged	Third Parties
Seminar Expense (See Note 8)	-0-	$1,250	As Arranged	As Arranged	Third Parties
Legal and Accounting (See Note 9)	$500	$1,500	As Arranged	As Arranged	Third Parties
Shipping Costs; Initial Inventory	-0-	$200	As Arranged	As Arranged	Third Parties
Marketing Program (See Note 10)	$7,800	$9,600	As Arranged	As Arranged	Third Parties
Additional Funds (3 months) (See Note 11)	$5,000	$8,775	As Arranged	As Arranged	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT **(See Notes 12 and 13)**	**$91,850**	**$104,919**			

Explanatory Notes

NOTE 1: Initial Franchise Fee. The initial franchise fee for our CRESTCOM Business franchise is $75,000. See Item 5 for a discussion of our initial franchise fee.

NOTE 2: Distribution Fees. You are required to pay us a Distribution Fee of $875 each month. This estimate includes the Distribution Fee for your first three months following execution of your Franchise Agreement.

NOTE 3: Lease Costs. Most current Franchisees maintain an office in their residence. However, you may elect to lease office space from which to conduct your business. You will only need a 100 square foot office in an executive suite with a shared receptionist. The office will not need to be located in a central business district. The estimates in the table include the first three months' lease payment and a security deposit equal to one month's rent. However the lease rate and required deposit for leased office space will vary considerably from area to area.

NOTE 4: Initial Inventory. Upon payment of your initial franchise fee, we will provide you with our Initial Inventory at no further charge to you. Our Initial Inventory contains training materials and sample documents to promote your CRESTCOM Business. Some or all of the items included in the Initial Inventory may be provided in digital form.

NOTE 5: Equipment and Supplies. The initial cost for equipment is estimated to be from $575 to $2,000, based on the following:

Equipment	Minimum Amount	Maximum Amount
Video Projector	$500	$500
Phone System	$75	$100
Computer System	-0-	$1,400
Total	$575	$2,000

You may already own some of the items contained in the equipment listed above. In that event you will only need to obtain the remaining items listed. The projection screen used to conduct your training sessions is often provided by the hotel or other meeting place where you hold your training sessions. Therefore, we have not included this item in these estimates. You may also be able to find a source that will allow you to lease your equipment.

NOTE 6: Insurance. General liability insurance varies in each assigned area. We recommend that a Franchisee maintain insurance on the Materials in its possession or control. No estimate is given for the cost of that insurance. You should consult an attorney or insurance advisor for recommended coverage. You may need to increase any existing automobile insurance coverage that you presently have due to the increased amount of usage of your automobile. Estimates for automobile insurance are shown in the table.

NOTE 7: Initial Training Expenses. An Initial Training Program is provided at no additional charge to you for up to three persons, and an initial LaunchPad to Success training program (as defined in Item 11) is provided at no additional charge to you for up to two persons, although only one person is required to attend and complete both programs. You are responsible for the travel, lodging and living

expenses of each person you select to attend the training programs. However, either or both of these programs may be offered virtually at our discretion. The table lists the estimated costs for travel, lodging and living expenses in connection with one person attending the training programs, with the low end assuming that the training is conducted virtually and there are no travel, lodging and living expenses. We will reimburse you for one-half of the hotel accommodation cost for one person at the Initial Training Program or, at our discretion, one-half of the cost of transportation to and from the training site by the most economical means for one person's attendance at the Initial Training Program, except if you are acquiring your CRESTCOM Business as the result of a transfer or if you attend a virtual Initial Training Program.

NOTE 8: Seminar Expenses. You may decide to conduct management training and hold monthly Crestcom LEADER courses in area hotels or meeting rooms. The estimated cost for one month's training is approximately $0 to $1,250, representing costs for the meeting room depending on where your seminars are held. You may be able to reduce this cost by offering to train hotel personnel in exchange for the use of the facilities. We agree to waive your Royalty Fees for one such exchange per year. The numbers in the chart assume that you will serve as the Facilitator.

NOTE 9: Legal and Accounting. You are encouraged to consult with legal counsel and an accountant in connection with your investment in this CRESTCOM Business and with start-up business concerns. Franchisees must maintain accurate books and records. At our request, Franchisees must provide us with their annual financial statements, which may be unaudited but be compiled or reviewed by an independent certified public accountant, and their state and federal income tax returns within 120 days after the end of each applicable fiscal year. We cannot accurately estimate the amount of fees that you will pay to an accountant to assist you in preparing your financial statements and tax returns. You should consult with your own accountant in order to determine the initial and continuing costs of complying with our administration and accounting requirements.

NOTE 10: Marketing Program. Unless otherwise agreed to by us, Franchisees must follow our proprietary prescribed marketing plan, which is provided in the Procedures Manual, for generating leads for their CRESTCOM Businesses, including mailing to bona fide prospective clients a minimum number of our proprietary mailing instruments each month for a designated period of time. You will be responsible for all costs associated with acquiring, preparing and mailing our proprietary mailing instrument to your prospective clients.

We may provide telemarketing services to you under such terms and conditions as we may determine, and if you choose to use those telemarketing services, the amounts you pay to us for those services are nonrefundable, but will be credited toward your required expenditures under our proprietary prescribed marketing plan. The details of our proprietary prescribed marketing plan are found in the Procedures Manual.

NOTE 11: Additional Funds. The disclosure laws require us to include this estimate of all additional expenses to operate your CRESTCOM Business during the "initial period" of the business, which is defined as three months or a longer period if "reasonable for the industry." We are not aware of any established longer "reasonable period," so our disclosures cover a three-month period. This amount is an estimate and includes a Franchisee's pre-operational expenses which are not listed above, as well as estimated additional funds necessary for the first three months of business operations. It includes travel, freight, rent, permits, taxes, utilities, advertising, and other operational expenses, but does not include a salary or draw for the Franchisee or others, including any Salespersons, Facilitators or telemarketers employed by the Franchisee. You are not required to employ any of these persons. You may have additional expenses starting your business. Your costs depend on several factors and may vary beyond the range noted above.

NOTE 12: Total Estimated Initial Investment. In compiling these figures, we have relied on the more than 30 years of experience of our predecessor and us in this business and the cumulative years of similar experience of our individual management personnel. You should review these figures carefully with a business advisor before making any decision to purchase a franchise. Except as stated in this Item 7, we do not provide an estimate of operating costs for your CRESTCOM Business over any period.

NOTE 13: Refunds. Except for the Deposit described in Item 5 above, no other payments to us are refundable under any circumstances. Payments to third parties may or may not be refundable depending on your agreement with such third parties; however, usually such payments are nonrefundable.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Franchisees must establish and operate their CRESTCOM Businesses in compliance with our Franchise Agreement and with the standards and specifications contained in the manuals, technical bulletins, and other supplemental written materials that we make available to Franchisees (collectively, the "Procedures Manual"). We will provide you with a copy of the Procedures Manual for use during training, and will make available to you the Procedures Manual through our proprietary, restricted, and confidential licensee's intranet C.O.A.C.H. site, or via any other written, audio, video, or online source that we choose. You must read and learn the Procedures Manual and comply with it in the development and operation of your CRESTCOM Business as an essential aspect of your obligations under the Franchise Agreement. Our Procedures Manual may be modified by us. If any inconsistencies exist between the provisions in any Procedures Manual we make available to you and our master Procedures Manual we maintain at our office, regardless of whether it is in electronic or other form, our master Procedures Manual will control. The Procedures Manual is designed to protect our reputation and the goodwill of the Marks, it is not designed to control the day-to-day operations of your CRESTCOM Business.

We will provide Franchisees standards and specifications for Materials, Live Instruction and related materials and services that they may offer through their CRESTCOM Businesses. We also provide sales and management training techniques, forms and business methods to be used in a CRESTCOM Business. We may change our standards and specifications on 10 days prior written notice.

One of our primary methods of communication with our Franchisees, distributors, and Area Representatives is through our proprietary, restricted, and confidential intranet, C.O.A.C.H. site. You are responsible for knowing all of the information contained in our C.O.A.C.H. site, best practices guidelines, and newsletters, and complying with any standards and specifications provided in them. We may establish and change the standards and specifications for the operation of a CRESTCOM Business through our C.O.A.C.H. site, best practices guidelines, and newsletters.

Unless otherwise agreed to by us, Franchisees must comply with our proprietary prescribed marketing plan.

Franchisees must purchase or otherwise acquire all items used in their CRESTCOM Businesses from suppliers designated or approved by us. If you want to utilize any materials or services in your CRESTCOM Business, or use any new suppliers that have not previously been approved by us, you must first obtain our approval. We may, in our discretion, withhold our approval. We do not have written criteria for supplier approval, and therefore such criteria are not provided to any of our Franchisees. However, we may require that you submit specifications, information or samples of the items for our review to determine if they meet our specifications and standards as to quality, content, composition and service. We will advise you within 30 days after we receive the required information whether the items or proposed suppliers meet our specifications. We do not require that a fee be paid to us to secure supplier approval; however, we may

require you or the supplier to reimburse us for any expenses we incur in determining if the supplier meets our specifications and standards. We may revoke our approval of any supplier previously approved by written notice to you or the supplier. No person or company affiliated with us is currently an approved supplier for any of the items used in your CRESTCOM Business. Some of our officers have an indirect ownership interest in us. Otherwise, no officer of ours owns any interest in any of our approved suppliers.

You must purchase the Materials only from us and our approved suppliers. We are currently the sole approved supplier of all of the audio, video, and online media included in the Materials. We estimate that the purchase of Materials to be used in your CRESTCOM Business will be zero percent of the total cost to establish your CRESTCOM Business because, with the payment of your initial franchise fee, we provide you with our Initial Inventory (or, in our discretion, a credit to be used toward the acquisition of products and Materials from us). Because we do not typically require Franchisees to provide us with their financial statements, we cannot accurately estimate what the percentage of your ongoing acquisition of Materials to the total of all recurring operating expenses of your CRESTCOM Business will be. However, we estimate that acquiring Materials and other items in accordance with our standards and specifications will comprise 90 to 95 percent of the product purchase requirements for both the initial investment and ongoing operations.

You are solely responsible for any claims or liability arising from or related to products used in your CRESTCOM Business, including any strict product liability claims.

You cannot buy or sell Materials from or to any other current or former Franchisee or distributor without our written consent. We may withhold our consent in our discretion.

Franchisees must comply with all agreements with third parties related to their CRESTCOM Businesses, including all provisions of any agreement related to the marketing of the Materials or the marketing or conduct of the Live Instruction, or any commitments to lease premises, including a facility to conduct the Live Instruction.

Franchisees are prohibited from contacting any of the individuals featured in the Materials for the purpose of directly or indirectly engaging or utilizing those individuals in their CRESTCOM Businesses or in any competing business, entering into any business dealings or arrangements with those individuals, or brokering any business dealings or arrangements involving the services or products, other than the Materials, of such individuals.

Franchisees may not modify the Materials or any aspect of the Materials in any manner without our prior written consent, which we may withhold for any reason. A Franchisee must obtain our written consent before adding any additional logos, stickers, graphics, or other information to any of the Materials, cover or conceal any part of the Materials, or change the appearance or content of the Materials.

You or your Principal Representative (defined in Item 11) may also choose to take an assessment provided by a third party supplier designated by us.

If you elect to offer to your clients the optional assessment services we have approved, currently the 360 Assessment, you must acquire the assessments and corresponding reports from our designated supplier.

We and our designated representatives will be entitled to monitor or record the Live Instruction conducted by you to evaluate the Facilitator and to obtain other information, including the number, names and addresses of the attendees.

You will need a computer system as described in Item 11. You may already own one meeting our minimum requirements. You must acquire customer relationship management software for use with your computer system from a supplier we designate. We will pay the license fees for this software for the first 12 months, as described in Item 6, and after that period you will pay us the ongoing fee for that software which we will then pay to the supplier. You must also acquire the Crestcom Learning Portal (CLP) software from a supplier we designate and use it with your computer system. We currently pay the license fee for this software for you and your client participants, but we may charge a fee for this in the future which we will in turn pay to the supplier of the software. We may require you to obtain additional and new computer systems and software in the future, as described in Item 11.

You must also acquire digital and e-mail marketing services from a supplier we designate.

Franchisees must procure, maintain and provide evidence of comprehensive general liability insurance for their Franchise Locations, as defined in Item 12, and their operations, with a limit of not less than $1 million combined single limit, and other insurance for their CRESTCOM Businesses in the amounts and types as set forth in the Procedures Manual.

If you desire assistance in finding a potential purchaser to acquire your CRESTCOM Business or other assistance with the sale of your CRESTCOM Business, the Area Representative for your Assigned Area may agree to provide this assistance to you. You will be required to compensate the Area Representative $12,500 for these services, which will be reduced to $10,000 if the transferee is first identified by you rather than the Area Representative.

Other than the requirements above, you are not obligated to purchase or lease any goods, services, supplies, fixtures, equipment, inventory or real estate from us or any other specifically designated source.

Currently, we do not negotiate purchase arrangements with suppliers for the benefit of Franchisees and Area Representatives, nor do we derive revenue from your purchases through third party suppliers, although we and our affiliates reserve the right to do so in the future. We will derive revenues from acquisitions of Materials and other items through us. During the fiscal year ending on December 31, 2025, we had revenues of $5,167,720.01. Of this amount, $27,427.75 (approximately 0.5 percent of the total revenues) consisted of revenues derived from Materials and other items sold to Franchisees and Area Representatives in the United States. This information was compiled based on our financial statements, described in Item 21. Neither we nor our affiliates derive revenues from real estate leases. No other affiliated company of ours derived revenues from the sale of any products or services to our Franchisees or Area Representatives.

We are not aware of any rebates received by Area Representatives of ours from any suppliers based on purchases made by our Franchisees or other Area Representatives.

Except as is described in this Item 8, you do not receive a material benefit from us based on your use of any particular designated or approved source.

[CONTINUED ON FOLLOWING PAGE]

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	Section 3.1	Items 7 and 11
(b) Pre-opening purchases/leases	Section 6.1	Item 7
(c) Site development and other pre-opening requirements	Article 6	Items 7 and 11
(d) Initial and ongoing training	Article 5	Items 7 and 11
(e) Opening	Section 6.6	Item 11
(f) Fees	Section 5.7 and Articles 4 and 11	Items 5, 6 and 7
(g) Compliance with standards and policies/ Procedures Manual	Articles 8 and 10 and Section 12.1	Items 11 and 14
(h) Trademarks and proprietary information	Article 13	Items 13 and 14
(i) Restrictions on products/services offered	Section 12.3	Item 16
(j) Warranty and customer service requirements	Not Applicable	Not Applicable, but see (g) above regarding Procedures Manual
(k) Territorial development and sales quotas	Sections 3.2, 3.3 and 11.6	Item 12
(l) On-going product/service purchases	Sections 10.1, 10.2, 10.3, 10.4, and 10.7	Items 6 and 8
(m) Maintenance, appearance and remodeling requirements	Not Applicable	Not Applicable
(n) Insurance	Section 20.1	Item 7
(o) Advertising	Sections 10.5 and 12.2	Items 7 and 11
(p) Indemnification	Section 18.3	Item 6
(q) Owner's participation/management/staffing	Sections 5.1, 6.3 and 10.5	Items 11 and 15
(r) Records and reports	Section 10.5 and Article 14	Item 6
(s) Inspections and audits	Sections 14.3, 14.4 and 14.5	Item 6
(t) Transfer	Section 10.9 and Article 15	Item 17

Obligation	Section in Franchise Agreement	Disclosure Document Item
(u) Renewal	Sections 16.2, 16.3, 16.4 and 16.5	Item 17
(v) Post-termination obligations	Section 17.6	Item 17
(w) Non-competition covenants	Article 19	Item 17
(x) Dispute resolution	Article 21	Item 17

ITEM 10
FINANCING

Except as described below, neither we nor any agent or affiliate of ours offer any direct or indirect financing to Franchisees. We do not guarantee any notes, leases or other obligations of our Franchisees. Furthermore, we cannot predict if you will be able to obtain financing for any part of your investment in your franchise and, if so, the terms of the financing.

We may agree to finance a portion of your initial franchise fee. The maximum amount we finance is generally 50 percent of your initial franchise fee. We may also agree to finance some or all of the New Materials surcharge and Crestcom Next Generation Sales Academy Program surcharge. Whether we will provide you any financing and the amount of financing we will provide are dependent on your location, your experience in marketing or conducting training programs, your creditworthiness, the funds available to us, the collateral available to secure the loan and various market considerations.

If we decide to finance a portion of these payments, you must execute a Promissory Note substantially in our then current form. Our current form of Promissory Note is attached to this Disclosure Document as Attachment D. The Promissory Note will be payable within 60 days of executing the Franchise Agreement and will bear interest at a rate between 9 and 12 percent per annum, all as determined by us based on the factors discussed above. The Promissory Note will be secured with collateral acceptable to us, including your franchise, or guaranteed by persons acceptable to us, or both. The persons who are acceptable to us to execute this guaranty may include each of your officers, directors, partners, or shareholders, and any member of your or their immediate families, and any Authorized Representatives, as defined in Item 15. The Promissory Note may be prepaid in whole or in part without penalty.

If you execute a Promissory Note, it will provide that if you fail to make any payment when due, we may accelerate the entire unpaid balance, which will become due at once. If the default is not cured within 10 days after notice of default to you, the entire principal balance will accrue default interest at the lesser of 18 percent per annum or the highest rate permitted by applicable law. On default, we may pursue the following remedies: (i) sue you for the default amount; (ii) proceed against any collateral pledged to secure the Promissory Note, which may involve you losing your franchise; (iii) sue any guarantor of the Promissory Note; or (iv) pursue any combination of these remedies. If there is a default, in addition to the amount due on the Promissory Note, you may be liable for our costs and expenses of collection, including reasonable attorneys' fees. We do not offer financing that requires you to confess judgment, but you will have to waive presentment, notice of protest, and protest. Legal actions by us related to the Promissory Note will be litigated in the courts of, or arbitrated in, the City and County of Denver, Colorado, at our option. Pursuant to the Promissory Note, Franchisees agree to submit to the personal jurisdiction of these courts and to binding arbitration, and agree to waive their rights to a jury trial.

Except for payments made to us for financing the initial franchise fee, we and our affiliates do not receive payments for the placement of financing or providing financing. We and our affiliates do not guarantee your obligations to third parties.

In the past, we have not sold, assigned or discounted to a third party any note, contract or other instrument executed by a Franchisee, although we reserve the right to do so in the future.

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

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

Pre-Opening Assistance. Prior to your commencing operation of your CRESTCOM Business, we (or our designee) provide the following assistance and services to you (Section 7.1, Franchise Agreement ("FA")):

1. We will provide an Initial Training Program as described below.

2. We will advise you regarding the selection of suppliers of equipment and other items used and Materials offered for sale in connection with your CRESTCOM Business. After execution of the Franchise Agreement, we will make available to you a list of approved suppliers, if any, of the equipment, items and Materials.

3. We may, in our discretion, make recommendations to you or establish requirements for you related to accounting and reporting systems to be used in your CRESTCOM Business.

4. We will provide you with our Initial Inventory containing training materials and sample documents, which may be provided digitally.

5. We will make available to you, electronically or by any other means we choose, a copy of the Procedures Manual covering the proper operating and marketing techniques of a CRESTCOM Business and our standards and specifications.

Continuing Obligations. During the operations of your CRESTCOM Business, we (or our designee) must provide the following assistance and services to you (Section 9.1, FA):

1. We will permit you to use our Marks, Licensed Methods, and various designs and logotypes associated with our management, sales and personnel development training programs and materials, as they may be modified, on a non-exclusive basis in your Assigned Area (Sections 2.1, 13.1, and 13.3, FA).

2. Approximately 30 days after you commence the operation of the CRESTCOM Business, we will provide the LaunchPad to Success training program described below.

3. Within 180 days after you commence the operation of the CRESTCOM Business, we will provide you the PRO Facilitation Certification training program described below.

4. On your reasonable request, we will consult with you by telephone or other electronic means regarding the continued operation and management of your CRESTCOM Business and advise you regarding sales and training techniques and the marketing of the Materials.

5. We will make available to you the advertising and promotional materials or other marketing information that we may periodically develop. We may pass the cost of these materials on to you by charging for the use or acquisition of the materials or information.

6. We will periodically provide sales leads and market information, as and if they become available to us.

7. In our discretion, we will provide you with on-going updates of information and ideas regarding the sales and management training techniques and other information related to the Licensed Methods, including information about new Live Instruction techniques which are developed by us. We may charge a fee for some or all of these services.

8. We will provide a newsletter and best practices guidelines to you that we may publish periodically, which may be made available on the Internet through our C.O.A.C.H. site or elsewhere.

9. We will make our training programs available to your employees, agents and representatives during the term of your Franchise Agreement as long as they execute our standard Nondisclosure and Noncompetition Agreement, the current form of which is attached as Attachment C. We may charge a fee for this training.

10. We will support your efforts in engaging qualified Salespersons in your Assigned Area (Section 6.5, FA).

11. We or our approved supplier(s) will supply you with the Materials, subject to the availability of the Materials within our or our approved supplier's inventory. Our inventory of available Materials may be changed or discontinued by us. The terms of pricing, shipment, allocation, return, restocking, substitution, inventory mix of Materials and Materials inventory level requirements are provided in the Procedures Manual or other written information that we will provide to you (Section 9.3, FA).

12. You may, at your option, participate in our mentoring program. Under our mentoring program you will receive assistance in the development of your CRESTCOM Business from an existing Franchisee/mentor of ours for a designated period of time. We select the existing Franchisee/mentor to assist you. In order to participate in our mentoring program, you must fully comply with our learning procedures and any other prerequisites that we may impose. (Section 5.4, FA). We may discontinue this mentoring program at any time in our discretion.

13. At our discretion, we may establish recommended prices for the products and services offered by your CRESTCOM Business. You may charge prices that are higher or lower than our recommended prices.

14. You may be offered other mentoring opportunities in the form of working with an Area Representative (if applicable), Director of Operations, or an accountability partner.

Advertising Programs. Franchisees must advertise and promote their CRESTCOM Businesses, although we do not require a Franchisee to expend a specific percentage of its gross revenues on advertising. Unless otherwise agreed to by us, you must follow and abide by our proprietary prescribed marketing plan, which is provided in our Procedures Manual. You must also acquire digital and e-mail marketing services from a supplier we designate, as described in Item 6. The fee for these services currently ranges from $0 to $299, and most Franchisees utilize the free account. We do not collect an advertising fee and we are not required to spend any amount on advertising in the geographical area where you are or will be located.

You must abide by the advertising requirements in the Procedures Manual. Before conducting advertising of any kind, we must first approve your proposed advertising or promotional materials, including any advertising and promotional materials related to (a) your CRESTCOM Business, (b) the marketing of Materials or the marketing or conducting of Live Instruction, (c) the solicitation and promotion of Authorized Representatives, (d) the promotion and marketing of your CRESTCOM Business, and (e) the solicitation and promotion of any brokers or intermediaries you engage to promote or market your CRESTCOM Business. You must also notify us of the intended channels in which your advertising and promotional materials are to be used, and obtain our approval of those advertising channels. Any web pages and websites on the Internet constitute advertising requiring our approval. Modifications to any advertising, including any web pages or websites, require our approval. Our approval of any advertising or promotional materials may be withheld and withdrawn in our sole discretion.

We do not require Franchisees to participate in a local or regional advertising cooperative, although we reserve the right to do so in the future. We have not established any rules or regulations related to local or regional advertising cooperatives. We do not require Franchisees to participate in any other advertising fund program.

Computer and Electronic Systems. Franchisees must use a computer system in the operation of their CRESTCOM Businesses. We do not require any specific type or brand of computer and you may use a computer system that you currently own if it meets our requirements. The only current requirements for the computer system are that it must be capable of videoconferencing and connecting to the Internet for the purpose of sending and receiving e-mail and compatible with any software or programs we require you to use. If you do not have a computer system that meets our requirements, then you must acquire one.

As of the date of this Disclosure Document, we do not have independent access to your computer system; however, no contractual restrictions exist concerning our ability to require you to give us independent access in the future. We do not require that you obtain any maintenance, servicing, updating or upgrading contracts for your computer system at this time, although we recommend that you do so and may require you to do so in the future. Neither we nor any third party acting on our behalf, including any affiliates of ours, are obligated to provide any ongoing maintenance, repairs, updates or upgrades for your system. The estimated cost of acquiring the required computer system and software ranges from $0, if you already possess a computer system meeting our requirements, to $1,400, if you will be purchasing the computer system.

You must acquire customer relationship management software that we designate. We pay for the license for this software for the first 12 months. After that time you will pay us the license fee charged by the supplier, currently in the range of $45 to $48 per month, and we will pay that amount to the supplier. You must also acquire the Crestcom Learning Portal (CLP) software that we designate. We currently pay for this license for you. However, we may in the future upon 30 days' notice to you require you to pay us a license fee for this software, which we will pay to the supplier of the software. The supplier may change its fees for the license in the future.

We can in the future without any contractual limitation establish additional minimum specifications for the required computer system, software, and online programs, and require Franchisees to obtain at their cost and use additional types of computer equipment, software, and online programs ("Mandatory Computer Systems and Programs"), including software providing reporting, tracking, or accounting functions, which may be developed for and proprietary to us or offered by a third party. We may require you to pay us a fee for any Mandatory Computer Systems and Programs we provide, or you may be required to make payments to a third party for other Mandatory Computer Systems and Programs. We also may require you to submit to us all information required by us that is created or generated by any Mandatory

Computer Systems and Programs. We reserve the right to modify, upgrade, or discontinue any Mandatory Computer Systems and Programs, and to require different or new software programs that may be replacements of or additions to the Mandatory Computer Systems and Programs.

We will provide you an e-mail account with the domain name "crestcom.com." For consistency throughout the system, Franchisees are required to use only the e-mail account provided by us in the operation of their CRESTCOM Businesses. The e-mail account we provide you cannot be used for any purpose not related to the operation of your CRESTCOM Business. Franchisees must check their e-mail account at least daily for incoming messages, and respond promptly and appropriately to all messages. We have the right to monitor and access your CRESTCOM Business e-mail account and messages sent to and from that account. We can discontinue your e-mail account or our website in the future, in which event you will need to obtain and maintain another e-mail account to be used exclusively in the operation of your CRESTCOM Business. We can modify the e-mail account, our website, and our policies with respect to both. We may charge a fee for providing the e-mail account and for operating our website.

You will need to have a dedicated telephone line and number for your business telephone, with a voice mail system, which you check at least daily for incoming messages. You must respond promptly and appropriately to all messages.

Site Selection Assistance. We consider a CRESTCOM Business to be a home-based business and most of our Franchisees operate their CRESTCOM Businesses from their homes. If you want to operate your CRESTCOM Business from an office separate from your home, you may do so. We have no requirements for such an office space except that it must be located in your Assigned Area, and you must have selected your site and notified us of your business address prior to conducting the first training seminar or selling Materials through your CRESTCOM Business. Aside from designating your Assigned Area, we do not select or approve the area in which you select your site. We are not responsible for selecting and acquiring the premises for your CRESTCOM Business location.

Time for Commencement of Operations. You are considered to have commenced operations upon the later of the date of execution of your Franchise Agreement or the date of your completion of the Initial Training Program, discussed below. Therefore, we estimate that the typical length of time between the signing of the Franchise Agreement and the opening of a CRESTCOM Business is approximately zero to ten days. Some factors that may affect this timing are pre-existing obligations, completion of training, and a Franchisee's ability to secure financing. Once you commence operations of your CRESTCOM Business, you must remain active in the business. You are considered to be active so long as you continue to conduct monthly Crestcom LEADER training seminars, and after the third full calendar quarter of your Franchise Agreement you personally generate gross revenues of not less than the Monthly Production Goal, which is the amount that would be earned from the enrollment of at least two attendees paying our then suggested U.S. minimum retail price per each calendar month.

Additional Training Information. The Initial Training Program is a classroom or virtual training program lasting approximately two days. The Initial Training Program will typically be conducted after execution of the Application Agreement, before the execution of the Franchise Agreement, and prior to the commencement of operation of the CRESTCOM Business.

On completion of the Initial Training Program, you will be allowed a period of approximately 30 days to execute your initial business start-up activity and familiarize yourself with all scripts and procedures, after which you will be expected to attend "LaunchPad to Success" training. LaunchPad to Success is an intensive three or four-day training program that examines the skills required to execute all aspects of the Crestcom sales process, including role play exercises, objection handling, and live delivery

of parts of the sales process. LaunchPad to Success training will only be held once all administrative actions conducted as part of commencement of your operations are complete.

The LaunchPad to Success training, like the Initial Training Program, may be conducted virtually rather than in-person. Whether the training programs are conducted virtually (via the internet, telephone, or similar communication method) or in-person will be decided by us in our discretion.

The actual length of your training programs and your training schedule may be adjusted or waived by us based on your prior experience or training.

You, or, if you are an entity Franchisee, the principal owner of you responsible for the management of the CRESTCOM Business or another person you designate (the "Principal Representative"), and up to two additional individuals designated by you, may participate in our Initial Training Program without charge of a tuition or fee, except that if you are acquiring your CRESTCOM Business as the result of a transfer, you will be required to pay a transferee training fee of $3,500. You or your Principal Representative, and up to one additional individual designated by you, may participate in our LaunchPad to Success training program without charge of a tuition or fee. You are responsible for the transportation and living expenses of these individuals while attending the training programs, although, as long as you are not receiving your CRESTCOM Business as the result of a transfer or attending virtually, we will reimburse you for one-half of the hotel accommodation cost for one individual at the Initial Training Program or, at our discretion, one-half of the cost of transportation to and from the training site by the most economical means of travel for one individual for the Initial Training Program. You or your Principal Representative, as applicable, must successfully complete the Initial Training Program to our satisfaction prior to you commencing operation of your CRESTCOM Business. You or your Principal Representative, as applicable, must also successfully complete the LaunchPad to Success training program to our satisfaction after commencing operation of your CRESTCOM Business.

If you fail to complete the Initial Training Program or LaunchPad to Success training program to our satisfaction, the Franchise Agreement may be terminated and no portion of the initial franchise fee will be refunded to you.

Training is supervised by our training supervisor, Eduardo Pinzon. Mr. Pinzon has over nine years of experience with us and over 25 years of experience in the field. Each of our instructors has demonstrated to us satisfactory knowledge of the topics they instruct, has at least two years' experience with us and in the fields of their topics, and is overseen and reviewed by Mr. Pinzon. On occasion, we may have one of our Franchisees or Area Representatives, who has demonstrated to us their knowledge of operating a CRESTCOM Business, conduct some portions of our training programs.

The instruction materials for the training programs include the Procedures Manual, handouts and video media presentations. The subjects covered in each of the training programs, and the general time devoted to each subject, are described below. Each of these programs may be modified in our discretion to meet the special needs of any individual trainee.

[CONTINUED ON FOLLOWING PAGE]

TRAINING PROGRAM

Initial Training Program

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location (See Note 1 below)
Initial Meeting	1	0	Virtually (via the internet, telephone, or similar communications method), or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Background	.5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Franchise Operations	1	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Tools and Resources	.5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Business Structure	0.5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Sales System Instruction	2	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Materials Information	1.5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Prospecting, Lead Generation and Marketing Principles	.5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Marketing Strategies	2	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Contacting Prospects to Set Appointments	.5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Our Products and Methodology	1	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Customer Deliverables	1.5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location (See Note 1 below)
In-House Sales/Trade outs	.5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Administration	4.5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
TOTALS	**17.5**	**0**	

Note 1: The typical location for the Initial Training Program, if the training is conducted in-person in the Denver, Colorado, U.S.A. metropolitan area, is our headquarters. If the training is to be performed in-person in another metropolitan area selected by us, the training is typically conducted at a conference room located in a hotel. The Initial Training Program may also be conducted virtually at our discretion.

LaunchPad to Success Training

Subject	Hours of Classroom Training	Hours of On-The- Job Training	Location (See Note 1 below)
Lead Generation, Qualifying, Marketing, Phone Scripts	7	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
The Initial Meeting: to include Role Play Delivery and Objection Handling	7	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
The Pre-Meeting Talk, Leadership Skills Workshop and Sales Close	5	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Sales System Instruction	3	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Administration	3	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
Marketing Strategies	3	0	Virtually, or in-person in the Denver, Colorado, U.S.A. metropolitan area or another location selected by us
TOTALS	**28**	**0**	

Note 1: The typical location for the LaunchPad to Success training, if the training is conducted in-person in the Denver, Colorado, U.S.A. metropolitan area, is our headquarters. If the training is to be performed in-person in another metropolitan area selected by us, the training is typically conducted at a conference room located in a hotel. The LaunchPad to Success training may also be conducted virtually at our discretion.

Later Training and Meetings. You must have a Facilitator who is qualified to conduct all Live Instruction for your clients. You or your Principal Representative may serve as your Facilitator. Each of your Facilitators is required to complete the "PRO Facilitation Certification" program within 180 days of the commencement of operation of your CRESTCOM Business. If you hire a Facilitator after that date, they must complete the PRO Facilitation Certification program prior to conducting Live Instruction. The PRO Facilitation Certification is a four-part training program designed to provide Crestcom facilitators a personalized training experience in order to effectively deliver the Crestcom LEADER training program. The PRO Facilitation Certification program is currently offered online, but may be conducted in person or in another manner in the future. The PRO Facilitation Certification is provided to you or your Principal Representative and up to two of your other Facilitators without charge of a tuition or fee, as of the date of this Disclosure Document, although we may charge a fee for this training in the future. We may also charge a fee for later PRO Facilitation Certification programs conducted for new Facilitators you engage. You are responsible for the transportation and living expenses of these individuals while attending the PRO Facilitation Certification training program, if any. If you fail to have a Facilitator complete the PRO Facilitation Certification training program to our satisfaction, the Franchise Agreement may be terminated and no portion of the initial franchise fee will be refunded to you.

You must ensure that all of your Facilitators are qualified to conduct the Live Instruction in accordance with our minimum standards and specifications. Live Instruction must be conducted in a manner specifically authorized by us. In our discretion, we or our designee may periodically evaluate any Facilitator to determine his or her qualifications. If we determine or have reason to believe that any of your Facilitators is not qualified to provide Live Instruction, we will notify you in writing and the Facilitator will need to attend and successfully complete additional training, which may include re-certification through the PRO Facilitation Certification program, at your sole expense. We reserve the right to establish additional certification programs for Facilitators, the terms, conditions, and requirements of which will be in the Procedures Manual, which you must comply with. These additional certification programs may require that, at your sole expense, your Facilitators attend and complete additional training programs for which we may charge tuition or a fee in accordance with our then current published rates.

We also conduct from time to time seminars, international or regional conventions, continuing development programs or other meetings (the "Additional Meetings"). You or your Principal Representative must attend any mandatory Additional Meetings we conduct, including our international convention each year. We may require you to attend up to one more mandatory Additional Meeting each year. As of the date of this Disclosure Document, we have never required any Franchisee to attend more than two mandatory Additional Meetings in any one year. Our experience shows that those Franchisees who attend our Additional Meetings perform better than those who do not.

We will give you at least 30 days prior written notice of any Additional Meeting that we deem mandatory, unless your attendance is waived by us. We have the right to waive the requirement for you or any other Franchisee, distributor, or Area Representative to attend any Additional Meeting. Our waiver of this requirement for any other Franchisee, distributor, or Area Representative does not in any way affect your obligation to attend.

We may allocate some or all of the costs incurred in holding the Additional Meetings, including expenses for the facility, travel and lodging expenses for the presenters, materials, food, activities and all other direct and indirect costs which are associated with holding these Additional Meetings, equally among the attendees. If we incur expenses for items or services specifically for the benefit of only a particular Franchisee, distributor, or Area Representative, or a particular group of Franchisees, distributors, or Area Representatives, such as costs of an interpreter to translate communications into a language spoken by the Franchisee, distributor, Area Representative, or group (the "Limited Group Expenses"), then we may

allocate some or all of those Limited Group Expenses to the particular Franchisee, distributor, or Area Representative, or equally among all members of the relevant group, to which they apply. Unless we agree otherwise, you must pay your pro-rata share of all of these costs if you or your Principal Representative attend a mandatory Additional Meeting. If you do not attend a mandatory Additional Meeting, unless we agree otherwise, you will be required to pay an amount equal to 125 percent of the pro rata amount attributable to each of the attendees of the mandatory Additional Meeting. We will waive your obligation to pay a pro-rata share of the costs for your first international convention following your execution of the Franchise Agreement, but you will still be required to pay an amount equal to 125 percent of the pro rata amount attributable to each of the attendees if you fail to attend. At our sole option, we may choose to waive all or a portion of the costs of attendance for any attendees or non-attendees of any mandatory Additional Meeting without being obligated to waive any costs for other attendees or non-attendees of the same Additional Meeting. Our waiver of this requirement for any other Franchisee, distributor, or Area Representative does not in any way affect your payment obligation.

A single mandatory Additional Meeting may be held as multiple seminars, conventions, programs, or meetings at various locations or times, such as the annual regional meetings where a separate meeting is held in several different regions (the "Multiple Event Meetings"). For these Multiple Event Meetings, you will only need to attend that meeting or event in your region or as otherwise designated by us. Further, for each of these Multiple Event Meetings, an attendees' pro rata share of the total cost, other than the Limited Group Expenses, may be determined by either (i) taking the total cost of holding all of the meetings and events included in the Multiple Event Meeting worldwide, and dividing that cost by the total number of Franchisees, distributors, and Area Representatives who attended all of the meetings and events included in the Multiple Event Meeting worldwide; or (ii) taking the cost of holding only the single meeting or event that the relevant Franchisee attended, and dividing that cost by the number of Franchisees, distributors, and Area Representatives who attended that single meeting or event.

You are responsible for the cost of all transportation and living expenses or related activities incurred while attending these programs, including your first annual international convention. During our annual international convention and regional meetings, you are required to stay at the hotel where the primary functions are held, unless we agree otherwise, in which case, we may assess additional fees to you. Franchisees who fail to attend a program at which attendance is deemed mandatory may be required to attend and complete a make-up or alternative program at a location determined by us and be responsible for all costs associated with attending the make-up program.

We may periodically conduct videoconference, virtual, and online training programs. You must participate in any mandatory videoconference, virtual, and online training programs. We may also offer certain optional videoconference, virtual, and online training programs. These may include the PERFORM Facilitation Training program, a video training program being developed to share best practice training delivery insights, re-framing techniques, additional exercises, and localization opportunities for Facilitators. We reserve the right to charge a fee for Facilitators and others participating in this optional training program as described in Item 6.

We offer a mentoring program to assist our Franchisees which you may participate in at your option, as described above in this Item 11.

If during any calendar month you fail to, on average, meet the Monthly Production Goal (defined in Item 12), then we may require you to attend and complete additional training. You will be responsible for all expenses associated with the additional training, including paying our then current fee for the additional training.

Procedures Manual. You will be given the opportunity to review the Procedures Manual before you sign the Franchise Agreement. Before you review the Procedures Manual, you must execute an Application Agreement, a copy of which is attached to this Disclosure Document as Attachment B.

ITEM 12
TERRITORY

The Franchise Location. You will operate your CRESTCOM Business from a specific location that is designated as the "Franchise Location" in the Franchise Agreement. The Franchise Location can be relocated within the Assigned Area upon prior written notice to us.

The Assigned Area. You must concentrate your efforts on marketing the Materials within the geographic area described in the Addendum to the Franchise Agreement as it is currently constituted ("Assigned Area"). An Assigned Area is usually part of a state where a CRESTCOM Business is located. 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. You cannot conduct any marketing activities (including marketing through other channels of distribution such as the Internet, catalog sales, telemarketing, or other direct marketing) outside of your Assigned Area or market the Materials in your Assigned Area for use outside of your Assigned Area without our approval, which may be withheld for any reason.

Without our prior written consent, you may not market the Materials or conduct, directly or indirectly, Live Instruction outside of your Assigned Area. We will typically give our consent unless the "Threshold Number" of "Qualifying Businesses," as defined below, has already been reached in the assigned area where you seek to market the Materials or conduct Live Instruction. We may also withhold our consent if, in our determination, it would be detrimental to the interests of our other Franchisees, distributors, Area Representatives, or us.

The Threshold Number of Qualifying Businesses. Your rights to market the Materials and to market and conduct Live Instruction in the Assigned Area will not prevent us or another Franchisee or distributor of ours from marketing the Materials or marketing or conducting Live Instruction within the Assigned Area. However, when the number of Qualifying Businesses (defined below) in the Assigned Area reaches the Threshold Number (defined below), we will refrain from adding additional CRESTCOM Business franchises or our own CRESTCOM Businesses in the Assigned Area. A "Qualifying Business" is a CRESTCOM Business that in each calendar quarter generates gross revenues equal to the dollar amount that would be realized from the enrollment of at least 18 attendees in the Crestcom LEADER training program at our then recommended U.S. minimum retail price. The recommended U.S. minimum retail price for attendees of the Crestcom LEADER training program is currently $5,250. This recommended retail price is stated in the Procedures Manual and is subject to change. The sales made by any Salespersons directly employed by a Franchisee will be included in that CRESTCOM Business' sales results for purposes of determining if that CRESTCOM Business is a Qualifying Business. The "Threshold Number" is equal to one Qualifying Business for each 1 million or fraction thereof in population in a Franchisee's assigned area.

If, after attaining the Threshold Number, the number of Qualifying Businesses in the Assigned Area falls below the Threshold Number, then without further notice to you we may resume adding franchised CRESTCOM Businesses or our own CRESTCOM Businesses in the Assigned Area. We may continue to do so until the number of Qualifying Businesses in the Assigned Area again equals or exceeds the Threshold Number. We do not warrant that you or other Franchisees in your Assigned Area, or elsewhere, will achieve or maintain Qualifying Businesses status.

Principal Marketing Areas. In regions where multiple Franchisees of ours share the same assigned area, or in areas where multiple Franchisees of ours otherwise market the Materials in close proximity to each other, we have created programs granting limited, semi-exclusive protected territories called "Principal Marketing Areas" within the assigned area. We call these marketing programs "PMA Programs." The terms, conditions, policies, and procedures of any PMA Program established by us shall be stated in the Procedures Manual or in other written materials that we will provide. We may modify the PMA Program in our discretion. If we have already created a PMA Program with your Assigned Area, you must abide by the terms, conditions, policies, and procedures of that program. If following the execution of the Franchise Agreement we create a PMA Program in your Assigned Area, or in an area with different assigned areas that include some or all of your Assigned Area, you must participate in the PMA Program, and cooperate and comply with all of the terms, conditions, policies, and procedures instituted by us related to that PMA Program. The terms, conditions, policies, and procedures of different PMA Programs may vary from one another. The Principal Marketing Areas and their geographical boundaries may be changed by us periodically. Under the PMA Program, you will not receive an exclusive territory. In certain situations, you may face competition from other Franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Monthly Production Goal. After the third full calendar quarter following the execution of your first Franchise Agreement, you will be required to meet and maintain minimum production goals. Beginning with the first month of the fourth full calendar quarter after execution of the Franchise Agreement, you are required to achieve Gross Revenues on a monthly basis that would be realized from at least two attendees of the Crestcom LEADER training program paying our then suggested U.S. minimum retail price. The applicable requirement will be referred to as the "Monthly Production Goal" in this Disclosure Document. The recommended U.S. minimum retail price for attendees of the Crestcom LEADER training program is currently $5,250. You may charge a fee for attendance at the Crestcom LEADER training program that is higher or lower than our recommended U.S. minimum retail price, but the Monthly Production Goal is based on our then current recommended price. This recommended retail price is stated in the Procedures Manual and is subject to change. Any sales of Materials made by Salespersons retained by you shall be credited toward your sales of Materials for purposes of determining whether your CRESTCOM Business has satisfied its minimum sales requirements.

If during any calendar month, you fail to meet the Monthly Production Goal, then we or, if applicable, the Area Representative in your Assigned Area, has the right to require you to participate in a remedial action plan of our or the Area Representative's choosing, which may include attending additional training at your expense. If you (i) fail to follow the remedial action plan, as determined by us or the Area Representative, (ii) fail to meet the Monthly Production Goal on average over the six months of any two consecutive calendar quarters, or (iii) fail to meet the Monthly Production Goal more than four times in any 24 month period, we will have the right to revoke any semi-exclusive protections that are granted related to your Principal Marketing Area (if one has been assigned to you), and operate or authorize third parties to operate a CRESTCOM Business anywhere within that Principal Marketing Area without restriction. If you (i) fail to meet the Monthly Production Goal on average over the six months of any two consecutive calendar quarters, fail to meet the Monthly Production Goal more than four times in any 24 month period, or fail to comply with the remedial action plan established by us or the Area Representative, and (ii) have failed to, on average, meet the Monthly Production Goal for the previous 12 months, then we will have the right in our discretion to terminate the Franchise Agreement.

We have the right, in our sole discretion and on a case-by-case basis, to waive the obligation of you or any other Franchisee to meet the Monthly Production Goal or pay the Royalty and Distribution Fees in any month. A waiver by us of this obligation for one or more other Franchisees does not in any way affect your obligation to meet the Monthly Production Goal or pay the Royalty and Distribution Fees.

Other Rights. Except as described above with respect to the performance requirements, the continuation of your rights described in this Item 12 during the term of the Franchise Agreement is not dependent on achieving any certain sales volume, market penetration or similar contingency or other circumstances.

The Franchise Agreement gives you no options, rights of first refusal, or similar options to acquire any additional franchises from us, although we may in our discretion offer you the right to acquire additional franchises in the future.

Our Reserved Rights. Your franchise rights are nonexclusive. We may do any or all of the following, without any compensation to you: (1) use and license the use of the Marks and Licensed Methods (a) for the operation of CRESTCOM Businesses anywhere, including in your Assigned Area, subject only to Threshold Number of Qualifying Business restrictions described above; (b) for the operation of Area Representative businesses anywhere, including in your Assigned Area; or (c) in connection with the production and sale of new or additional Materials, Live Instruction, or other promotional, marketing, or related items for use in a CRESTCOM Business, without regard to location; (2) establish alternative channels of distribution, which include marketing and distribution of the Materials via the Internet, the Electronic Transmission methods defined in Item 16 or other electronic transmissions, catalog sales, social media, telemarketing and other direct marketing sales channels, which may or may not use the Marks; (3) establish alternative channels of delivery, which include the Electronic Transmission methods, webinars, social media, and other electronic transmissions, other than electronic transmissions in conjunction with Live Instruction, for the Materials or any training programs of ours, which may or may not use the Marks, and in conjunction with any alternative channel of delivery, authorize the marketing and sale of such Materials or any training programs through other distribution systems at any location, including in your Assigned Area; (4) retire, cease to produce, cease to offer, or otherwise terminate the right to market, distribute, sell or otherwise offer to third parties any older versions of the Materials, while continuing to offer such older versions of the Materials through alternative channels of distribution or by alternative channels of delivery; (5) create, produce, market and sell products or services of any kind, which may be the same as, similar to, or different from those offered by a CRESTCOM Business, utilizing proprietary marks that are not the same as or confusingly similar to the Marks, and not now or in the future designated as part of the Crestcom system licensed under the Franchise Agreement or otherwise used in a CRESTCOM Business, and authorize the marketing and sale of these other products and services through other distribution systems at any location, including in your Assigned Area, whether or not in alternative channels of distribution or using alternative channels of delivery; and (6) grant training personalities appearing on the Materials the right to market or use the Materials or similar materials in the conduct of their businesses, in their live presentations, or in connection with their personal appearances, at any location, including in your Assigned Area. All of these rights may be exercised on any terms and conditions as we deem advisable, without granting you any rights in them.

We can acquire or be acquired by, or engage in any other transaction with, other companies, which may be competitive or not with us or a CRESTCOM Business. These arrangements may include converting other companies to the Crestcom system, or converting company-owned, franchised or other businesses (including your CRESTCOM Business) to another format (whether competitive or not), or both. The other companies and CRESTCOM Businesses may be maintained as the same concept, as a new concept, or as a separate concept. These concepts may be located anywhere, including in your Assigned Area. You must fully cooperate with any of these conversions, at your sole expense.

ITEM 13
TRADEMARKS

The Franchise Agreement grants you the nonexclusive right to use our Marks and various designs and logotypes associated with our management, sales and personnel development training programs and materials. The term "Marks" means trademarks, trade names, service marks and logos used to identify CRESTCOM Businesses.

We own the following principal Marks, which are registered with the United States Patent and Trademark Office on the Principal Register:

Mark	Effective Date	Registration No.
CRESTCOM®	July 20, 1993	1,783,133
BULLET PROOF®	November 5, 1996	2,013,084
TRAINERS TO THE WORLD®	October 28, 1997	2,108,719

The registration of each of these Marks has been renewed. We intend to further renew the registrations of some or all of these Marks at the appropriate time. We have filed all required affidavits related to the registration of these Marks.

In addition to those Marks listed above, we claim common law service or trademark rights to a number of other words, phrases, or designs that you may use in your CRESTCOM Business. The following statements apply solely to any unregistered trademarks and service marks: We do not have a federal registration for these trademarks. Therefore these trademarks do not have as many legal benefits and rights as federally registered trademarks. If our right to use these trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

You must use all of our Marks in compliance with the terms of the Franchise Agreement. You cannot use the words, "CREST," "INTERNATIONAL," "CRESTCOM," "THE BULLET PROOF MANAGER," "CRESTCOM LEADER," "BULLET PROOF," "BPM," "KREST" or "KRESTCOM" or any portions or variations of them, as part of your business name. You cannot use any of our Marks or the words above, or variations of them, as part of an electronic mail address, domain name, or on any websites on the Internet including social networking websites, or otherwise display them on the Internet in any manner, without our prior written consent. You cannot use any of our Marks or the words above, or any variations of them, with modifying words, designs, or symbols except as we may license to you, without our prior written consent. You may not use our Marks with an unauthorized product or service, or in a manner not authorized in writing by us. You must modify or discontinue your use of our Marks if we require the modification or discontinuance of them, at your own expense.

To our knowledge, there are no agreements in effect that significantly limit our rights to use or license the use of our Marks in any manner. To our knowledge, there are no presently effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, any pending infringement, opposition or cancellation proceedings or any pending material litigation involving any of our Marks which are relevant to their use in this state.

We will protect you against claims of infringement or unfair competition involving the Marks, when you are using the Marks in compliance with your Franchise Agreement, if, in the opinion of our

counsel, the circumstances justify our intervention. If we decide to protect you, we will reimburse you for your costs, including attorney's fees and court costs, associated with any litigation we commence or defend on your behalf to protect the licensed Marks and your rights to use them, from amounts we recover in the litigation (if any), which are in excess of our costs. You are obligated to fully cooperate with us in any litigation we commence or defend for your benefit. If we do not elect to protect you against claims of infringement or unfair competition, you may take steps to protect yourself at your own expense. We will control all proceedings and litigation involving our Marks, except that you will control your defense if we have elected not to protect you against claims of infringement or unfair competition.

We are not aware of any superior prior rights or infringing use of our names or Marks that could materially affect your use of them.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

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

We claim a copyright to the Materials which are to be utilized by you, and the proprietary rights to certain other materials and elements of the Licensed Methods. We own the following copyrights which are material to your CRESTCOM Business:

Title	Registration No.	Issue Date
"How To Provide Gold Standard Customer Service" Video	PA 1-039-113	4/24/01
"How To Provide Gold Standard Customer Service" Participant & Facilitator Packet	TX 5-377-692	4/24/01
"Establishing Goals And Priorities" Video	PA 1-039-110	4/24/01
"Establishing Goals And Priorities" Participant & Facilitator Packet	TX 5-335-244	4/24/01
"How To Win The Negotiating Game" Video	PA 1-038-709	4/24/01
"How To Win The Negotiating Game" Participant & Facilitator Packet	TX 5-377-689	4/24/01
"The Visionary Leader" Video	PA 1-039-108	4/24/01
"The Visionary Leader" Participant & Facilitator Packet	TX 5-377-691	4/24/01
"Strategies For Effective Meetings And Presentations" Video	PA 1-039-111	4/24/01
"Strategies For Effective Meetings And Presentations" Participant & Facilitator Guide	TX 5-377-693	4/24/01
"Managing The Velocity Factor" Video	PA 1-039-112	4/24/01
"Managing The Velocity Factor" Participant & Facilitator Guide	TX 5-377-690	4/24/01
"Managing The Challenge Of Change" Video	PA 1-033-642	5/8/01
"Managing The Challenge Of Change" Participant & Facilitator Guide	TX 5-367-864	5/8/01
"Solving The Management Puzzle" Video	PA 1-035-814	5/8/01
"Solving The Management Puzzle" Participant & Facilitator Guide	TX 5-367-863	5/8/01
"The Quest For Excellence" Video	PA 1-033-647	5/8/01
"The Quest For Excellence" Participant & Facilitator Guide	TX 5-204-616	5/8/01
"How To Survive And Thrive Under Stress" Video	PA 1-033-649	5/8/01

Title	Registration No.	Issue Date
"How To Survive And Thrive Under Stress" Participant & Facilitator Guide	TX 5-204-615	5/8/01
"How To Conduct Performance Appraisals" Video	PA 1-065-304	9/10/01
"How To Conduct Performance Appraisals" Participant & Facilitator Guide	TX 5-475-327	9/10/01
"Eight Keys To Development Leadership" Video	PA 1-121-415	9/17/01
"Eight Keys To Development Leadership" Participant & Facilitator Guide	TX 5-704-918	9/17/01
"How To Avoid Hiring And Recruiting Mistakes" Video	PA 1-121-226	9/10/01
"How To Avoid Hiring And Recruiting Mistakes" Participant & Facilitator Guide	TX 5-704-523	9/10/01
"The Attitude And Altitude Connection" Video	PA 1-084-528	9/10/01
"The Attitude And Altitude Connection" Participant & Facilitator Guide	TX 5-530-053	9/10/01
"Personal Communication Skills" Video	PA 1-084-521	9/10/01
"Personal Communication Skills" Participant & Facilitator Guide	TX 5-530-046	9/10/01
"How To Deal With Workplace Mistakes" Video	PA 1-121-416	9/10/01
"How To Deal With Workplace Mistakes" Participant & Facilitator Guide	TX 5-704-919	9/10/01
"How To See Your Company Through Your Customer's Eyes" Video	PA 1-060-977	9/10/01
"How To See Your Company Through Your Customer's Eyes" Participant & Facilitator Guide	TX 5-431-311	9/10/01
"The Leadership Secret" Video	PA 1-084-520	9/10/01
"The Leadership Secret" Participant & Facilitator Guide	TX 5-530-045	9/10/01
"Creative Leadership Or Thinking Outside The Box" Video	PA 1-060-978	9/10/01
"Creative Leadership Or Thinking Outside The Box" Participant & Facilitator Guide	TX 5-623-618	9/14/01
"Building A Personal Success Foundation" Video	PA 1-084-525	9/10/01
"Building A Personal Success Foundation" Participant & Facilitator Guide	TX 5-530-050	9/10/01
"How To Manage Diverse Personalities" Video	PA 1-084-523	9/10/01
"How To Manage Diverse Personalities" Participant & Facilitator Guide	TX 5-530-048	9/10/01
"Are You Mismanaging Yourself?" Video	PA 1-087-074	9/10/01
"Are You Mismanaging Yourself?" Participant & Facilitator Guide	TX 5-530-453	9/10/01
"Motivating For Peak Performance" Video	PA 1-084-524	9/10/01
"Motivating For Peak Performance" Participant & Facilitator Guide	TX 5-530-049	9/10/01
"How To Use Your IQ To Increase Your EQ" Video	PA 1-084-522	9/18/01
"How To Use Your IQ To Increase Your EQ" Participant & Facilitator Guide	TX 5-530-047	9/18/01
Training and Procedures Manual	TX 5-956-694	5/5/04
"Effective Phone Communication" DVD	PA 1-341-487	10/13/06
"The Listening Advantage" DVD	PA 1-341-486	10/13/06
"Creating Leaders Through Mentoring" DVD	PA 1-341-485	10/13/06

Title	Registration No.	Issue Date
"The 70 Minute Hour" DVD	PA 1-341-488	10/13/06
"How To Be A Transformational Leader" DVD	PA 1-341-484	10/13/06
"How to Exceed Customer Expectations" DVD	PA 1-341-483	10/13/06
"How To Tap The Creativity Of Your Management Team" DVD	PA 1-341-482	10/13/06
"Seven Steps To Effective Delegation" DVD	PA 1-341-481	10/13/06
"How To Help Employees Be Their Best" DVD	PA 1-341-480	10/13/06
"How To Develop And Maintain Rapport" DVD	PA 1-341-479	10/13/06
"Executive Overview/Management Skills Workshop" DVD	PA 1-341-478	10/13/06
"Effective Planning A Seven Step Formula" DVD	PA 1-341-477	10/13/06
"Using Strategic Thinking To Improve Strategic Planning" DVD	PA 1-341-476	10/13/06
"How To Connect Communicate At A Higher Level" DVD	PA 1-341-475	10/13/06
"Negotiating To Win" DVD	PA 1-341-474	10/13/06
"The Key To Higher Performance" DVD	PA 1-341-473	10/13/06
"Motivating Through Positive Communication" DVD	PA 1-341-472	10/13/06
"How To Deal With Difficult Customers" DVD	PA 1-341-471	10/13/06
"How To Become A Stress Buster" DVD	PA 1-341-470	10/13/06
"Increasing Productivity Through Motivated People" DVD	PA 1-341-469	10/13/06
"Developing a Time Investment Strategy" DVD	PA 1-341-468	10/13/06
"How To Hire Train And Reward Employees" DVD	PA 1-341-467	10/13/06
"Projecting A More Positive Self Image" DVD	PA 1-341-489	10/13/06
"Dealing With Difficult People" DVD	PA 1-349-089	10/13/06
"Leaders Make Change Work" DVD	PA 1-349-090	10/13/06
"How To Exceed Customer Expectations" BPM IV Participant Packet	TX 6-894-568	10/22/07
"Recognition: The Key to Higher Performance" BPM IV Participant Packet	TX 6-894-839	10/22/07
"How to Become a Stress Buster" BPM IV Participant Packet	TX 6-894-823	10/22/07
"How to Tap the Creativity of Your Management Team" BPM IV Participant Packet	TX 6-894-828	10/22/07
"Increasing Productivity Through Motivated People" BPM IV Participant Packet	TX 6-893-866	10/22/07
"How to Develop & Maintain Rapport" BPM IV Participant Packet	TX 6-893-826	10/22/07
"How to Deal with Difficult Customers" BPM IV Participant Packet	TX 6-893-759	10/22/07
"Leaders Make Change Work" BPM IV Participant Packet	TX 6-893-746	10/22/07
"The 70-Minute Hour" BPM IV Participant Packet	TX 6-893-711	10/22/07
"Effective Planning: A Seven-Step Formula" BPM IV Participant Packet	TX 6-895-645	10/22/07
"Dealing with Difficult People" BPM IV Participant Packet	TX 6-895-631	10/22/07
"How to be a Transformational Leader" BPM IV Participant Packet	TX 6-894-603	10/22/07

Title	Registration No.	Issue Date
"Effective Telephone Communication" BPM IV Participant Packet	TX 6-893-706	10/22/07
"How to Help Employees be Their Best" BPM IV Participant Packet	TX 6-893-719	10/22/07
"How to Connect: Communicate at a Higher Level" BPM IV Participant Packet	TX 6-893-726	10/22/07
"Motivating Through Positive Communication" BPM IV Participant Packet	TX 6-893-767	10/22/07
"Seven Steps to Effective Delegation" BPM IV Participant Packet	TX 6-893-776	10/22/07
"Using Strategic Thinking to Improve Strategic Planning" BPM IV Participant Packet	TX 6-893-847	10/22/07
"Developing a Time Investment Strategy" BPM IV Participant Packet	TX 6-894-702	10/22/07
"Creating Leaders Through Mentoring" BPM IV Participant Packet	TX 6-894-640	10/22/07
"How to Hire, Train and Reward Employees" BPM IV Participant Packet	TX 6-894-633	10/22/07
"Projecting a More Positive Self-Image" BPM IV Participant Packet	TX 6-894-591	10/22/07
"The Listening Advantage" BPM IV Participant Packet	TX 6-894-708	10/22/07
"Negotiating to Win" BPM IV Participant Packet	TX 6-894-616	10/22/07
"How To Exceed Customer Expectations" BPM IV Facilitator Script	TX 6-896-127	10/22/07
"Recognition: The Key to Higher Performance" BPM IV Facilitator Script	TX 6-896-122	10/22/07
"How to Become a Stress Buster" BPM IV Facilitator Script	TX 6-896-160	10/22/07
"How to Tap the Creativity of Your Management Team" BPM IV Facilitator Script	TX 6-895-665	10/22/07
"Increasing Productivity Through Motivated People" BPM IV Facilitator Script	TX 6-894-182	10/22/07
"How to Develop & Maintain Rapport" BPM IV Facilitator Script	TX 6-894-168	10/22/07
"How to Deal with Difficult Customers" BPM IV Facilitator Script	TX 6-894-153	10/22/07
"Leaders Make Change Work" BPM IV Facilitator Script	TX 6-893-930	10/22/07
"The 70-Minute Hour" BPM IV Facilitator Script	TX 6-894-155	10/22/07
"Effective Planning: A Seven-Step Formula" BPM IV Facilitator Script	TX 6-892-764	10/22/07
"Dealing with Difficult People" BPM IV Facilitator Script	TX 6-892-740	10/22/07
"How to be a Transformational Leader" BPM IV Facilitator Script	TX 6-896-180	10/22/07
"Effective Telephone Communication" BPM IV Facilitator Script	TX 6-893-925	10/22/07

Title	Registration No.	Issue Date
"How to Help Employees be Their Best" BPM IV Facilitator Script	TX 6-893-906	10/22/07
"How to Connect: Communicate at a Higher Level" BPM IV Facilitator Script	TX 6-893-917	10/22/07
"Motivating Through Positive Communication" BPM IV Facilitator Script	TX 6-894-162	10/22/07
"Seven Steps to Effective Delegation" BPM IV Facilitator Script	TX 6-894-165	10/22/07
"Using Strategic Thinking to Improve Strategic Planning" BPM IV Facilitator Script	TX 6-894-173	10/22/07
"Developing a Time Investment Strategy" BPM IV Facilitator Script	TX 6-894-186	10/22/07
"Creating Leaders Through Mentoring" BPM IV Facilitator Script	TX 6-895-177	10/22/07
"How to Hire, Train and Reward Employees" BPM IV Facilitator Script	TX 6-895-183	10/22/07
"Projecting a More Positive Self-Image" BPM IV Facilitator Script	TX 6-895-189	10/22/07
"The Listening Advantage" BPM IV Facilitator Script	TX 6-895-812	10/22/07
"Negotiating to Win" BPM IV Facilitator Script	TX 6-896-140	10/22/07
Six Steps To Effective Mentoring Facilitator's Guide	TX 7-698-645	3/12/13
The Road to Negotiating Success Facilitator's Guide	TX 7-698-533	3/12/13
Create A Blueprint For Team Success Facilitator's Guide	TX 7-698-531	3/12/13
How To Inspire Innovation Facilitator's Guide	TX 7-698-528	3/12/13
How To Create Consensus Facilitator's Guide	TX 7-698-526	3/12/13
The Leader's Mindset Facilitator's Guide	TX 7-698-524	3/12/13
Lead Your Team Through Change Facilitator's Guide	TX 7-698-609	3/12/13
How To Improve Workplace Performance Facilitator's Guide	TX 7-698-515	3/12/13
Increase Accountability And Responsibility Facilitator's Guide	TX 7-698-511	3/12/13
Stimulate Strategic Thinking Facilitator's Guide	TX 7-698-501	3/12/13
Take Your Job Seriously, Take Yourself Lightly Facilitator's Guide	TX 7-698-497	3/12/13
Deliver Results The First Time Facilitator's Guide	TX 7-698-694	3/12/13
Raise The Customer Service Crossbar Facilitator's Guide	TX 7-698-534	3/12/13
Develop Effective And Devoted Employees Facilitator's Guide	TX 7-698-520	3/12/13
Ten Ways To Increase Morale And Motivation Facilitator's Guide	TX 7-697-498	3/11/13
How To Be An Effective Problem Solver Facilitator's Guide	TX 7-697-447	3/11/13
Strategies For Dealing With Dissatisfied Customers Facilitator's Guide	TX 7-697-438	3/11/13

Title	Registration No.	Issue Date
Techniques For Managing Personality Styles Facilitator's Guide	TX 7-697-448	3/11/13
Communicate With Impact Facilitator's Guide	TX 7-697-499	3/11/13
Managing Strategic Change Facilitator's Guide	TX 7-697-659	3/11/13
Managing Time For Maximum Results Facilitator's Guide	TX 7-697-645	3/12/13
Better Performance Through Better Team Work Facilitator's Guide	TX 7-697-653	3/11/13
Conflict Resolution Techniques Facilitator's Guide	TX 7-697-644	3/11/13
Leadership Strategies Facilitator's Guide	TX 7-695-727	3/8/13
Leadership Strategies Participant Packet	TX 7-691-732	3/13/13
Communicate With Impact Participant Packet	TX 7-691-658	3/13/13
How To Be An Effective Problem Solver Participant Packet	TX 7-691-734	3/13/13
Techniques For Managing Personality Styles Participant Packet	TX 7-691-719	3/13/13
Ten Ways To Increase Morale And Motivation Participant Packet	TX 7-691-654	3/13/13
Strategies For Dealing With Dissatisfied Customers Participant Packet	TX 7-691-715	3/13/13
Lead Your Team Through Change Participant Packet	TX 7-691-643	3/13/13
Deliver Results The First Time Participant Packet	TX 7-691-645	3/13/13
Take Your Job Seriously, Take Yourself Lightly Participant Packet	TX 7-691-633	3/13/13
Stimulate Strategic Thinking Participant Packet	TX 7-691-642	3/13/13
Increase Accountability And Responsibility Participant Packet	TX 7-691-635	3/13/13
How To Improve Workplace Performance Participant Packet	TX 7-691-640	3/13/13
Develop Effective And Devoted Employees Participant Packet	TX 7-691-638	3/13/13
The Leader's Mindset Participant Packet	TX 7-691-644	3/13/13
How To Create Consensus Participant Packet	TX 7-691-733	3/13/13
How To Inspire Innovation Participant Packet	TX 7-691-655	3/13/13
Create A Blueprint For Team Success Participant Packet	TX 7-691-651	3/13/13
The Road To Negotiating Success Participant Packet	TX 7-691-653	3/13/13
Six Steps To Effective Mentoring Participant Packet	TX 7-691-650	3/13/13
Managing Strategic Change Participant Packet	TX 7-691-599	3/13/13
Raise The Customer Service Crossbar Participant Packet	TX 7-691-647	3/13/13
Conflict Resolution Techniques Participant Packet	TX 7-691-731	3/13/13
Better Performance Through Better Team Work Participant Packet	TX 7-691-729	3/13/13
Managing Time For Maximum Results Participant Packet	TX 7-691-727	3/13/13
Ten Ways to Increase Morale and Motivation	PA 1-832-277	3/13/13
The Road To Negotiating Success	PA 1-832-349	3/13/13

Title	Registration No.	Issue Date
Six Steps to Effective Mentoring	PA 1-832-357	3/13/13
Lead Your Team Through Change	PA 1-832-356	3/13/13
Deliver Results The First Time	PA 1-832-355	3/13/13
Raise the Customer Service Crossbar	PA 1-832-352	3/13/13
Develop Effective and Devoted Employees	PA 1-832-363	3/13/13
Leadership Strategies	PA 1-832-354	3/13/13
Conflict Resolution Techniques	PA 1-832-316	3/13/13
Better Performance Through Better Team Work	PA 1-832-374	3/13/13
Managing Time for Maximum Results	PA 1-832-372	3/13/13
Managing Strategic Change	PA 1-832-291	3/13/13
Communicate with Impact	PA 1-832-370	3/13/13
How to be an Effective Problem Solver	PA 1-832-367	3/13/13
Strategies for Dealing with Dissatisfied Customers	PA 1-832-365	3/13/13
Increase Accountability and Responsibility	PA 1-832-364	3/13/13
How To Improve Workplace Performance	PA 1-832-318	3/13/13
The Leader's Mindset	PA 1-832-361	3/13/13
How To Create Consensus	PA 1-832-359	3/13/13
How to Inspire Innovation	PA 1-832-358	3/13/13
Create a Blueprint for Team Success	PA 1-832-353	3/13/13
Techniques for Managing Personality Styles	PA 1-832-287	3/13/13
Stimulate Strategic Thinking	PA 1-832-350	3/13/13
Take Your Job Seriously, Take Yourself Lightly	PA 1-832-351	3/13/13
Emotional Intelligence	PA 1-046-256	8/03/16
Emotional Intelligence Packet and Guide	TX-2-028-915	8/05/16
Next Generation Sales Academy Materials	TX 8-301-639	8/3/16
Business Acumen Materials	TX 8-385-086	2/23/17
Business Acumen Video	TX 8-468-543	2/23/17
How Leaders Shape Decisions Facilitator's Guide	TX 8-642-123	8/14/18
How Leaders Shape Decisions Participant Guide	TX 8-642-131	8/14/18
How Leaders Shape Decisions Slides	TX 8-643-521	8/14/18
Bridging the Multigenerational Gap in the Workplace Slides	TX 8-643-499	8/23/18
Bridging the Multigenerational Gap in the Workplace Facilitator's Guide	TX 8-642-138	8/23/18
Bridging the Multigenerational Gap in the Workplace Participant Guide	TX-642-140	8/23/18
Bridging the Multigenerational Gap in the Workplace 5-Part Video	PA 2-161-163	8/23/18
Mastering Negotiation Slides	TX 8-655-131	9/12/18
Mastering Negotiation Participant Guide	TX 8-655-119	9/12/18
Mastering Negotiation Facilitator's Guide	TX 8-655-100	9/12/18
Peak Performing Leaders Facilitator Guide	TX 8-657-653	9/21/18

Title	Registration No.	Issue Date
Peak Performing Leaders Participant Guide	TX 8-657-652	9/21/18
Peak Performing Leaders Slides	TX 8-657-654	9/21/18
Mastering Negotiation Video	PA 2-147-786	9/21/18
Strategic Thinking for Future Success Slides	TX 8-671-720	9/21/18
Strategic Thinking for Future Success Facilitator Guide	TX 8-671-716	9/21/18
Strategic Thinking for Future Success Participant Guide	TX 8-671-724	9/21/18
Be the Coach They Need 2-Part Video	PA 2-373-175	8/25/22
Be the Coach They Need Facilitator Guide	TX 9-169-630	8/24/22
Change How You Manage Change Facilitator Guide	TX 9-178-237	8/24/22
Change How You Manage Change 4-Part Video	PA 2-373-131	8/24/22
Captivate Your Customer 2-Part Video	PA 2-373-181	8/24/22
Captivate Your Customer Facilitator Guide	TX 9-169-551	8/24/22
SYNC UP: The Conflict Mindset Facilitator Guide	TX 9-169-649	8/24/22
SYNC UP: The Conflict Mindset 2-Part Video	PA 2-373-182	8/24/22
Ignite a Culture of Accountability Facilitator Guide	TX 9-124-159	5/9/22
Ignite a Culture of Accountability Slides	TX 9-124-157	5/9/22
Ignite a Culture of Accountability Participant Guide	TX 9-124-158	5/9/22
Ignite a Culture of Accountability 2-Part Video	PA 2-356-880	5/9/22
The Focus Zone Facilitator Guide	TX 9-178-845	8/24/22
The Focus Zone 3-Part Video	PA 2-373-134	8/24/22
Team Fusion Facilitator Guide	TX 9-178-841	8/24/22
Team Fusion 3-Part Video	PA 2-373-138	8/24/22
Trust: The Leadership Differentiator Facilitator Guide	TX 9-178-853	8/25/22
Trust: The Leadership Differentiator 2-Part Video	PA 2-373-172	8/24/22
Managing Personality Styles With Adaptive Leadership 3-Part Video	PA 2-373-166	8/24/22
Managing Personality Styles With Adaptive Leadership Facilitator Guide	TX 9-169-656	8/24/22
Influence With Intention 4-Part Video	PA 2-373-168	8/24/22
Influence With Intention Facilitator Guide	TX 9-169-654	8/24/22
Leadership Presence 3-Part Video	PA 2-373-177	8/24/22
Leadership Presence Facilitator Guide	TX 9-169-640	8/24/22
Accelerate the Way You Innovate Facilitator Guide	TX 9-169-623	8/25/22
Accelerate the Way You Innovate 4-Part Video	PA 2-373-180	8/25/22
Strategic Storytelling to Influence and Inspire Facilitator Guide	TX 9-169-565	8/25/22
Strategic Storytelling to Influence and Inspire 3-Part Video	PA 2-373-179	8/25/22
Break Away from Bias Facilitator Guide	TX 9-169-557	8/25/22
Break Away from Bias 3-Part Video	PA 2-373-170	8/24/22
Stimulate Creative Perspectives Facilitator Guide	TX 9-208-851	11/22/22
Stimulate Creative Perspectives 4-Part Video	PA 2-387-954	11/22/22

Title	Registration No.	Issue Date
Shift: Into Mental Agility and Resilience Facilitator Guide	TX 9-208-847	11/22/22
Shift: Into Mental Agility and Resilience 2-Part Video	PA 2-387-952	11/22/22
Dialing Into Emotional Intelligence 3-Part Video	PA 2-387-949	11/22/22
Dialing Into Emotional Intelligence Facilitator Guide	TX 9-202-037	11/22/22
Mission: Inclusion Facilitator Guide	TX 9-236-039	11/22/22
Mission: Inclusion 3-Part Video	PA 2-387-951	11/22/22
Take Charge of Talent Management 3-Part Video	PA 2-367-552	7/13/22
Take Charge of Talent Management Facilitator Guide	TX 9-150-419	7/13/22
Multiply Your Impact: The Delegation Advantage 2-Part Video	PA 2-373-133	8/24/22
Multiply Your Impact: The Delegation Advantage Facilitator Guide	TX 9-169-523	8/24/22
CCL + Unlock Purpose to Drive Results 2-Part Video	PA 2-498-508	11/6/24
CCL + Be the Leader They Trust 2-Part video	PA 2-498-497	11/6/24
CCL + Create a Feedback ECHO 2-Part Video	PA 2-498-498	11/6/24
CCL + The Art of Possibilities: When Resources Are Limited 2-Part Video	PA 2-498-506	11/6/24
The DNA of Ethical Decision Making 3-Part Video	PA 2-494-041	10/11/24
Building Multigenerational Connections 4-Part Video	PA 2-494-087	10/11/24
Strategic Foundations: 5 Steps to Success 5-Part Video	PA 2-494-045	10/11/24
It Is Your Business Too! 3-Part Video	PA 2-494-057	10/11/24
CCL + Create a Feedback ECHO Facilitator Guide	TX 9-433-190	10/2/24
CCL + Be The Leader They Trust Facilitator Guide	TX 9-433-181	10/2/24
CCL + Unlock Purpose To Drive Results Facilitator Guide	TX 9-433-196	10/2/24
CCL + The Art of Possibilities: When Resources Are Limited Facilitator Guide	TX 9-433-188	10/2/24
Building Multigenerational Connections Facilitator Guide	TX 9-425-624	9/10/24
Strategic Foundations: 5 Steps to Success Facilitator Guide	TX 9-425-733	9/10/24
It Is Your Business Too Facilitator Guide	TX 9-425-729	9/10/24
The DNA of Ethical Decision Making Facilitator Guide	TX 9-425-641	9/10/24

All of these registered copyrights and our other registered copyrights have a duration of 95 years from the date of publication under U.S. law. We also claim a copyright to our other training materials.

These copyrighted items are among the Materials you will market throughout the term of the Franchise Agreement. The Franchise Agreement does not provide you a promise or guarantee that any particular item within our current inventory of Materials will continue to exist. If any of the Materials become unavailable or obsolete, or should we desire to change the Materials for any reason, we may eliminate any of our Materials from our inventory. Some training personalities featured in the Materials may have reserved the right to market a limited number of those portions of the Materials that feature them.

We know of no effective determinations by any administrative office or court, or any pending administrative or judicial proceedings respecting our copyright which is material to you, nor are there any agreements affecting our or your use of any Materials in which we have a copyright. We have no

obligations to protect or defend the use of any Materials by you in which we may claim a copyright. There are no infringing uses actually known to us which could materially affect your use of any Materials in which we have or may claim a copyright. We intend to renew the copyright registration, if appropriate, at the time of expiration. We may, at our discretion, substitute for, or discontinue the usage of any Materials.

Confidential Procedures Manual and Other Information. Our Procedures Manual and related materials are proprietary and confidential. They are our property to be used by you only as described in and during the term of the Franchise Agreement. The Procedures Manual, Materials, and other materials that contain our Marks or are otherwise proprietary to us must be returned to us, or deleted if stored electronically, if your Franchise Agreement expires or is terminated for any reason. You may not use our confidential information in any unauthorized manner and you must take reasonable steps to prevent its disclosure to others. We may, in our discretion, require you and each of your officers, partners, directors and beneficial owners who become aware of or have access to our confidential information to execute our Nondisclosure and Noncompetition Agreement in the form attached to this Disclosure Document as Attachment C.

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

Franchisees or their Principal Representatives must devote their best, full time efforts toward the management and operation of their CRESTCOM Businesses.

If you are an entity Franchisee, your principal owner must be approved by us in writing prior to serving as your Principal Representative. You, or if applicable, your Principal Representative, is required to successfully complete our mandatory Initial Training Program and our LaunchPad to Success training program.

Franchisees are responsible for recruiting, hiring, appointing, firing, and supervising their employees, independent agents, Facilitators, telemarketers and other representatives (collectively referred to as the "Authorized Representatives").

Facilitators must be qualified to conduct Live Instruction and must successfully complete our PRO Facilitation Certification training program.

In addition to yourself or your Principal Representative, as applicable, you may, at your option and with our prior written consent, engage up to two individuals who are acceptable to us as Authorized Representatives who are authorized to market the Materials in your Assigned Area. These persons may be employees or independent contractors of your CRESTCOM Business acting as Salespersons. We recommend you consult your attorney or another person who can advise you of the proper relationship for any Salesperson you engage in your Assigned Area. If you elect to retain a Salesperson to market the Materials in the Assigned Area, you may pay him or her on such terms as the two of you shall agree. You may negotiate the terms of that relationship, except that all agreements between you, or your CRESTCOM Business, and the Salesperson must be approved by us and must provide that we are allowed to enforce the agreements directly against the Salesperson. The maximum number of Salespersons you may engage at any time in your Assigned Area is two unless you have our prior consent to engage additional Salespersons, which may be granted or withheld in our sole discretion. However, if we have created a PMA Program for your Assigned Area and designated a Principal Marketing Area for you, then there is no limitation on the number of Salespersons that you can retain in your Principal Marketing Area. Salespersons are retained directly by you and are not Franchisees of ours.

You may also employ up to two additional telemarketing personnel. Other Franchisees in your Assigned Area will also have the right to engage Salespersons and telemarketing personnel to market the Materials.

All Authorized Representatives must be screened to ensure that they will not reflect adversely on the reputation of our image and system. All of your Authorized Representatives must be approved in advance by us. We will approve an individual to serve as an Authorized Representative if that individual demonstrates to us that he or she has the skill set for the particular position, reflects the professionalism of the Crestcom system, is of good character, and, if applicable, has satisfactorily completed our training program. You are solely responsible for implementing training and other programs for your Authorized Representatives related to the legal, safe, and proper performance of their work, regardless of the fact that we may provide advice, suggestions, and certain training programs. The advice, suggestions, and training we provide are to protect our brand and the Marks and not to control the day-to-day operation of your CRESTCOM Business. You will have sole authority and control over the day-to-day operations of the CRESTCOM Business and its employees and other representatives. The Procedures Manual contains forms of agreements that you must execute with your Authorized Representatives. All of your agreements with your Authorized Representatives, including your Salespersons, must be in a form furnished by us or otherwise approved by us and must provide that we are allowed to enforce the agreements directly against the Authorized Representative. You must keep us informed of the names, addresses, e-mail contact information and telephone numbers of all Authorized Representatives. The number of people associated with any one CRESTCOM Business authorized to engage in the marketing and telemarketing of the Materials may be changed in our discretion, by change to the Procedures Manual. We may also, at our discretion, make other changes to the Procedures Manual.

We may require you to cause each of your officers, directors, partners or shareholders, and any member of your or their immediate families, and any Authorized Representatives, to execute our standard Nondisclosure and Noncompetition Agreement (a copy of which is attached to this Disclosure Document as Attachment C), and our standard Personal Guaranty (a copy of which is attached to the Franchise Agreement as Exhibit III). You must provide us a copy of each Nondisclosure and Noncompetition Agreement at the time it is signed and upon our request. In addition, all of your customers, clients, purchasers or others acquiring rights to attend Live Instruction or use the Materials by or through you, will be required to execute a contract substantially in the form provided in our Procedures Manual (the "Training Agreement"). Any changes to the Training Agreement require our prior written consent. In no event will you permit any third party, including any client, to attend any Live Instruction or other training sessions, or acquire, observe, or use any of the Materials, without having first obtained a signed Training Agreement or other document approved by us from that third party. You must keep copies of all executed Training Agreements and make those copies available to us for review upon our request. Upon our request, you must cooperate with us in enforcing the obligations under the Training Agreement against any of your clients or other parties acquiring access to the Materials by or through you. We may require you to cause Authorized Representatives to execute contracts provided by us.

Other than the requirements above, we make no recommendations and have no requirements regarding written employment or other written agreements between you and your employees.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

In order to maintain uniformity throughout the system, Franchisees must operate their CRESTCOM Businesses in conformity with our standards and specifications provided in the Procedures Manual or otherwise provided in writing. The Procedures Manual is described in Items 8 and 11 of this Disclosure Document. Franchisees may not deviate from our standards and specifications without our prior written

consent. Unless we agree otherwise, Franchisees can only offer the Materials and Live Instruction that we approve and may not offer or engage in any other business activity, including conducting any competitive business in violation of the covenant against competition in the Franchise Agreement. In particular, and unless otherwise authorized by us to do so, Franchisees are restricted from offering, marketing or conducting other audio, video, virtual, or online media-based or other visually transmitted sales, motivational, or management training, personal development or consulting services, or conducting any other training sessions or participating in any other training that is transmitted by audio media, video media, online media, or other visual transmission methods. Involvement in such other activities can decrease the time and effort Franchisees have to devote to their CRESTCOM Businesses, and decrease the chances of success for those CRESTCOM Businesses. Because our relationships with our video faculty and other talent used in the Materials are vitally important to us and the franchise system, Franchisees cannot solicit the services of or otherwise have contact with any of the talent used in the Materials without our prior written consent, which consent may be withheld for any reason.

If you engage in another type of business or profession or offer any other types of services or products in addition to your CRESTCOM Business, whether or not we have granted our prior written approval to such actions, you will be required to pay us Royalty Fees based on the Gross Revenues that you realize not only from your sale of the Materials and conduct of Live Instruction, but also, the Gross Revenues that you realize from the operation of the other business activities.

Franchisees are not allowed without our written approval (which approval may be withheld for any reason) to display any part of the Materials or conduct any instruction or other training via television broadcast, cable, network, closed circuit or satellite transmission, on the Internet, or by similar technological means and methods in use now or developed in the future ("Electronic Transmissions"), or to market or sell any Materials, instruction or training that are to be delivered or displayed to clients via Electronic Transmissions, including any on-demand training system we may establish. This does not restrict you from displaying the Materials using electronic technology in an in-person session of the Live Instruction. We may, in our sole discretion, grant you or third parties the rights to display the Materials or conduct instruction or other training via Electronic Transmission methods, or to market and sell the Materials, instruction or other training to be delivered or displayed via these Electronic Transmission methods, under terms and conditions we determine, including payment of an additional initial fee or other fees, which may be substantially different than the terms and conditions stated in your Franchise Agreement. In particular, we currently may permit you to offer the Crestcom LEADER Catalogue via Electronic Transmission methods in accordance with our Procedures Manual. You may not promote your CRESTCOM Business on the Internet, without prior written approval from us, which approval may be withheld for any reason.

Live Instruction may be conducted only in a manner specifically authorized by us, as described in the Procedures Manual. Without our written approval, you are not allowed to conduct Live Instruction or sell Materials outside of your Assigned Area.

You must participate in and abide by the Multiple Area Sales Program described in the Procedures Manual, related to sales and servicing of clients with multi-area needs. In the event of a dispute between you and another Franchisee, distributor, or Area Representative, or any other party related to the Multiple Area Sales Program, you must submit the dispute to us for our final and binding decision.

Franchisees may not reship, transship, give, loan, sell or purchase any part of the Materials to or from any other current or former CRESTCOM Franchisee or any reseller of the Materials, whether within or outside of the Assigned Area. Franchisees may sell the Materials only through their CRESTCOM Business and only to clients who are the actual end users of the Materials.

All of your clients or others acquiring the use of the Materials through you will be required to execute a form containing language that is substantially similar to the language in the Training Agreement.

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 or Other Agreement	Summary
a.	Length of the franchise term	Section 16.1	7 years.
b.	Renewal or extension of the term	Section 16.3	Up to 3 successor franchise terms of 7 years each after your initial term.
c.	Requirements for you to renew or extend	Sections 16.3 and 16.4	Notice at least 120 days prior to the scheduled expiration, compliance with Franchise Agreement, pay successor franchise fee, modify the CRESTCOM Business and its operations to comply with the then-current Procedures Manual and Licensed Methods, execute new Franchise Agreement in the form then in use by us (which may contain terms and conditions materially different from your original Franchise Agreement), execute a Successor Franchise Rider (in a form substantially similar to that attached to this Disclosure Document as Attachment E), pay any required New Materials surcharge, and others.
d.	Termination by you	Section 17.5	You can terminate the Franchise Agreement (i) at any time following the first anniversary of the Franchise Agreement as long as you are not in default and provide notice at least one year in advance; or (ii) if we materially breach the Franchise Agreement, if you provide us with written notice within 30 days of the breach and a reasonable opportunity to cure of not less than 90 days.
e.	Termination by us without cause	Section 17.4	We can terminate the Franchise Agreement if there is a force majeure event that prevents us from performing under the Franchise Agreement and continues for longer than six months.
f.	Termination by us with cause	Sections 17.1 and 17.2	We can terminate only if you commit any one of several listed violations.
g.	"Cause" defined - defaults which can be cured	Sections 17.1 through 17.3	7 days for failure to dismiss non-compliant legal action; 10 days for any breach of the Franchise Agreement except for those for which no right to cure applies (see row "h" below), including notice for misuse of Marks, failure to maintain standards, failure to maintain insurance, failure to pay amounts to us or file reports with us when due, deceptive practices, failure to obtain consent, failure to comply with Procedures Manual, and improper conduct harmful to us, our affiliates, or our image and system. If we provide you with a notice of default, we and our affiliates may suspend services to you until each default is cured.

	Provision	Section in Franchise or Other Agreement	Summary
h.	"Cause" defined - non-curable defaults	Sections 17.1 and 17.2.b	Unauthorized disclosure; abandonment; unsatisfied judgments; 3 notices of default during the term; conviction of you or Principal Representative of a crime; sexual harassment or discrimination; unauthorized transfers; insolvency of you or a guarantor[1]; Act of Deception (as defined in Section 14.5 of the Franchise Agreement); unauthorized conduct of Live Instruction or sale of Materials; unauthorized solicitation of Authorized Representatives; sale of Materials outside of Assigned Area or, if applicable, Principal Marketing Area; unauthorized purchase, resale, transfer, duplication, or modification of the Materials; becoming subject to Executive Order 13224 or the Patriot Act; failure to pay us or file reports by their due date three times during the term; failure to meet Monthly Production Goal over certain periods or comply with remedial action plans; violation of non-compete or violation of other in-term restrictive covenants; failure to complete training or Additional Meetings; breach of other agreements between us or any of our affiliates and you or any of your affiliates; guaranty becomes unenforceable or inadequate; others.
i.	Your obligations on termination / non-renewal	Section 17.6	Pay outstanding amounts due; pay an amount equal to the Royalty Fees based on the Monthly Production Goal plus Distribution Fees due over the remaining term of the Franchise Agreement, if terminated due to your default; de-identification; return of confidential information; cancellation or assignment of telephone numbers; execution of a termination agreement; conduct any remaining Live Instruction that is already scheduled if required by us; assign to us rights to client payments to cover remaining fees and amounts owed if required by us; abide by all post-termination covenants; others (see row "r" also).
j.	Assignment of contract by us	Section 15.6	No restriction on our right to assign.
k.	"Transfer" by you-defined	Sections 15.1 and 15.2	Includes transfer of an interest in your Franchise Agreement, your franchise, all or a substantial portion of assets of your CRESTCOM Business, or an interest in you if you are an entity.
l.	Our approval of transfer by you	Section 15.2	We must approve all transfers.
m.	Conditions for our approval of transfer	Sections 15.2 through 15.4	Notice 30 days prior to the proposed effective date containing information sufficient for us to evaluate transfer; transferee was initially introduced to us by you; all amounts due are paid in full; New Materials surcharge fee paid; transferee satisfactorily completes training; transferee training fee and transfer fee paid; then current Franchise Agreement signed or obligations assumed by transferee; transferee may be required to comply with PMA Program; Agreement and Consent to Transfer signed; general release signed (subject to state law); your agreement to abide by all post-termination covenants; others (see row "r" also). We have 15 days from transferee's successful completion of our Initial Training Program to approve or disapprove transfer.

	Provision	Section in Franchise or Other Agreement	Summary
n.	Our right of first refusal to acquire your business	Not Applicable	Not Applicable
o.	Our option to purchase your business	Section 17.6.f	If required by law, we will purchase all of the Materials in your possession for their wholesale prices less 3 percent per month.
p.	Your death or disability	Section 15.5	Franchise must be assigned to approved buyer within 120 days.
q.	Non-competition covenants during the term of the franchise	Article 19	Prohibits owning, operating or performing services for a competing business, and interfering with our relationships with other parties (subject to state law).
r.	Non-competition covenants after the franchise is terminated or expires	Article 19	Prohibited for 30 months from owning or operating a competing business located or operating within any CRESTCOM Business assigned area and from interfering with our relationships with other parties (subject to state law).
s.	Modification of the agreement	Section 22.2	Procedures Manual, Materials and Live Instruction are subject to change. The Franchise Agreement may be modified by writing signed by both parties or, at our option, upon approval of 75% of our Franchisees affected by the modification. Unless prohibited by law or waived by us, you must provide a general release of any and all claims against us if you request and we consent to modify any provisions of the Franchise Agreement after it has been signed.
t.	Integration/merger clause	Section 22.3	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of this Disclosure Document and the Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement is intended to disclaim any representations made by us in this Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Sections 21.1 through 21.3, and 22.7	Except for certain claims, all disputes must be arbitrated in Denver, Colorado, U.S.A. (subject to state laws). If a claim can be brought in court, both you and we agree to waive our rights to a jury trial. All disputes between you and us must be in an action separate from disputes between us and third parties or between you and third parties. All claims that either you or we may bring against the other arising out of or relating to the Franchise Agreement, the relationship between us and you, or your operation of the CRESTCOM Business must be brought within one year from when the claim arose (subject to state law).
v.	Choice of forum	Section 21.5	Colorado, U.S.A. (subject to state law).
w.	Choice of law	Section 21.5	Federal and Colorado laws (subject to state law). The Colorado Consumer Protection Act does not apply.

[1] A default due to bankruptcy may not be enforceable under federal bankruptcy laws.

See the State Addendum to Disclosure Document which is attached to this Disclosure Document as Attachment K.

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote our franchise. You may use the name of a public figure or celebrity in your promotional efforts or advertising with our approval.

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 this 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 by this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Below are charts showing the Average Franchisee Gross Sales generated from sales of Materials and Live Instruction of those U.S. and international Franchisees that were active on a full-time basis during the year 2025.

CHART 1
AVERAGE AND MEDIAN FRANCHISEE GROSS SALES
FROM JANUARY 1, 2025 THROUGH DECEMBER 31, 2025
WORLDWIDE, BY PERCENTILE[(1)-(3),(6)-(9)]

	Average Gross Sales	Median Gross Sales	High	Low
75th – 99.99th percentile of U.S. and International Franchisees	$547,615.95	$458,044.64	$1,537,308.09	$351,052.50
50th – 74.99th percentile of U.S. and International Franchisees	$247,390.87	$262,438.40	$326,489.96	$164,100.00
25th – 49.99th percentile of U.S. and International Franchisees	$116,123.37	$114,160.00	$152,310.50	$78,300.00
0 – 24.99th percentile of U.S. and International Franchisees	$45,960.55	$39,902.21	$77,382.72	$7,249.41
Combined Average - U.S. and International Franchisees	$239,272.69	$158,205.25	$1,537,308.09	$7,249.41

CHART 2 AVERAGE AND MEDIAN FRANCHISEE GROSS SALES FROM JANUARY 1, 2025 THROUGH DECEMBER 31, 2025 BY CONTINENT[(1)-(3),(6)-(9)]				
	Average Gross Sales	**Median Gross Sales**	**High**	**Low**
Combined Average - Franchisees in Europe	$248,343.47	$145,268.70	$1,537,308.09	$7,249.41
Combined Average - Franchisees in North America	$254,463.89	$198,841.74	$888,253.41	$39,450.00
Combined Average - Franchisees in South America and the Caribbean	$354,020.00	$354,020.00	$354,020.00	$354,020.00
Combined Average - Franchisees in Asia	$110,220.31	$110,220.31	$143,057.90	$77,382.72
Combined Average - Franchisees in Africa	$166,219.74	$156,480.80	$286,279.68	$65,637.68

Below is a chart showing the Average and Median Number of Seats Sold for all training programs conducted during the year 2025 by those U.S. and international Franchisees that were active on a full-time basis during the year 2025.

CHART 3 AVERAGE AND MEDIAN NUMBER OF SEATS SOLD FROM JANUARY 1, 2025 THROUGH DECEMBER 31, 2025 [(1),(4),(6)-(9)]				
Average Number of Seats Sold	**Median Number of Seats Sold**	**Average Number of Scholarships**	**High**	**Low**
64.2	39.5	3.7	309	0

[CONTINUED ON FOLLOWING PAGE]

Below is a chart showing the average contract value per individual transaction for the sale of the Crestcom LEADER training series by U.S. and international Franchisees that were active on a full-time basis during the year 2025.

CHART 4
AVERAGE CONTRACT VALUE PER TRANSACTION ON SALES OF THE CRESTCOM LEADER PROGRAM FROM JANUARY 1, 2025 THROUGH DECEMBER 31, 2025[(1),(5)-(7),(9),(10)]

Average Contract Value per Transaction	Number of Sales Reported	Median Contract Amount	Highest Contract Amount	Lowest Contract Amount	# of Contracts that Attained or Exceeded Average Contract Value Per Transaction	Percentage of Contracts that Attained or Exceeded Average Contract Value Per Transaction
$18,892.30	793	$11,137.53	$236,358.02	$450	240	30.26%

Below is a chart showing our estimate of gross revenue margins before expenses related to the sale or marketing of the Crestcom LEADER training series for our U.S. Franchisees. This chart has not been prepared in accordance with the statement on Standards for Accountant's Services on Prospective Financial Information.

CHART 5
GROSS MARGIN PER PARTICIPANT ATTENDING THE CRESTCOM LEADER PROGRAM[(10)-(18)]

Materials	Recommended U.S. Retail Price	Cost of Materials as % of Recommended Retail	Royalty Fees as % of Recommended Retail	Estimated Shipping as % of Recommended Retail	Total % of Recommended Retail	Gross Revenue Margin
LEADER Materials	$5,250	0.74%	19.75%	0.1%	20.59%	79.41% $4,169.03

The accompanying footnotes are an integral part of these charts and should be read in their entirety for a full understanding of the information contained in them.

FOOTNOTES:

(1) Each of the first four charts above is a historic financial performance representation reflecting information related to sales in the most recent fiscal year of January 1, 2025 through December 31, 2025.

(2) The first two charts above show the average and median of Franchisee Gross Sales on an annual basis. "Gross Sales" or "Sales" as used in the first two charts and in the fourth chart means the amounts agreed to be paid by a Franchisee's clients to the Franchisee under the contracts entered into through the Franchisee's CRESTCOM Businesses, exclusive only of sales tax. "Gross Sales" is not equivalent to "Gross Revenues" as that term is used in this Disclosure Document, as "Gross Sales" does not account for bad debt or contract amounts otherwise not collected by Franchisees.

(3) In computing these figures, the first chart shows the yearly average and median of the Gross Sales of those Franchisees that fell into the top 75th to 99.99th percentile (or top 1/4) of all

Franchisees in terms of Gross Sales, the 50th to 74.99th percentile (or second 1/4) of all Franchisees, the 25th through 49.99th percentile (or third 1/4) of all Franchisees, and the bottom 0 to 24.99th percentile (or lower 1/4) of all Franchisees. The average and median Gross Sales for all Franchisees in all percentile groups combined is also included. The second chart shows the Gross Sales information of Franchisees grouped by continent. Additionally, we included the high and the low Gross Sales figure for every category.

(4) The third chart shows the yearly average and median number of seats for attendance at training programs sold by Franchisees on an annual basis, for all training programs conducted during the year. It also includes the number of "Scholarships" that a Franchisee has on average. "Scholarships" are seats given to a client for no extra charge and are typically accompanied by other paid seats.

(5) The fourth chart shows the average contract value of each transaction reported by Franchisees in the year 2025, along with the median Sales value, high and low Sales value, and number and percentage of contracts that attained or exceeded the average shown.

(6) Only U.S. and international Franchisees that were active on a full-time basis during the fiscal year January 1, 2025 through December 31, 2025 have their Gross Sales and seat sales included in the computations used in the first four charts. For purposes of these charts, a Franchisee is deemed "active on a full-time basis" if it conducted at least one Crestcom LEADER program training seminar during every month of the year 2025 and had at least one sale reported during the year 2025. Of the total contracts entered into by Franchisees, 65% were the result of repeat and add-on business for existing clients during the fiscal year 2025. During the fiscal year 2025, we had 60 Franchisees that were active on a full time basis operating 85 CRESTCOM Business outlets. Of these Franchisees, 25 were located in the United States. Franchisees that did not qualify as active on a full-time basis are not shown. The charts also do not include (i) new Franchisees that did not commence operations by the beginning of the year 2025, (ii) Franchisees that ceased operations in the year 2025, and (iii) Franchisees that were otherwise inactive for a portion of the year due to sickness, health issues, or other personal reasons. As described in Item 20, there were 14 outlets that closed permanently for various reasons during the year 2025, and none of these had been open less than 12 months. Some of our Franchisees own and operate more than one franchise. We have grouped the results in these charts by Franchisee rather than by individual CRESTCOM Business franchise because the results that we collect for CRESTCOM Business Franchisees operating multiple CRESTCOM Businesses are combined into a single report for each Franchisee, and we do not have Gross Sales or seat sales data for each individual CRESTCOM Business that may be operated by these Franchisees. The total number of individual CRESTCOM Business franchises as of the end of the year 2025, including Franchisees who joined during the course of the year, was 168, 57 of which were located in the United States.

(7) No attempt is made to estimate potential profits, income or earnings in the first four charts. We cannot accurately determine expenses because some of our Franchisees have other business interests or investment holdings in addition to their CRESTCOM Business. However, as discussed below, the fifth chart includes certain gross margin information.

(8) For the Franchisees included in the first chart, there are 15 Franchisees included in the top 1/4, of which 4 (or 26.67 percent) exceed the average Gross Sales of that group, there are 15 Franchisees in the second 1/4, of which 8 (or 53.33 percent) exceed the average Gross Sales of that group, there are 15 Franchisees in the third 1/4, of which 6 (or 40 percent)

exceed the average Gross Sales of that group, and there are 15 Franchisees in the lower 1/4, of which 7 (or 46.67 percent) exceed the average Gross Sales of that group. Out of the 60 total Franchisees included in the first chart, 23 Franchisees (or 38.33 percent) exceed the combined average of Gross Sales stated. For the Franchisees included in the continent-specific chart (the second chart), there are 24 Franchisees included from Europe, of which 9 (or 37.5 percent) exceed the average Gross Sales of that group, there are 29 Franchisees included from North America, of which 12 (or 41.38 percent) exceed the average Gross Sales of that group, there is 1 Franchisee included from South America and the Caribbean, so they are included as the average, median, high, and low figure, there are 2 Franchisees included from Asia, of which 1 (or 50 percent) exceed the average Gross Sales of that group, and there are 4 Franchisees included from Africa, of which 2 (or 50 percent) exceed the average Gross Sales of that group. For the third chart, there are 60 Franchisees included, of which 26 (or 43.33 percent) exceed the average Number of Seats Sold for that group.

(9) The information in the first four charts was compiled based on Gross Sales and seat sales reported by our existing U.S. and international Franchisees during the calendar year 2025 in reports provided by the Franchisees to us. We have not audited these sales reports and we cannot guarantee their accuracy. We do not require our Franchisees to provide us with financial statements. Some of our Franchisees provide other services to their clients in addition to the management, sales and personnel development training programs we offer. Those sales are not included in the sales numbers shown in the charts.

(10) The contract value per transaction reported in the fourth chart and the estimated gross revenue margins reflected in the fifth chart above relate only to Franchisees' sale of Materials and enrollments of participants in the Crestcom LEADER programs (the "LEADER Programs") and exclude sales of other Materials or enrollments in other programs Franchisees can offer. We offer other programs and Materials that may have greater or lesser margins. We estimate that more than 95% of all Franchisee sales are derived from the LEADER Programs.

(11) The term "Gross Revenue Margin" as used in the fifth chart refers to the amount or percentage, as indicated, of the applicable total revenues that remain after deduction of only those costs specifically identified in the fifth chart. A Franchisee will have other costs as well.

(12) The recommended retail price for the Crestcom LEADER training program for the 2025 calendar year was $5,250 per participant. This recommended retail price is stated in the Procedures Manual and is subject to change. In prior years, the recommended retail price may have been lower. Franchisees may charge a fee that is higher or lower than our recommended retail price. They sometimes will reduce the per participant fee they charge for clients who enroll multiple managers to attend the Crestcom LEADER Programs. Market conditions, such as competition, market recognition, quality of a Franchisee's training skills and location may affect a Franchisee's actual retail pricing.

(13) The costs shown in the fifth chart are based on the costs in effect as of the date of this Disclosure Document and are subject to change. The fifth chart shows certain costs incurred in marketing the Materials and conducting the Crestcom LEADER Programs only. They do not include all of the expenses a Franchisee will incur during the term of its franchise agreement, including the initial investment in the franchise, start-up costs, overhead, distribution fees, and certain operating expenses. Operating expenses vary

substantially and are based on particular factors relevant to each Franchisee. A Franchisee may incur operating expenses for a computer, iPad, tablet computer, projector, or other equipment, automobile, telephone and voice mail system or service, marketing and advertising, direct mail, special incentive offers, Facilitator's or other instructional items or materials, amounts paid to Facilitators for those Franchisees who do not conduct their own Live Instruction programs, amounts paid to telemarketers for those Franchisees who elect to employ telemarketers, New Materials introductory surcharges (discussed below), and other isolated and/or recurring expenses. It also does not include amounts representing the Franchisee's (and its Authorized Representatives') time or effort, or account for interest expense, appreciation or depreciation of assets, capital expenses and carrying costs which will vary from Franchisee to Franchisee. Franchisees may operate from an office location, in which case there may be office lease and other related expenses, although most of our Franchisees operate out of their homes. Franchisees will also incur costs related to the attendance at our annual international convention and other Additional Meetings. You should refer to Items 5, 6 and 7 of this Disclosure Document for a discussion of other initial franchise fees, other fees and expenses, and initial investment considerations.

(14) The actual cost of the Materials for participants in the LEADER Programs or other programs we offer varies. Depending on the number of participants a client enrolls, the mix of Materials the client receives is different. Further, many Franchisees purchase additional Materials to give to clients as a bonus for early payment. Some Franchisees also offer free or "scholarship" enrollments as a bonus for clients who enroll a specified number of their managers in the LEADER Programs. The expenses shown in the fifth chart assume these incentive Materials come from the Franchisee's own inventory and the costs of any free enrollments or bonus Materials are not reflected in the fifth chart. Franchisees are not required to offer free enrollments or give bonus Materials. Based on our estimates, the average expense for required Materials for one participant in a LEADER Program owed to us for any Materials that we grant you the right to access and market is approximately $38.85 or 0.74 percent of the current recommended retail price of $5,250. This recommended retail price is stated in the Procedures Manual and is subject to change.

(15) The Royalty Fee paid to us when a Franchisee sells the Materials is generally 19.75 percent of the Franchisee's Gross Revenues. The gross revenue margins shown on the fifth chart assume that the standard Royalty Fee of 19.75 percent is paid on all Gross Revenues. The Royalty Fees due us are paid as a Franchisee receives the proceeds from LEADER Programs, which may not always be at the time of the sale. We recommend that Franchisees require enrollment fees and other amounts paid by a client be paid on a cash basis or on a basis of 25 percent down, with the balance payable in 30, 60, and 90 days. You may agree to other terms. The gross revenue margins shown on the fifth chart assume that all amounts owed by clients are collected at the time of the sale, and that all Royalty Fees, and any other fees or amounts owed to us by Franchisees are paid at the time of the sale. As the Distribution Fee is a monthly charge of a fixed dollar amount, we have not included it in the fifth chart as the percentage effect would constantly vary as revenue is generated by the Franchisee.

(16) We estimate shipping costs at 0.1 percent of the retail price of the Materials. This may be higher depending on the location of a Franchisee and other factors, particularly for shipments of small quantities of Materials.

(17) We periodically introduce New Materials or programs to our inventory of Materials available to franchises. There is a one-time introductory surcharge to offset our production

costs of these Materials at the earlier of (i) the first order of any unit of the New Materials; or (ii) 30 days from the date the New Materials become available. The current introductory surcharge is $500 per new training program unit. Franchisees are required to acquire the rights to access and market any New Materials within 30 days of their availability. Since the introductory surcharge is a one-time charge, we have not included it in the fifth chart as the percentage effect would constantly vary as rights to more of these New Materials are acquired over the life of a franchise.

(18) The data in the fifth chart has been compiled based on the experience of our U.S. and international Franchisees, provided that the recommended retail price is based on our recommended retail price in the U.S. Our system is comprised of Franchisees operating within the United States and Franchisees and distributors operating in other countries.

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

You will have other expenses as noted above.

The information in the first four charts is limited to averages and medians of certain results reported to us by Franchisees that operated on an active full-time basis during the year 2025. The information in the fifth chart is limited to an estimate of Gross Revenue Margins before operating expenses that could be derived by a Franchisee from the enrollment of one Crestcom LEADER participant at our current recommended retail price.

You should conduct an independent investigation of the costs and expenses you will incur in operating your CRESTCOM Business. Franchisees or former Franchisees listed in Attachments G and H may be one source of this information.

Written substantiation for the financial performance representation will be made available to you at our Greenwood Village office upon reasonable request.

Other than the preceding charts, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing CRESTCOM Business, however, we may provide you with the actual records of that CRESTCOM Business 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 Julie Draguns at 6900 East Belleview Avenue, Suite 100, Greenwood Village, Colorado 80111 and (303) 267-8200, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

ITEM 20 TABLE NO. 1
Systemwide Outlet Summary
(All Outlets)
For Years 2023 to 2025[1]

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2023	160	163	+3
	2024	163	170	+7
	2025	170	168	-2
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	**2023**	**160**	**163**	**+3**
	2024	**163**	**170**	**+7**
	2025	**170**	**168**	**-2**

[1] Each year period begins on January 1 and ends on December 31.

[CONTINUED ON FOLLOWING PAGE]

ITEM 20 TABLE NO. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
(All Outlets)
For Years 2023 to 2025[1]

Column 1 State or Country	Column 2 Year	Column 3 Number of Transfers
Ohio	2023	0
	2024	0
	2025	1
Oregon	2023	0
	2024	0
	2025	1
Florida	2023	0
	2024	1
	2025	0
Maine	2023	1
	2024	0
	2025	0
Total – US	2023	1
	2024	1
	2025	2
International		
Austria	2023	1
	2024	0
	2025	0
Canada	2023	1
	2024	3
	2025	1
France	2023	1
	2024	0
	2025	0
Germany	2023	0
	2024	1
	2025	2
Singapore	2023	1
	2024	0
	2025	0

Column 1 State or Country	Column 2 Year	Column 3 Number of Transfers
Switzerland	2023	1
	2024	0
	2025	0
Tanzania	2023	0
	2024	1
	2025	0
Vietnam	2023	0
	2024	0
	2025	1
Total - International	2023	5
	2024	5
	2025	4
Total – All	**2023**	**6**
	2024	**6**
	2025	**6**

(1) Each year period begins on January 1 and ends on December 31.

ITEM 20 TABLE NO. 3
Status of Franchised Outlets
(All Outlets)
For Years 2023 to 2025(1)

Column 1 State or Country	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at End of the Year
Alabama	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Arizona	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	1	1
	2025	1	1	0	0	0	0	2
California	2023	9	0	1	0	0	0	8
	2024	8	3	0	0	0	1	10
	2025	10	0	2	0	0	0	8
Colorado	2023	0	1	0	0	0	0	1
	2024	1	2	0	0	0	1	2
	2025	2	0	0	0	0	1	1
Connecticut	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Delaware	2023	1	0	0	0	0	1	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Florida	2023	4	2	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	0	0	0	0	6

Column 1 State or Country	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at End of the Year
Georgia	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	1	1
	2025	1	0	0	0	0	0	1
Illinois	2023	2	0	0	0	0	1[(2)]	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Indiana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kentucky	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	1	0
Maine	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Maryland	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	1	0	0	1
Massachusetts	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Michigan	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Minnesota	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nebraska	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New Hampshire	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New Jersey	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
New York	2023	2	0	0	0	0	0	2
	2024	2	2	0	0	0	0	4
	2025	4	0	0	0	0	1	3
North Carolina	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	1	0	0	0	0	3
Ohio	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Oregon	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

Column 1 State or Country	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at End of the Year
Pennsylvania	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	1	2
South Carolina	2023	1	0	1	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
South Dakota	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Tennessee	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Texas	2023	5	3	0	0	0	0	8
	2024	8	0	0	1	0	2	5
	2025	5	1	0	0	0	2	4
Virginia	2023	1	0	0	0	0	1	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Washington	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Wisconsin	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	1	0
Total - US	2023	52	8	2	0	0	3	55
	2024	55	13	0	1	0	6	61
	2025	61	6	2	1	0	7	57
International								
Australia	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Austria	2023	5	1	1	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Belgium	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Canada	2023	16	0	0	0	0	0	16
	2024	16	0	0	0	0	0	16
	2025	16	1	0	1	0	0	16
China	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Colombia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

Column 1 State or Country	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at End of the Year
Costa Rica	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
England	2023	4	1	0	1	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
France	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Germany	2023	25	5	0	0	0	1	29
	2024	29	1	0	1	0	0	29
	2025	29	4	0	0	0	0	33
Ghana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Greece	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Haiti	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
India	2023	5	1[(2)]	1	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	1	4
Indonesia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Ireland	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Kenya	2023	1	0	0	0	0	1	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Kuwait	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Lebanon	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Liberia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Mexico	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Morocco	2023	4	0	0	0	0	1	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	0	4

Column 1 State or Country	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at End of the Year
Mozambique	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Netherlands	2023	3	0	1	0	0	1	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New Zealand	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nigeria	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	1	1
Panama	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Philippines	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Poland	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Puerto Rico	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Rwanda	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Saudi Arabia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Serbia	2023	1	0	0	0	0	0	1
	2024	1	0	1	0	0	0	0
	2025	0	0	0	0	0	0	0
Singapore	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
South Africa	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Spain	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Sweden	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Switzerland	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3

Column 1 State or Country	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations-Other Reasons	Column 9 Outlets at End of the Year
Tanzania	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Trinidad and Tobago	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Turkey	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
United Arab Emirates	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Vietnam	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	1	0	0	0	2
Total - International	2023	108	9	4	1	0	4	108
	2024	108	3	1	1	0	0	109
	2025	109	6	1	1	0	2	111
Total - All	**2023**	**160**	**17**	**6**	**1**	**0**	**7**	**163**
	2024	**163**	**16**	**1**	**2**	**0**	**6**	**170**
	2025	**170**	**12**	**3**	**2**	**0**	**9**	**168**

(1) Each year period begins on January 1 and ends on December 31.

(2) In 2023, one Franchisee relocated its CRESTCOM Business from Illinois to India. This relocation is accounted for in this table under the columns "Ceased Operations – Other Reasons" for Illinois, USA, the previous location of the Franchisee, and "Outlets Opened" for India, the new location of the Franchisee. This relocation did not result in the Franchisee leaving the system or ceasing to operate an outlet.

ITEM 20 TABLE NO. 4
Status of Company-Owned Outlets
(All Outlets)
For Years 2023 to 2025(1)

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired From Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Totals	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0

(1) Each year period begins on January 1 and ends on December 31.

ITEM 20 TABLE NO. 5
Projected Openings As Of December 31, 2025
(United States Outlets Only)[1]

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlet In The Next Fiscal Year	Column 4 Projected New Company-Owned Outlet In The Next Fiscal Year
Arizona	0	1	0
California	0	3	0
Colorado	0	1	0
Idaho	0	1	0
Illinois	0	2	0
Iowa	0	1	0
Kentucky	0	1	0
Maryland	0	1	0
Michigan	0	1	0
Missouri	0	2	0
North Carolina	0	1	0
Oregon	0	1	0
Pennsylvania	0	1	0
South Carolina	0	1	0
Texas	0	2	0
Utah	0	1	0
Virginia	0	2	0
Wisconsin	0	1	0
Total	**0**	**24**	**0**

[1] Sales of franchises outside of the United States are often unpredictable and we have not projected openings internationally. This table addresses only outlets in the United States.

A list of the names of all Franchisees and the addresses and telephone numbers of their CRESTCOM Businesses are listed in Attachment G to this Disclosure Document. A list of the name and last known city, state and telephone number of every Franchisee who has had a CRESTCOM Business terminated, cancelled, or not renewed, or otherwise voluntarily or involuntarily ceased to do business under their franchise agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the date of this Disclosure Document is listed on Attachment H to this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Some Franchisees have signed confidentiality clauses during the last three fiscal years. In some instances, current and former Franchisees sign provisions restricting their ability to speak openly about their experience with the Crestcom system. You may wish to speak with current and former Franchisees, but be aware that not all of those Franchisees will be able to communicate with you.

No independent franchisee organizations have asked to be included in this Disclosure Document. As of the date of this Disclosure Document, there are no trademark-specific franchisee organizations associated with the franchise system that have been created, sponsored or endorsed by us.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Attachment I are our audited financial statements as of December 31, 2025, 2024, and 2023.

ITEM 22
CONTRACTS

These are the only contracts we enter into with any Franchisee regarding the offering of CRESTCOM Business franchises in this state:

Attachment A	Franchise Agreement and Exhibits including State Riders
Attachment B	Confidentiality/Application Agreement
Attachment C	Nondisclosure and Noncompetition Agreement
Attachment D	Form of Promissory Note
Attachment E	Form of Successor Franchise Rider to Franchise Agreement

ITEM 23
RECEIPTS

The last two pages of this Disclosure Document are receipt pages. Please sign and date each of them as of the date you received this Disclosure Document, detach the second receipt page, and promptly return it to us as specified on that page.

ATTACHMENT A

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

Franchisee: _____

Date: _____

Assigned Area: _____

CRESTCOM INTERNATIONAL, LLC
FRANCHISE AGREEMENT

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III. Guaranty and Assumption of Franchisee's Obligations
IV. Credit Card Authorization
V. Authorization Agreement for ACH Payments
VI. Riders to Franchise Agreement for Specific States or Countries

CRESTCOM INTERNATIONAL, LLC
FRANCHISE AGREEMENT

THIS AGREEMENT ("**Agreement**") is made effective as of the date set forth on the signature page hereof, between **CRESTCOM INTERNATIONAL, LLC**, a Delaware limited liability company, located at 6900 East Belleview, Suite 100, Greenwood Village, Colorado 80111 ("**Crestcom**") and the undersigned franchisee ("**Franchisee**"), who, on the basis of the following understandings and in consideration of the following promises, agree as follows:

1. BACKGROUND AND PURPOSE

1.1. Crestcom has developed methods for establishing, operating and marketing businesses that provide sales and management training ("**CRESTCOM Businesses**"), which methods include the use and license of the trademarks "CRESTCOM®," "CRESTCOM TRAINERS TO THE WORLD®," and "CRESTCOM LEADER™" and certain other service marks and trademarks (all referred to in this Agreement as the "**Marks**"), and Crestcom's proprietary system and concepts for the establishment, operation and promotion of sales and management training businesses and related methods of doing business (the "**Licensed Methods**"). The Licensed Methods feature the sale or use for a fee of written materials, visual aids, and audio, video, and online media designed to be used as stand-alone training programs or in conjunction with specialized live in-person instruction seminars ("**Live Instruction**") to instruct individuals, companies or other organizations ("**Clients**") in a variety of areas, including business, sales, motivation and management skills and development. All written materials, visual aids, audio media, video media, online media, and marketing aids related thereto, and any substitutes for, or items that are a technological evolution of, any of the foregoing items, whether used in stand-alone training programs or Live Instruction, are collectively referred to in this Agreement as the "**Materials**."

1.2. Crestcom grants the right and license to qualified individuals and entities to use the Marks and Licensed Methods to establish and operate CRESTCOM Businesses. They sign a franchise agreement in the form of this Agreement along with the Addendum to Franchise Agreement attached as Exhibit I ("**Addendum**").

1.3. Franchisee desires to establish a CRESTCOM Business and Crestcom desires to grant Franchisee the right and license to operate a CRESTCOM Business under the terms and conditions contained in this Agreement and in the Addendum. Franchisee shall operate its franchise in accordance with and pursuant to the terms set forth in this Agreement and in the Addendum.

2. GRANT OF FRANCHISE

2.1. **Grant of Franchise.** Subject to the terms of this Agreement, Crestcom grants to Franchisee, and Franchisee accepts from Crestcom, the right and license to use the Marks and Licensed Methods in connection with the establishment and operation of a CRESTCOM Business, offering sales, management and other training utilizing the Materials. Upon signing this Agreement, Franchisee and Crestcom shall also execute the Addendum providing additional terms that modify this Agreement. Franchisee agrees to use the Marks and Licensed Methods, as they may be changed, improved or further developed by Crestcom from time to time, only in accordance with the terms and conditions of this Agreement.

2.2. **Scope of Franchise Operations.** Franchisee acknowledges that its continued rights to operate its CRESTCOM Business are dependent on Franchisee's continued compliance with all terms and conditions of this Agreement and in the manuals or technical bulletins or other supplemental written

materials covering the proper operating and Marketing techniques of a CRESTCOM Business. The manuals, technical bulletins and other supplemental written materials are referred to in this Agreement collectively as the "**Procedures Manual**," and is more fully discussed in **Article 8** of this Agreement. Franchisee shall use its best, full time efforts to promote its CRESTCOM Business through the offer, sale, transfer, rental, lending, display, performance or other provision (all referred to in this Agreement as "**Marketing**") of the Materials and the Live Instruction in accordance with the Procedures Manual.

3. ASSIGNED AREA

3.1. Franchise Location. Franchisee's CRESTCOM Business will be operated from a location selected by Franchisee ("**Franchise Location**"), which must be located within Franchisee's Assigned Area (as defined in **Section 3.2** below) and may be Franchisee's residence. The Franchise Location is designated in the Addendum. Franchisee may relocate the Franchise Location anywhere within the Assigned Area. Franchisee shall provide written notice to Crestcom of any change in the Franchise Location within 10 days of a change.

3.2. Assigned Area. Franchisee will concentrate its Marketing of the Materials and its Marketing and conducting of Live Instruction within the geographic area described in the Addendum as it is currently constituted ("**Assigned Area**"). Franchisee is prohibited from conducting any Marketing activities (including marketing through channels of distribution such as the Internet or other electronic transmission, catalog sales, telemarketing, or other direct marketing) or conducting Live Instruction outside of the Assigned Area or from Marketing any of the Materials or Marketing or conducting Live Instruction in the Assigned Area for use outside of the Assigned Area without the written approval of Crestcom, which may be withheld for any reason. Conditions under which Crestcom will generally consent to the Marketing or conducting of Live Instruction outside the Assigned Area are set forth in the Procedures Manual.

3.3. Threshold Number in Assigned Area. Franchisee acknowledges that its rights to Market the Materials and to Market and conduct Live Instruction in the Assigned Area will not prevent Crestcom or another franchisee or distributor from Marketing the Materials or Marketing or conducting Live Instruction within the Assigned Area; provided, however, that when the number of Qualifying Businesses (defined below) in the Assigned Area reaches the Threshold Number (defined below), Crestcom shall refrain from adding additional franchised CRESTCOM Businesses or its own CRESTCOM Businesses in the Assigned Area. A "**Qualifying Business**" is a CRESTCOM Business that, in each calendar quarter, generates gross revenues equal to the dollar amount that would be realized from the enrollment of at least 18 attendees of the Crestcom LEADER training program at Crestcom's then suggested U.S. minimum retail price. The gross revenues of any of a franchisee's Salespeople, as defined in **Section 6.5** below) are added to the gross revenues of that franchisee for purposes of calculating the revenues required for determining whether the franchisee's CRESTCOM Business is a Qualifying Business. The "**Threshold Number**" is equal to one Qualifying Business for each 1 million or fraction thereof of population in a franchisee's assigned area. If, after attaining the Threshold Number of Qualifying Businesses in the Assigned Area, the number of Qualifying Businesses thereafter falls below the Threshold Number, Crestcom may, without further notice to Franchisee, resume adding franchised CRESTCOM Businesses and its own CRESTCOM Businesses in the Assigned Area until the number of Qualifying Businesses in the Assigned Area again equals or exceeds the Threshold Number. Crestcom makes no representation, express or implied, that Franchisee or any other franchisee in the Assigned Area may or is likely to achieve the gross revenue goals in connection with the operation of its CRESTCOM Business to attain or maintain it as a Qualifying Business.

3.4. PMA Marketing Areas. In regions where multiple franchisees share the same assigned area, or in areas where multiple franchisees otherwise Market the Materials in close proximity to each other, Crestcom has created programs granting limited, semi-exclusive protected territories called "**Principal Marketing Areas**" within the assigned area. These marketing programs are called "**PMA Programs**." The terms, conditions, policies, and procedures of any PMA Program established by Crestcom shall be set forth in the Procedures Manual or in other written materials provided by Crestcom, and may be modified by Crestcom in its sole discretion. If Crestcom has already created a PMA Program within Franchisee's Assigned Area, Franchisee shall abide by the terms, conditions, policies, and procedures of that program. If subsequent to the execution of this Agreement, Crestcom creates a PMA Program in Franchisee's Assigned Area, or in an area with different assigned areas that include some or all of Franchisee's Assigned Area, Franchisee agrees that it will participate in the PMA Program, and cooperate and comply with all of the terms, conditions, policies, and procedures instituted by Crestcom related to that PMA Program. As set forth in **Section 11.6** below, Franchisee must meet the Monthly Production Goal (defined **Section 11.6**) in order to maintain the "semi-exclusivity" associated with a Principal Marketing Area. Franchisee acknowledges that the terms, conditions, policies, and procedures of different PMA Programs may vary from one another. The Principal Marketing Areas and their geographical boundaries may be changed by Crestcom from time to time.

3.5. Crestcom's Reservation of Rights. Franchisee acknowledges that all rights not specifically set forth in this Agreement are reserved to Crestcom, including the right to: (a) use and license the use of the Marks and Licensed Methods (i) for the operation of CRESTCOM Businesses anywhere, including in the Assigned Area, subject only to Threshold Number of Qualifying Business restrictions described above, (ii) for the operation of Area Representative (defined in **Section 9.2** below) or area developer businesses anywhere, including in the Assigned Area, or (iii) in connection with the production and sale of new or additional Materials, Live Instruction, or other promotional, marketing, or related items for use in a CRESTCOM Business, without regard to location; (b) establish alternative channels of distribution, which include marketing and distribution of the Materials via the Internet or other electronic transmissions, catalog sales, social media, telemarketing and other direct marketing sales channels, which may or may not use the Marks; (c) establish alternative channels of delivery, which include the electronic transmission methods, webinars, social media, and other electronic transmissions, other than electronic transmissions in conjunction with Live Instruction, for the Materials or any training programs of Crestcom, which may or may not use the Marks, and in conjunction with any alternative channel of delivery, authorize the marketing and sale of such Materials or any training programs through other distribution systems at any location, including in the Assigned Area; (d) retire, cease to produce, cease to offer, or otherwise terminate the right to market, distribute, sell or otherwise offer to third parties any older versions of the Materials, while continuing to offer such older versions of the Materials through alternative channels of distribution or by alternative channels of delivery; (e) create, produce, market and sell products or services of any kind, which may be the same as, similar to, or different from those offered by a CRESTCOM Business, utilizing proprietary marks that are not the same as or confusingly similar to the Marks, and not now or in the future designated as part of the Crestcom system licensed under this Agreement or otherwise used in a CRESTCOM Business, and authorize the marketing and sale of these other products and services through other distribution systems at any location, including in the Assigned Area, whether or not in alternative channels of distribution or using alternative channels of delivery; and (f) grant training personalities appearing on the Materials the right to market or use the Materials or similar materials in the conduct of their businesses, in their live presentations, or in connection with their personal appearances, at any location, including in the Assigned Area.

All of these rights may be exercised on any terms and conditions as Crestcom deems advisable, without granting Franchisee any rights to the businesses or activities of Crestcom or the relevant third party. Franchisee acknowledges that the businesses and activities of Crestcom or the relevant third party as

permitted under this **Section 3.5** will include businesses and activities that are the same as, similar to, and different from the business and activities of a CRESTCOM Business. Crestcom can acquire or be acquired by, or engage in any other transaction with, other companies (competitive or not), including arrangements where other companies are (or are not) converted to the Crestcom franchise system, or in which company-owned, franchised or other businesses (including CRESTCOM Businesses) are (or are not) converted to another format (whether competitive or not), or both, and is maintained as the same concept, as a new concept, or as a separate concept and is located anywhere, including in the Assigned Area. Franchisee must fully cooperate with any of these conversions, at Franchisee's sole expense. In addition, Franchisee acknowledges that Hal Krause, who developed certain of Crestcom's Marks and Licensed Methods and assigned them to Crestcom, reserved the right to use the Mark "THE BULLET PROOF MANAGER™" in the title and contents of a book and related materials.

4. INITIAL FEES

4.1. Initial Franchise Fee. Franchisee will pay to Crestcom an initial franchise fee in the amount and manner set forth in the Addendum. Franchisee acknowledges and agrees that the initial franchise fee represents payment for the initial grant of the rights to use the Marks and Licensed Methods, that Crestcom has earned the initial franchise fee upon receipt thereof and that the fee is under no circumstances refundable to Franchisee once it is paid.

5. TRAINING

5.1. Initial Training Program. Except as set forth in the Procedures Manual, Franchisee or, if Franchisee is not an individual, the principal owner of Franchisee responsible for the management of the CRESTCOM Business or such other person designated by Franchisee, who must be approved in writing by Crestcom (the "**Principal Representative**"), is required to attend and successfully complete the initial training program, which is a classroom training program. Franchisee may designate up to two other individuals, in addition to Franchisee or the Principal Representative, to participate in the initial training program without tuition charged by Crestcom other than the initial franchise fee. Franchisee is responsible for all travel and living expenses incurred in connection with attendance at the initial training program. The initial training program may be conducted virtually, via the internet, telephone, or similar communications method, in Crestcom's sole discretion. Additional terms regarding the initial training program are set forth in the Procedures Manual.

5.2. Third Party Assessment Program. As part of the initial training program, Franchisee at its option may elect for it or its Principal Representative to undertake an assessment program offered by a third party designated by Crestcom.

5.3. LaunchPad to Success Training Program. Franchisee or its Principal Representative is required to attend and successfully complete Crestcom's follow-up sales process training program referred to as "**LaunchPad to Success**," which will be conducted at a time scheduled by Crestcom following Franchisee's completion of the initial classroom training program under **Section 5.1** and the commencement of Franchisee's CRESTCOM Business. Franchisee may designate up to one other individual, in addition to Franchisee or the Principal Representative, to participate in the LaunchPad to Success training program without tuition charged by Crestcom. Franchisee is responsible for all travel and living expenses incurred in connection with attendance at the LaunchPad to Success training program. The LaunchPad to Success training program may be conducted virtually, via the internet, telephone, or similar communications method, in Crestcom's sole discretion. Additional terms regarding the LaunchPad to Success training program may be set forth in the Procedures Manual.

5.4. PRO Certification Program. At least one Facilitator (as defined in **Section 6.4** below) of Franchisee's CRESTCOM Business is required to complete Crestcom's online facilitation certification program referred to as "PRO" or "PRO Certification" within 180 days of the commencement of Franchisee's CRESTCOM Business, or prior to performing any Live Instruction if engaged at a later date. Crestcom, at its discretion, may require Franchisee to pay its then current tuition or fee for participation in the PRO Certification program. Franchisee is responsible for all travel and living expenses incurred in connection with attendance at the PRO Certification training program. Additional terms regarding the PRO Certification training program may be set forth in the Procedures Manual.

5.5. Additional Training. From time to time, Crestcom may conduct training programs (the "**Additional Meetings**") in addition to the initial training program, LaunchPad to Success training program, and PRO Certification training program. In addition to the Additional Meetings, Franchisee is required to participate in any videoconference, virtual, and online training programs designated as mandatory by Crestcom. Crestcom may also offer optional videoconference and online training programs. Crestcom's and Franchisee's, or its Principal Representatives', obligations, duties, requirements and conditions of attending and participating in Additional Meetings and videoconference and online training are set forth in the Procedures Manual.

5.6. Mentoring Program. Following Franchisee's completion of the initial training program in accordance with **Section 5.1** above, Franchisee may elect, at its sole option, to participate in the Crestcom's mentoring program ("**Mentoring Program**"). Franchisee shall make its election to participate in the Mentoring Program pursuant to the requirements set forth in the Procedures Manual. If Franchisee elects to participate in the Mentoring Program, then Franchisee agrees to abide by all of the rules applicable to the Mentoring Program at the time of Franchisee's election, as set forth in the Procedures Manual. Crestcom may discontinue the Mentoring Program at any time in its discretion.

5.7. Missed Training Fee. If Franchisee or its Principal Representative fail to attend any scheduled training program after the initial classroom training program, such as the LaunchPad to Success Training, PRO Certification training, or Additional Meetings, without providing Crestcom with at least 48 hours' advance written notice, then Franchisee must pay Crestcom a fee of $200.00 per missed appointment, which fee is due immediately upon invoice from Crestcom.

6. FRANCHISEE'S DEVELOPMENT OBLIGATIONS

6.1. Initial Inventory. If Franchisee is acquiring its first franchise, upon full execution of this Agreement and payment in full of the initial franchise fee, Crestcom will make available to Franchisee, without further charge, an initial inventory of training materials and sample documents ("**Initial Inventory**"). Franchisee will be responsible for paying all costs of shipping and all taxes incurred in connection with the sale and shipment of the Initial Inventory. Crestcom reserves the right to change the mix of materials within the Initial Inventory at any time after the date of this Agreement without notice or obligation to provide any new items included therein to Franchisee. Some or all of the items included in the Initial Inventory may be provided in digital form, at Crestcom's discretion.

6.2. Equipment and Telephones. Franchisee will acquire and maintain a telephone system with voice mail, a computer system, a video projector, and such other equipment as shall be required from time to time by Crestcom for use in the CRESTCOM Business. All of this equipment must be consistent with and operated in accordance with the minimum standards and specifications of Crestcom, which are set forth in the Procedures Manual. Crestcom reserves the right to establish new and additional minimum specifications for the required equipment by modification to the Procedures Manual. Crestcom will provide an e-mail account to Franchisee. Franchisee is required to use only the e-mail account provided

by Crestcom in the operation of its CRESTCOM Business, and Franchisee may not use the e-mail account for any purpose not related to the operation of its CRESTCOM Business. Franchisee is required to check such e-mail account at least daily for incoming messages, and respond promptly to all messages. Crestcom reserves the right to discontinue providing the e-mail account in the future, in which event Franchisee will be required to maintain an e-mail account to be used in the operation of the CRESTCOM Business. Crestcom has the right to monitor and access Franchisee's e-mail account and the messages sent to and from that account. Crestcom can modify the e-mail account, its website, and its policies with respect to both. Crestcom may charge a fee to Franchisee for providing the e-mail account and for operating the website.

6.3. Authorized Representatives. Franchisee will be solely responsible for recruiting, hiring, appointing, firing, and supervising its employees, independent agents, Principal Representatives, Facilitators, a maximum of two telemarketers, and Salespersons (as defined in **Section 6.5** below) (collectively referred to as "**Authorized Representatives**"). These Authorized Representatives will be employees or agents of Franchisee. They are not employees or agents of Crestcom and Crestcom is not the joint employer of those persons. Franchisee will have sole authority and control over the day-to-day operations of the CRESTCOM Business and its Authorized Representatives. Crestcom will have no right or obligation to direct Franchisee's Authorized Representatives or to operate the CRESTCOM Business. It is Franchisee's responsibility to determine compensation of Authorized Representatives, terms of employment, safety regulations, work assignments, work schedules, and working conditions. Any information regarding any of those issues provided to Franchisee by Crestcom are mere suggestions and Franchisee shall have the sole discretion to utilize such information or not. Franchisee may negotiate the terms under which it will employ any Authorized Representative, including any Salespersons. Franchisee must obtain Crestcom's prior written approval of all Authorized Representatives before appointing or hiring them. The number of people associated with Franchisee's CRESTCOM Business, including telemarketers and Salespersons may be changed by Crestcom in its sole discretion, by a change to the Procedures Manual. Franchisee shall screen all of its Authorized Representatives to ensure that they will not reflect adversely on the reputation of Crestcom's image and system. Franchisee is solely responsible for implementing training and other programs for its Authorized Representatives related to the legal, safe, and proper performance of their work, regardless of the fact that Crestcom may provide advice, suggestions, and certain training programs as described in this Agreement. Such advice, suggestions, and training by Crestcom are provided to protect Crestcom's brand and the Marks and not to control the day-to-day operation of Franchisee's CRESTCOM Business. Franchisee will keep Crestcom informed of the names, addresses, e-mail contact information and telephone numbers of all Authorized Representatives. Crestcom has the right to require Franchisee to cause its Authorized Representatives to sign such contracts as Crestcom shall require. All agreements between Franchisee and its Authorized Representatives must be in a form provided by Crestcom or otherwise approved by Crestcom and shall provide that Crestcom, as a third party beneficiary, may enforce the agreements directly against the Authorized Representatives.

6.4. Facilitators. Franchisee acknowledges that Franchisee or an Authorized Representative must be qualified, in accordance with Crestcom's specifications and standards, to act as the facilitator ("**Facilitator**") of the Live Instruction conducted on behalf of Clients and must complete the PRO Certification program within 180 days of the commencement of Franchisee's CRESTCOM Business. All Live Instruction will be conducted only in a manner specifically authorized by Crestcom, as may be described in the Procedures Manual. Crestcom reserves the right to establish additional certification programs for Facilitators, the terms, conditions and requirements of which shall be set forth in the Procedures Manual. If established, Franchisee shall comply with the terms of the additional certification programs, which may include the requirement that Franchisee's Facilitators attend and complete additional training programs at Franchisee's sole expense. Crestcom reserves the right to charge a tuition

or fee, in accordance with its then current published rates, to train and certify Franchisee's Facilitators, if training and certification are required.

6.5. Salespersons. Franchisee may employ or engage up to a total of two Authorized Representatives ("**Salespersons**"), in addition to Franchisee, to Market the Materials in the Assigned Area. At no time during the term of this Agreement may Franchisee have more than two Salespersons at the same time, without the prior written consent of Crestcom, which consent may be withheld in Crestcom's sole and absolute discretion. Notwithstanding the foregoing, if Crestcom has established a PMA Program for Franchisee's Assigned Area and designated a Principal Marketing Area for Franchisee, then there is no limitation on the number of Salespersons that can be engaged by Franchisee.

6.6. Commencement of Operations. The commencement of operation of the CRESTCOM Business shall be deemed to occur upon the later of the date that this Agreement is executed or the date that Franchisee completes the initial classroom training program described in **Section 5.1**.

6.7. Active Operations. Unless otherwise agreed to in writing by Crestcom and Franchisee, once Franchisee has commenced operations in accordance with Section 6.6 above, Franchisee must actively promote and maintain its CRESTCOM Business for the entire term of the Franchise Agreement. Franchisee shall be deemed to be an active franchisee so long as Franchisee continues to conduct Crestcom LEADER training seminars each month during the term hereof, and, after the third full calendar quarter of this Agreement, Franchisee generates Gross Revenues equal to or greater than the Monthly Production Goal (as defined in **Section 11.3** below).

7. DEVELOPMENT ASSISTANCE

7.1. Crestcom's Development Assistance. Prior to or simultaneously with the opening of the CRESTCOM Business, Crestcom will provide Franchisee with the following assistance:

a. The initial classroom training program, as described in **Article 5** above and the Procedures Manual.

b. Advice regarding the selection of suppliers of equipment and other items used and Materials offered for sale in connection with the CRESTCOM Business. After execution of this Agreement, Crestcom will make available to Franchisee a list of approved suppliers, if any, of such equipment, items and Materials.

c. The Initial Inventory made available as described in **Section 6.1** above.

d. Access to Crestcom's Procedures Manual in accordance with **Article 8** below.

e. In Crestcom's discretion, Crestcom may also make recommendations or establish requirements regarding the accounting and reporting systems to be used in the CRESTCOM Business.

8. PROCEDURES MANUAL

8.1. Procedures Manual. The primary source and guide to the proper operating and Marketing techniques of a CRESTCOM Business is the Procedures Manual. Crestcom will provide to Franchisee a copy of the Procedures Manual for use during training, and thereafter will make available to Franchisee the Procedures Manual through Crestcom's proprietary, restricted, and confidential licensee's support website, or via another written, audio, video, or online source. The Procedures Manual is

designed to protect Crestcom's reputation and the goodwill of the Marks, it is not designed to control the day-to-day operations of Franchisee's CRESTCOM Business. Franchisee agrees that it will read and learn the Procedures Manual and will comply with it in the development and operation of Franchisee's CRESTCOM Business as an essential aspect of its obligations under this Agreement. Franchisee also agrees to use the Marks and Licensed Methods, any translations of them, and any substitutes for, items that are a technological evolution of, or any part of them, only as specified in the Procedures Manual. Failure of Franchisee to substantially comply with the Procedures Manual may be considered by Crestcom to be a breach of this Agreement. The Procedures Manual will be in the English language. Franchisee may not translate the Procedures Manual without Crestcom's prior written consent, which may be withheld for any reason. Crestcom's consent may be conditioned on Franchisee executing Crestcom's then current form of translation agreement.

8.2. Confidentiality of Procedures Manual Contents. Franchisee agrees to use the Marks and Licensed Methods, any translations of them, and any substitutes for, items that are a technological evolution of, or any part of them, only as specified in the Procedures Manual. The Procedures Manual is the sole property of Crestcom and will be used by Franchisee only during the term of this Agreement and in strict accordance with the terms and conditions hereof and in the Procedures Manual. Franchisee may download and print a copy of the Procedures Manual solely for Franchisee's use in its CRESTCOM Business. Otherwise, Franchisee will not duplicate the Procedures Manual nor disclose the contents thereof to persons other than its Authorized Representatives or officers who have signed a confidentiality and noncompetition agreement in a form approved by Crestcom. Franchisee will return all items comprising the Procedures Manual, or any part thereof, to Crestcom immediately upon the expiration, termination or transfer of this Agreement, or at an earlier date upon written request by Crestcom, by prepaid, insured air freight or other prepaid, insured freight as is pre-approved by Crestcom in writing. If the Procedures Manual or any part thereof is held in any electronic form, Franchisee will immediately delete that information upon expiration, termination, or transfer of this Agreement.

8.3. Changes to Procedures Manual. Since the Procedures Manual is used by all franchisees, distributors, Area Representatives, and area developers of Crestcom, Crestcom may determine that changes are necessary to improve Crestcom's entire system. Therefore, Crestcom reserves the right to revise the Procedures Manual from time to time as it deems necessary. Franchisee, within 10 days of receiving any updated information, will in turn update its copy of the Procedures Manual as instructed by Crestcom and will conform its operations to the updated provisions. A master copy of the Procedures Manual maintained by Crestcom at its principal office, regardless of whether it is in electronic or other form, will be controlling in the event of a dispute regarding the content of any Procedures Manual.

9. OPERATING ASSISTANCE

9.1. Crestcom's Available Services. Crestcom agrees that, during Franchisee's operation of its CRESTCOM Business, Crestcom will provide to Franchisee the following assistance and services:

a. The LaunchPad to Success training program and the PRO Certification training program, as described in **Article 5** above.

b. Periodic training in sales methods, which sales methods are a trade secret of Crestcom and will not be disseminated to third parties by Franchisee without Crestcom's prior written consent.

c. Upon the reasonable request of Franchisee, consultation by telephone or other electronic means regarding the continued operation and management of the CRESTCOM Business and advice regarding sales and training techniques and the Marketing of Materials.

d. Advertising and promotional materials or other marketing materials as may be developed by or for Crestcom, the development and other costs of which may be passed through to Franchisee by a charge for the use or acquisition of such items, and periodic access to sales referrals and Marketing information, which may include Crestcom's confidential international client list ("**International Account List**"). The International Account List will be maintained by Franchisee as confidential and a trade secret of Crestcom, will not be duplicated, and will be returned to Crestcom upon request.

e. Sales leads and market information, if and when such information becomes available to Crestcom, although Crestcom shall have no liability to Franchisee for its failure to provide such information on a timely basis or at all.

f. On-going updates of information and ideas regarding the sales and management training techniques and other information related to the Licensed Methods, including, without limitation, information about special or new Materials or any Live Instruction techniques, all of which may be developed and made available to franchisees, in the sole discretion of Crestcom. Crestcom reserves the right to charge a fee for any such new Materials or support developed and made available to franchisees.

g. A newsletter and best practices guidelines as may be periodically published by Crestcom, which may be made available via the Internet through Crestcom's C.O.A.C.H. site, as defined in **Section 10.10** below, or elsewhere.

h. The training programs to replacement or additional Authorized Representatives and Facilitators of Franchisee during the term of this Agreement. Crestcom reserves the right to charge a tuition or fee, payable in advance, at the then current rates of Crestcom for such training. Franchisee will be responsible for all travel and living expenses incurred by its personnel during the training programs. Further, the availability of the training programs will be subject to space considerations and prior commitments.

i. From time to time, the Additional Meetings described in **Section 5.3** and the Procedures Manual.

9.2. Referral of Other Franchisees and Area Representatives. If Franchisee refers a prospective franchisee or area representative ("**Area Representative**") to Crestcom who was previously unknown to Crestcom, and that person or entity subsequently becomes a franchisee or Area Representative of Crestcom, then Crestcom will provide Franchisee a credit, which may be used to acquire Materials or other items from Crestcom, equal to the lesser of (i) 15 percent of the initial franchise fee or initial area representative fee, as paid by the person or entity referred by Franchisee, or (ii) $10,000.00. If the new franchisee or Area Representative pays its initial franchise fee or its initial area representative fee in installments, the credit will be provided on a pro rata basis by the last day of the month in which funds are received. Otherwise, the credit will be provided when the initial franchise fee or initial area representative fee, is paid in full. This Section shall not apply if Franchisee is also an Area Representative or area developer of Crestcom.

9.3. Supply of Materials. Subject to **Section 10.2** below, Crestcom agrees to supply and distribute to Franchisee such Materials that Franchisee orders, subject to availability of such Materials within Crestcom's own inventory. Certain materials may be made available through an approved supplier

of Crestcom. The inventory of available Materials may be changed or discontinued from time to time by Crestcom, in its sole discretion. The supply and distribution of the Materials to Franchisee will be subject to all terms and conditions related to shipment, allocation, return, restocking, substitution, shipping and handling costs, inventory mix and Materials inventory level requirements as may be described in this Agreement, the Procedures Manual, or other written information made available to Franchisee by Crestcom. Nothing in this Agreement will be construed by Franchisee to be a promise or guarantee as to the continued existence of any particular item within Crestcom's current inventory of Materials. No provision herein shall be deemed to imply or establish an obligation on the part of Crestcom to sell or otherwise deliver Materials to Franchisee if Franchisee is in arrears on any payment or reporting obligations to Crestcom or otherwise in default under this Agreement.

9.4. No Obligation to Repurchase Materials. Crestcom has no obligation to repurchase any Materials from Franchisee, whether provided to Franchisee in the initial supply or a subsequent order, nor to refund all or any part of Franchisee's purchase price for any Materials purchased by Franchisee.

10. FRANCHISEE'S OPERATIONAL COVENANTS

10.1. Orders of Materials. All orders for Materials made by Franchisee during the term of this Agreement will be shipped directly to Franchisee in minimum quantities established by Crestcom or its approved supplier from time to time and as set forth in the Procedures Manual. All orders for Materials must be paid for by Franchisee in full prior to the shipment thereof unless Crestcom or its approved supplier, as applicable, agrees to other payment terms, in its sole discretion. The Materials ordered will be shipped F.O.B., Denver, Colorado U.S.A. and Franchisee will be responsible for paying all costs of shipping and all taxes incurred in connection with the sale and shipment of Materials. These costs and taxes will vary and Crestcom reserves the right to charge additional fees and costs for special shipping services that are necessary or that may be requested by Franchisee. The actual charge to Franchisee for all orders of Materials, other than the Initial Inventory, will be in an amount set forth in Crestcom's then current published price list, as may be changed from time to time. Franchisee understands that Crestcom may change the price charged for Materials upon 30 days prior notice to Franchisee.

10.2. New Materials Surcharge. Crestcom may from time to time produce or acquire new, revised, or updated training programs, which may be provided in audio, video, online, or other media format, that are not part of the Materials existing as of the execution date of this Agreement ("**New Materials**") and make these New Materials available to its franchisees. Franchisee must, within 30 days from the date any New Materials become available, acquire access and rights to New Materials by paying an introductory surcharge of $500.00 per each new unit or module of the New Materials (the "**New Materials Surcharge**") and begin Marketing the New Materials to Clients. The New Materials Surcharge is due on the earlier of (i) the first order of any unit or module of the New Materials; or (ii) 30 days from the date the New Materials become available. As used herein, the term "**Materials**" shall not include any New Materials until Franchisee has paid the New Materials Surcharge in full, and Franchisee shall have no rights to the New Materials until Franchisee pays the New Materials Surcharge in full.

10.3. Optional Training Programs. In addition to the standard selection of sales and management training programs offered through a CRESTCOM Business, Crestcom may from time to time in its discretion offer franchisees the option to acquire rights to offer and conduct certain optional sales and management training programs in their CRESTCOM Businesses (the "**Optional Training Programs**"). Crestcom has no obligation to grant Franchisee those rights. If Franchisee is given the opportunity to acquire rights to offer and conduct an Optional Training Program through its CRESTCOM Business, Crestcom will notify Franchisee of the terms and conditions under which Franchisee may

acquire the rights to the applicable Optional Training Program, which may include but are not limited to additional franchise, license, access and other introductory fees or surcharges, other additional fees or surcharges, qualification requirements, additional training, and different operating specifications or standards. Crestcom may offer each Optional Training Program under a separate franchise agreement, an addendum to this Agreement, or another agreement, in Crestcom's sole discretion, setting forth the terms and conditions for the relevant Optional Training Program. Franchisee must be in good standing under this Agreement to be afforded the opportunity to acquire rights to any Optional Training Programs. Any Optional Training Program may be discontinued by Crestcom in its sole discretion.

10.4. Return of Materials. If Crestcom recalls any Materials or replaces existing Materials with new versions of such Materials, then Franchisee shall, at its sole cost and expense, return to Crestcom such recalled or replaced Materials within 10 days of request by Crestcom.

10.5. Business Operations. Franchisee acknowledges that it is solely responsible for the successful operation of its CRESTCOM Business and that the continued successful operation thereof is, in part, dependent upon Franchisee's compliance with this Agreement and the Procedures Manual. In addition to all other obligations contained in this Agreement and in the Procedures Manual, Franchisee covenants that:

a. Franchisee will maintain a professional and ethical CRESTCOM Business operation and will operate the business in accordance with the Procedures Manual and in such a manner as not to detract from or adversely reflect upon the name and reputation of Crestcom and the goodwill associated with the Marks.

b. Franchisee will conduct itself and operate its CRESTCOM Business in compliance with all applicable laws and regulations and will be solely and fully responsible for obtaining any and all licenses to carry on its CRESTCOM Business. Franchisee will promptly forward to Crestcom copies of all necessary licenses, as and when they become available. Franchisee acknowledges that its federal, state, provincial, regional or local government may have laws and regulations specific to the operation of its CRESTCOM Business. Franchisee further acknowledges that there are laws of a more general nature that may apply to its CRESTCOM Business. In particular, Franchisee acknowledges that certain jurisdictions may have laws that may be applicable in relation to (i) the regulation of training programs, instructional courses, or associated materials, in general or of the specific kind provided by CRESTCOM Businesses, (ii) licensing and permit requirements for the operation of Franchisee's CRESTCOM Business, (iii) the import and export of goods including the Materials, (iv) restrictions or conditions for transferring money out of the country or to Crestcom, (v) the rights of a buyer to cancel a contract if goods or services are not delivered within a certain period of time after the delivery date in the contract, (vi) the regulation of sales and marketing activities, including telemarketing, (vii) requirements for contracts of specific types and in general, (viii) employment of any employees or hiring of any independent contractors, (ix) minimum insurance requirements, (x) taxes imposed based on any activities related to Franchisee's CRESTCOM Business and any related required government filings, (xi) providing products and services to disabled individuals, (xii) privacy and data protection, and (xiii) bribery of or other illegal payments to any government, government agency, public international organization, or political party, or any of their officials, employees, candidates, or other representatives. Crestcom has no obligation to advise Franchisee of any legislative or other legal developments that may affect its CRESTCOM Business. Franchisee is solely responsible for inquiring about and becoming familiar with all applicable laws and regulations, and determining those actions required for compliance. Any information Crestcom provides to Franchisee regarding applicable laws or regulations does not relieve Franchisee of its responsibility to consult with its own legal advisor and otherwise take appropriate action to inquire about and comply with applicable laws and regulations.

c. Franchisee or a designated Principal Representative who has completed Crestcom's initial classroom training program and LaunchPad to Success training program will be responsible for the management of its CRESTCOM Business and for expending his or her best, full time efforts toward the management and operations of the business. A qualified Facilitator shall conduct all Live Instruction.

d. Unless Franchisee receives the written approval of Crestcom, Franchisee will promote and Market only the Materials and Market and conduct only the Live Instruction as from time to time may be approved by Crestcom to assure uniformity of presentation, quality and range of the Crestcom image and system. Unless Franchisee receives the written approval of Crestcom, Franchisee will refrain from offering or engaging in the Marketing of any other business activity, including conducting any business in violation of **Section 19.1** of this Agreement. If Franchisee engages in another type of business or profession or offers any other types of services or products in addition to Franchisee's CRESTCOM Business, whether or not Crestcom has granted its prior written approval to such actions, Franchisee is required to pay to Crestcom Royalty Fees based on the Gross Revenues derived by Franchisee not only from Franchisee's sale of the Materials and Live Instruction, but also, the Gross Revenues derived by Franchisee from such other approved business or activities. If Franchisee operates any other type of business or profession in addition to Franchisee's CRESTCOM Business, whether or not Crestcom has granted its prior written approval to such actions, and Franchisee fails to report to Crestcom the Gross Revenues derived by Franchisee from such other business, profession, or sale, then upon discovery of such non-reporting or under-reporting Franchisee shall immediately pay to Crestcom all of the Royalty Fees with respect to such non-reported or under-reported Gross Revenues, together with an Administrative Fee and Late Charge (as defined in Section **11.7** below) and interest.

e. Franchisee will promptly pay when due all taxes and other obligations due to governmental or quasi-governmental entities or other third parties in the operation of its CRESTCOM Business, including without limitation, unemployment and sales and use taxes, and any and all accounts or other indebtedness of every kind incurred by Franchisee in the conduct of its CRESTCOM Business.

f. Franchisee will comply with all agreements with third parties related to its CRESTCOM Business, including, in particular, all provisions of any agreement related to the Marketing of the Materials or the Marketing or conducting of Live Instruction and any related commitments, such as the commitment to lease premises, including a facility to conduct the Live Instruction.

g. Franchisee will at all times during the term of this Agreement own and control its CRESTCOM Business. Upon request of Crestcom, Franchisee will promptly provide satisfactory proof of such ownership to Crestcom, and, if applicable, the ownership of Franchisee. Franchisee represents that the Statement of Ownership, attached hereto as Exhibit II and by this reference incorporated herein, is true, complete, accurate and not misleading. Franchisee will promptly notify Crestcom of any change in the information contained in the Statement of Ownership, and if requested by Crestcom, execute and deliver a new Statement of Ownership to Crestcom.

h. Franchisee shall participate in and abide by the Multiple Area Sales Program set forth in the Procedures Manual (the "**MAS Program**"), related to sales and servicing of Clients with multi-area needs. Franchisee agrees that in the event of a dispute between Franchisee and another franchisee, distributor, Area Representative, or area developer, or any other party related to the MAS Program, the dispute shall be submitted to Crestcom, whose decision shall be final and binding on Franchisee.

i. All Live Instruction scheduled and conducted by Franchisee will be the sole responsibility of Franchisee. If for any reason Franchisee is unable to conduct any scheduled Live

Instruction for any reason, Crestcom will have the right but not the obligation to assume Franchisee's responsibilities in connection with the conduct of the Live Instruction. In such event, Franchisee agrees to abide by the policies and procedures set forth in the Procedures Manual related to Crestcom conducting Franchisee's Live Instruction.

j. Franchisee will conduct all communications with Crestcom, whether in writing or verbal, only in the English language.

k. Franchisee acknowledges and agrees that Franchisee is solely responsible for all claims and liability related to any products used in its CRESTCOM Business, and that any claims or liability related to such products, including any strict product liability, constitute Claims arising out of the operation of its CRESTCOM Business for which Franchisee is obligated to indemnify Crestcom in accordance with **Section 18.3**.

l. Franchisee must acquire digital and e-mail marketing services from a supplier designated by Crestcom and pay any fees associated with those services to the supplier or Crestcom, as specified by Crestcom.

m. Franchisee shall use any software or online programs required by Crestcom, and comply with all agreements, restrictions, and conditions of any kind, including any software or online programs that provide reporting, tracking, or accounting functions, whether now in existence or hereafter developed or acquired by Crestcom that Crestcom requires Franchisee to obtain or use, and to comply with all agreements, restrictions, and conditions thereof (the "**Mandatory Computer Systems and Programs**"). Franchisee shall pay any fees associated with any Mandatory Computer Systems and Programs, and submit all reports required by Crestcom that are created or generated by such Mandatory Computer Systems and Programs as Crestcom shall require. Crestcom reserves the right during the term of this Agreement, in its sole discretion, to modify, change, alter, and/or otherwise provide Franchisee enhancement and maintenance upgrades to any Mandatory Computer System and Program and/or offer and require different or new programs that may be replacements of or additions to the Mandatory Computer Systems and Programs then being offered, or to discontinue any and all Mandatory Computer Systems and Programs of any kind that may be required by Crestcom.

n. In all communications with Crestcom's representatives, Franchisee and its representatives must conduct themselves in a dignified, respectful, courteous, and professional manner. No hostile, threatening, or offensive statements or behavior toward any Crestcom representative is permitted.

o. Franchisee acknowledges and agrees that certain associations between its CRESTCOM Business, the Marks, and/or the Crestcom system, on the one side, and a political (including a political party or candidate), religious, social, cultural or similar group, member, cause, and/or activities (collectively, a "**Political or Social Cause**"), on the other side, may result in adverse publicity and other adverse impacts on the Marks and/or Crestcom system with certain segments of the public. As such, Franchisee agrees that it will not, without Crestcom's prior written consent, make any statement or take any other action (including posting signs) that could be perceived as promoting, approving, disapproving, publicizing, or otherwise commenting on a Political or Social Cause in any manner that is connected to or associated with the CRESTCOM Business, the Marks, and/or the Crestcom system.

10.6. Continuing Qualification to Conduct Live Instruction. Franchisee will be responsible for ensuring that all Facilitators at all times meet the minimum standards and specifications of Crestcom with respect to continued qualification, and, if required by Crestcom, are certified, as a Facilitator. In its sole discretion, Crestcom or its designee may periodically evaluate any Facilitator to determine his or her

qualification to conduct Live Instruction. If Crestcom determines or has reason to believe that any of Franchisee's Facilitators are not qualified to provide Live Instruction, Crestcom will notify Franchisee in writing and the Facilitator will be required to attend and successfully complete additional training at Franchisee's sole expense before conducting any further Live Instruction.

10.7. Live Instruction Monitoring and Responsibility. Crestcom or its designated representatives will at all times be entitled to monitor or record the Live Instruction conducted by Franchisee, to evaluate the Facilitator, and to otherwise obtain and maintain information from such Live Instruction and from Franchisee regarding such Live Instruction. Upon request, Franchisee shall furnish Crestcom the number, names, addresses and telephone numbers of all attendees of Franchisee's Live Instruction programs. Franchisee agrees that such information constitutes the confidential, proprietary information of Crestcom, and that information related to Franchisee's attendees can be added to and become a part of Crestcom's International Account List and otherwise used by Crestcom as it deems proper. Crestcom may, in its sole discretion, contact any attendee to determine levels of satisfaction, to conduct internal studies, and for such other purposes as Crestcom deems proper.

10.8. Clients With Disabilities. Franchisee agrees that if Franchisee sells any Materials to, or conducts Live Instruction for any individuals who are blind, hearing impaired, or who have other similar physical conditions which may require special equipment or modification of the format of such Materials or Live Instruction, Franchisee shall obtain Crestcom's prior consent to any such modification of the Materials. Franchisee shall be solely responsible for all costs and expenses associated or incurred in the acquisition and use of any special equipment required to be obtained, or in making any approved modifications to the format of the Materials.

10.9. Requirements for Entity Franchisees. If Franchisee is a corporation, partnership, limited liability company or other business entity, Franchise agrees that it and its Principal Representatives will abide by the additional conditions related to entity franchisees that are set forth in the Procedures Manual.

10.10. C.O.A.C.H. Site and Newsletters. Franchisee acknowledges that one of Crestcom's primary methods of communication with Crestcom franchisees, distributors, Area Representatives, and area developers is through its proprietary, restricted, and confidential support website/portal, *Crestcom Operations and Communications Hub* ("**C.O.A.C.H.**"). Franchisee is responsible for knowing all of the information contained in Crestcom's C.O.A.C.H. site, best practices guidelines, and newsletters, and complying with any standards and specifications set forth therein. Crestcom may establish and change the standards and specifications for the operation of a CRESTCOM Business through the C.O.A.C.H. site, best practices guidelines, and newsletters.

11. CONTINUING FEES AND PAYMENTS

11.1. Royalty. Franchisee agrees to pay Crestcom, in addition to payment of any other amounts payable under this Agreement, a continuing royalty ("**Royalty Fee**") in the amount of 19.75 percent of the total amount of Franchisee's Gross Revenues generated from or through its CRESTCOM Business (including any Gross Revenues derived from any other business or profession operated by or through the CRESTCOM Business, whether or not approved by Crestcom in accordance with **Section 10.5.d** above).

11.2. Distribution Fee. Franchisee agrees to pay Crestcom, in addition to payment for the Materials and any other amounts payable hereunder, a distribution fee of $875.00 per month ("**Distribution Fee**").

11.3. Gross Revenues. "**Gross Revenues**" is all receipts and income of any kind generated through Franchisee's CRESTCOM Business or otherwise from the sale, transfer, rental, lending, display, performance or provision of the Materials and the conduct of Live Instruction, other use or sale of the Materials, speaking services, or other materials or services sold or provided by Franchisee, whether or not approved by Crestcom in accordance with **Section 10.5.d** above, including the provision of any products, services or materials for cash or upon credit, or partly for cash and partly for credit, exclusive only of applicable sales taxes. "**Gross Revenues**" also includes the fair market value of any products, services or materials received by Franchisee in barter or exchange for its products, services and materials; provided, however, that Franchisee may exclude from its Gross Revenues for the purposes of determination of the Royalty Fee the fair market value of any barter or exchange arrangement with a Client, pursuant to which the Client is to provide a facility for the conduct of the Live Instruction in exchange for all or a part of the fees which would otherwise be due for the Live Instruction, for one such exchange per calendar year. From time to time, Crestcom may at its sole discretion designate certain programs and services for which the receipts and income will be deemed to be excluded from Franchisee's Gross Revenues for purposes of calculating fees.

11.4. Client Access Fee. Crestcom reserves the right, upon 30 days prior written notice to Franchisee, to require Franchisee to pay Crestcom, in addition to payment of any other amounts payable under this Agreement, a client access fee ("**Client Access Fee**") in an amount set forth in Crestcom's then current published price list, as may be changed from time to time. The Client Access Fee permits Franchisee's Clients to view and utilize the Materials at Client's offices or elsewhere through an online streaming system established and utilized by Crestcom. Franchisee understands that Crestcom may change the price charged for the Client Access Fee upon 30 days prior notice to Franchisee. The Client Access Fee, once due, will be payable at the times and in the manner specified by Crestcom.

11.5. Payments to Crestcom.

a. Franchisee agrees that all fees and other charges due hereunder will be paid by Franchisee in accordance with the payment terms that are set forth in the Procedures Manual, which may be by credit card or ACH as described in **Section 11.5.b** below. Franchisee agrees that Royalty Fee payments will be paid to Crestcom on a weekly basis. Royalty Fee payments will be made no later than Monday of each week based on Gross Revenues for the funds received in the immediately preceding week. For purposes of this Agreement, each week will be considered to start on Monday and end on Sunday. Royalty Fee payments will be accompanied by weekly reports containing information regarding Franchisee's Gross Revenues and such additional information as may be requested by Crestcom. Crestcom will have the right to verify, audit or confirm such Royalty Fee payments from time to time in accordance with **Section 14.3** below, and Franchisee agrees to fully cooperate with Crestcom as related thereto. Franchisee agrees that Distribution Fee payments will be paid to Crestcom on a monthly basis, on or before the fifth day of every calendar month beginning with the first full calendar month following the date of this Agreement.

b. Contemporaneously with the execution of this Agreement and at any later time upon the request of Crestcom, Franchisee shall accurately complete, execute, and deliver to Crestcom (i) a fully completed and executed credit card authorization, which is attached to this Agreement as Exhibit IV (the "**Credit Card Authorization**"); and (ii) an Authorization Agreement for preauthorized payment of any amounts due under this Agreement by electronic transfer of funds from Franchisee's bank account to Crestcom's bank account ("**ACH Withdrawal**"), which is attached to this Agreement as Exhibit V (the "**ACH Authorization**"). Franchisee must also deliver the ACH Authorization to its applicable bank. Franchisee will execute and deliver any replacement or additional Credit Card Authorizations and ACH

Authorizations requested by Crestcom from time to time. These authorizations may be in electronic form, and the payments may be administered through an online system. Crestcom may charge Franchisee's credit card or bank account, at Crestcom's option, each month for the Royalty Fee, Distribution Fee, and/or any other fees or amounts owed to Crestcom when due, including Administrative Fees and Late Charges (as defined in **Section 11.7**). Crestcom may require Franchisee to pay by means other than credit card payment or ACH Withdrawal, whenever Crestcom deems appropriate, and Franchisee agrees to comply with Crestcom's payment instructions and to execute any documents in conjunction with such payment means.

c. Franchisee must at all times during the term of this Agreement (including any renewal terms) maintain at least $5,000.00 in its bank account subject to the ACH Withdrawal and at least one credit card account in good standing and with a minimum available credit line of $5,000.00 covered by the Credit Card Authorization. The bank account and credit card must be dedicated exclusively to the CRESTCOM Business and not used for any other business or non-business purpose. Franchisee agrees to advise Crestcom, within one business day thereafter, if Franchisee changes its bank account or transfers its bank account to another bank, or if any credit card listed in a Credit Card Authorization expires, if Franchisee or the issuer of the card closes the account, or if other changes are made to the credit card account. Franchisee further agrees, within three business days of such change or transfer, to execute and return to Crestcom, and Franchisee's bank if applicable, a replacement ACH Authorization or Credit Card Authorization for a bank account or credit card meeting the requirements of this Agreement, listing the new bank account information or credit card information and all other information required. Franchisee agrees to abide by Crestcom's policies related to the maintenance and use of its credit card as set forth in the Procedures Manual.

d. Upon Crestcom's request, Franchisee will immediately notify its Clients and instruct them to make all payments owed to Franchisee related to the CRESTCOM Business to Crestcom directly, and Franchisee will assign Crestcom those payment rights. Franchisee will provide such additional assistance and cooperation as Crestcom may request in order to arrange for the direct payments to Crestcom. If Franchisee fails to promptly instruct its Clients or take other action requested by Crestcom, Crestcom may notify the Clients directly. When Crestcom receives the direct payments from Clients, Crestcom will deduct any fees or other amounts owed to it by Franchisee, and then deliver the remaining amount to which Franchisee is entitled, if any, to Franchisee within 48 hours of Crestcom's receipt of the good funds from the Clients. Franchisee shall remain responsible for fulfilling any obligations owed by Franchisee to its Clients.

11.6. Monthly Production Goal. Beginning with the first month of the fourth full calendar quarter after execution of this Agreement, Franchisee is required to achieve Gross Revenues on a monthly basis that would be realized from at least two attendees of the Crestcom LEADER training program paying Crestcom's then suggested U.S. minimum retail price (the "**Monthly Production Goal**").

Sales made by Salespersons directly retained by Franchisee shall be credited toward Franchisee's Gross Revenues for purposes of determining if Franchisee has satisfied its Monthly Production Goal.

If during any calendar month, Franchisee fails to meet the Monthly Production Goal, then Crestcom or, if applicable, the Area Representative in Franchisee's Assigned Area, has the right to require the Franchisee to participate in a remedial action plan of Crestcom's and/or the Area Representative's choosing, which may include attending additional training at Franchisee's expense. Franchisee shall be responsible for paying all expenses associated with the additional training, including Crestcom's then-current fee for the additional training, if applicable. If Franchisee (i) fails to follow the remedial action plan, as determined by Crestcom and/or the Area Representative, (ii) fails to meet the Monthly Production Goal on average

over the six months of any two consecutive calendar quarters, or (iii) fails to meet the Monthly Production Goal more than four times in any 24 month period, Crestcom will have the right to revoke any semi-exclusive protections that are granted related to Franchisee's Principal Marketing Area (if one has been assigned to Franchisee), and operate or authorize third parties to operate a CRESTCOM Business anywhere within that Principal Marketing Area without restriction.

If Franchisee (i) fails to meet the Monthly Production Goal on average over the six months of any two consecutive calendar quarters, fails to meet the Monthly Production Goal more than four times in any 24 month period, or fails to comply with the remedial action plan established by Crestcom or the Area Representative, and (ii) has failed to, on average, meet the Monthly Production Goal for the previous 12 months, then Crestcom, in its discretion, will have the right to terminate the Franchise Agreement.

Crestcom has the right, in its sole discretion and on a case-by-case basis, to waive the obligation of Franchisee or any other franchisee of Crestcom to meet the Monthly Production Goal or pay any fees in any month. A waiver of this requirement by Crestcom for any other franchisee will not in any way affect Franchisee's obligation to meet the Monthly Production Goal or pay fees in accordance with this Section.

11.7. Late or Insufficient Payments or Reports. If Franchisee fails to pay any fees or other amounts due Crestcom when due, or deliver any report in accordance with **Article 14** below when due, Franchisee shall, in addition to the payment of such fees or other amounts, pay an "**Administrative Fee**" of $10.00 per late fee or payment, plus a "**Late Charge**" of 3 percent of the actual past due amount. If any payment required to be made by Franchisee is seven or more days late, Franchisee shall also pay interest on any past due amounts at the lesser of 18 percent per annum, or the highest rate allowable per law, accruing from the date of default. This same interest rate shall apply as the post-judgment interest rate, regardless of the applicable statutory rate, in the event of any legal actions related to this Agreement. Crestcom may charge the Administrative Fee, Late Charge, and interest to Franchisee's credit card account, with or apart from the actual past due fees or other amounts owed to Crestcom. If Franchisee fails to pay any fees or other amounts in furtherance of an Act of Deception (as defined in **Section 14.5** below), then the interest due shall be computed in accordance with the terms of **Section 14.5** below.

12. QUALITY CONTROL

12.1. Standards and Specifications. Crestcom will make available to Franchisee standards and specifications for Materials, Live Instruction and related materials and services offered at or through the CRESTCOM Business and the sales and management training techniques, forms, and business methods used in connection with the CRESTCOM Business, which standards and specifications Crestcom reserves the right to change upon 10 days prior written notice to Franchisee. The primary sources for such standards and specifications are the Procedures Manual and *The Crestcom Operations and Communications Hub (C.O.A.C.H.) support website/portal*. Franchisee acknowledges that the Materials, the Live Instruction techniques, and the related business methods are of a dynamic nature and may change, evolve and be enhanced from time to time as deemed necessary and appropriate by Crestcom.

12.2. Approval of Advertising or Promotional Materials. Franchisee will abide by the advertising requirements set forth in the Procedures Manual. Franchisee will obtain Crestcom's prior written approval of all advertising of any kind, including any advertising and promotional materials related to (a) its CRESTCOM Business, (b) the Marketing of Materials or the Marketing or conducting of Live Instruction, (c) the solicitation and promotion of Authorized Representatives, (d) the promotion and marketing of its CRESTCOM Business, and (e) the solicitation and promotion of any brokers or intermediaries engaged by Franchisee to promote or market its CRESTCOM Business. Franchisee must

also notify Crestcom of the intended channels in which such advertising and promotional materials are to be used, and obtain Crestcom's approval of such advertising channels in addition to the content of the materials. Franchisee acknowledges that web pages and websites on the Internet constitute advertising. Franchisee shall not establish or create any web pages or websites on the Internet without Crestcom's prior written approval and then only in accordance with the standards and specifications set forth in the Procedures Manual. Modifications to any advertising, including any web pages or websites, must also be approved by Crestcom. Franchisee acknowledges that advertising and promoting its CRESTCOM Business and the Materials in accordance with Crestcom's standards and specifications is an essential aspect of the Licensed Methods, and Franchisee agrees to comply with all advertising standards and specifications. Crestcom's approval of any advertising or promotional materials may be withheld or withdrawn in Crestcom's sole discretion.

12.3. Restrictions on Services and Materials. If Franchisee proposes to offer, use or Market any services, products, materials, forms, supplies or other items in connection with its CRESTCOM Business that have not previously been approved by Crestcom as meeting its specifications, Franchisee will first notify Crestcom in writing requesting approval. Crestcom may, for any reason whatsoever, elect to withhold such approval. In order to make such determination, Crestcom may require submission of specifications, information, or samples of such services, products, materials, forms, supplies or other items. Crestcom will advise Franchisee within a reasonable time whether such services, products or other items meet its specifications or are otherwise acceptable.

12.4. Approved Suppliers. Franchisee will purchase all items or services used in the operation of its CRESTCOM Business from suppliers designated by Crestcom or from such other suppliers who meet all of Crestcom's specifications and standards as to quality, content, composition and service, and who will adequately demonstrate to Crestcom their capacity and facilities to supply Franchisee. Crestcom will not require any fee to be paid to it to secure supplier approval; provided, however, that Crestcom may, in its sole discretion, require the subject supplier or Franchisee to reimburse Crestcom for any expenses Crestcom incurs in determining if the supplier meets Crestcom's specifications and standards. Crestcom reserves the right to revoke its approval of any supplier by delivery of written notice to Franchisee and supplier, if Franchisee is using that supplier.

12.5. No Modifications to Materials. Franchisee may not modify the Materials or any aspect of the Materials in any manner without the prior written consent of Crestcom. A modification for purposes of this Section shall include, but not be limited to, an addition of any logos, stickers, graphics, or other information to any of the Materials, a covering or concealment of any part of the Materials, or a change in the appearance or content of the Materials. Crestcom may, for any reason whatsoever, elect to withhold its consent to any such modification. In order to make such determination, Crestcom may require submission of specifications, information, or samples of such modified Materials.

13. TRADEMARKS, TRADE NAMES AND PROPRIETARY INTERESTS

13.1. Marks. Franchisee acknowledges that Crestcom has the sole right to license and control Franchisee's use of the Marks and that the Marks will remain under the sole and exclusive control of Crestcom. Franchisee acknowledges that it has not acquired any right, title or interest in the Marks except for the right to use the Marks in the operation of its CRESTCOM Business as it is governed by this Agreement. Franchisee agrees not to contest or oppose, nor to assist anyone else to contest or oppose, Crestcom's application for, or registration of, any of the Marks, or the validity or ownership of the Marks.

13.2. No Use of Other Marks. Franchisee agrees that no trademarks or service marks other than "CRESTCOM®," "CRESTCOM TRAINERS TO THE WORLD®," "CRESTCOM LEADER™,"

"THE BULLET PROOF MANAGER™," "BULLET PROOF®," or such other Marks as may be specified by Crestcom, will be used in the Marketing, promotion or operation of its CRESTCOM Business.

13.3. Licensed Methods. Franchisee acknowledges that Crestcom owns and controls the distinctive plan for the establishment, operation and promotion of CRESTCOM Businesses and all related licensed methods of doing business, defined in this Agreement as the "**Licensed Methods**," which include, but are not limited to, (1) all proprietary information concerning Crestcom's business and the CRESTCOM Businesses; (2) all of Crestcom's financial information other than such financial information as may be filed with government regulatory agencies; (3) franchise and distributorship sales processes and promotional methods and materials; (4) Materials and Live Instruction Marketing methods; (5) sales, motivational and management training techniques; (6) all nonpublic statistical information regarding Crestcom and CRESTCOM Businesses; (7) International Account Lists; (8) the strategic plan, budgets and projections for Crestcom; (9) all information concerning negotiations of any kind conducted by Crestcom whether pending or completed; (10) all marketing research data and marketing plans; (11) all lead generation or prospecting methods; (12) all information contained in Crestcom's Procedures Manual, and any other manual or nonpublic written information about Crestcom, its Materials or Live Instruction; (13) Crestcom's written, video medium, audio medium, online medium, and related documentation and information including that contained on websites or on the Internet which relate to conducting live training programs; and (14) internal lists of Crestcom's current and former franchisees, distributors, Area Representatives, area developers, and Clients, including contact information such as physical addresses and e-mail addresses thereof; all of which constitute trade secrets of Crestcom. Franchisee acknowledges that Crestcom has valuable rights in and to such trade secrets. Franchisee further acknowledges that it has not acquired any right, title or interest in the Licensed Methods except for the right to use the Licensed Methods in the operation of its CRESTCOM Business as it is governed by this Agreement.

13.4. Crestcom's Rights to Modifications and Innovations. In order to maintain the uniformity of the Licensed Methods, if, in the course of operating its CRESTCOM Business, Franchisee develops or improves any aspect of the Licensed Methods, any and all plans, methods, ideas and systems and materials related to such development or improvement shall inure to the benefit of Crestcom, shall be owned by Crestcom as a part of the Licensed Methods, and may, in Crestcom's sole discretion, be made available to other franchisees, distributors, Area Representatives, and area developers of Crestcom.

13.5. Copyrights. Franchisee acknowledges that Crestcom is the owner of the Materials in which it claims a copyright. Franchisee is not acquiring any rights hereunder to make copies or replications of any of the Materials, or any part thereof, or to prepare derivative works therefrom and agrees to refrain from doing so, both directly and indirectly. Franchisee agrees not to register or attempt to register such copyrights in any manner whatsoever.

13.6. Infringement. Franchisee agrees to notify Crestcom in writing of any possible infringement or illegal use by others of a name, symbol, trademark, material or method of operations which is the same as or confusingly similar to any of the Marks, or any copyrighted Materials, or the Licensed Methods, or any part thereof, which comes to its attention. Franchisee acknowledges that Crestcom will have the right, in its sole discretion, to determine whether any action will be taken on account of any possible infringement or illegal use. Crestcom may commence or prosecute such action in Crestcom's own name or may join Franchisee as a party to the action, in either event at Crestcom's expense, if Crestcom determines it to be appropriate or necessary for the continued protection and quality control of the Marks, Licensed Methods or copyrights. Franchisee agrees that, without a fee or other charge to Crestcom, it shall fully cooperate and participate with Crestcom in any such litigation. If Crestcom decides to protect Franchisee related to any infringement, Crestcom will reimburse Franchisee

for its costs, including attorney's fees and courts costs, associated with any litigation commenced or defended on Franchisee's behalf, from amounts Crestcom recovers in litigation (if any), which are in excess of Crestcom's costs.

13.7. Franchisee's Business Name. Franchisee acknowledges that Crestcom has a prior and superior claim to the Marks and Crestcom's corporate name and trade names. Franchisee will not use the designations "CREST," "INTERNATIONAL," "CRESTCOM," "LEADER," "THE BULLET PROOF MANAGER," "BULLET PROOF," "BPM," "KREST" or "KRESTCOM" or any portion or variation thereof, in the legal name of its corporation, partnership or other business entity used in conducting its CRESTCOM Business, nor use any of such Marks or trade names or any portion or variation thereof as part of an electronic mail address or on any websites including social networking websites, or otherwise display them on the Internet in any manner, without the prior written consent of Crestcom, which consent may be withheld for any reason, or which may be conditioned upon Franchisee conditionally assigning the name, e-mail address, or website to Crestcom exercisable upon a default by Franchisee under, or termination or expiration of, this Agreement. Franchisee also agrees not to register or attempt to register any of the Marks or trade names, or any portion or variation thereof, as a domain name on the Internet, nor register or attempt to register a trade name using the designations "CREST," "INTERNATIONAL," "CRESTCOM," "LEADER," "THE BULLET PROOF MANAGER," "BULLET PROOF," "BPM," "KREST" or "KRESTCOM" or any portion or variation thereof, in Franchisee's name or that of any other person or business entity, without the prior written consent of Crestcom, which consent may be withheld for any reason. During the term of this Agreement, Franchisee may reference that it is an "authorized licensee," "franchisee," or similar reference, of Crestcom.

13.8. Change of Marks. If Crestcom, in its sole discretion, determines it necessary to modify or discontinue use of any proprietary Marks, or to develop additional or substitute marks, Franchisee shall, within a reasonable time after receipt of written notice of such a modification or discontinuation from Crestcom, take such action, at Franchisee's sole expense, as may be necessary to comply with such modification, discontinuation, addition or substitution.

14. REPORTS, RECORDS AND FINANCIAL STATEMENTS

14.1. Franchisee Reports. Franchisee will establish and maintain at its own expense a bookkeeping and accounting system, which conforms to the specifications that Crestcom may prescribe from time to time. Franchisee will supply to Crestcom such reports in a manner and form as Crestcom may from time to time require, including weekly reports that are to be completed on a form and in a format as may be prescribed by Crestcom. In particular, Crestcom may require Franchisee to submit its reports electronically through the C.O.A.C.H. site or another software or online program designated by Crestcom. Weekly reports are to be sent to Crestcom in a manner specified by Crestcom, on Monday of each week, with the information relative to the previous week's operations, including but not limited to the names, company names, addresses and telephone numbers for each person who attends a Live Instruction conducted by or for Franchisee. Franchisee shall, upon request by Crestcom, provide to Crestcom annual financial statements. All reports and financial information to be furnished to Crestcom will be signed and verified by Franchisee. Franchisee expressly authorizes Crestcom to use its reported financial information in financial performance representations or other data compilations. Franchisee shall be responsible for any inaccuracies, errors, or omissions in the reports and financial information furnished.

14.2 Accounts; Books and Records. Franchisee must have no more than two operating bank accounts for its CRESTCOM Business, into which all revenues of the CRESTCOM Business are deposited. Franchisee will maintain all books and records for its CRESTCOM Business in accordance

with generally accepted accounting principles acceptable to Crestcom and consistently applied, and preserve these records for at least five years after the fiscal year to which they relate.

14.3. Audit of Books and Records. Franchisee shall maintain its books and records relating to its CRESTCOM Business for at least five years after the fiscal year to which they relate. Crestcom or its designated representatives may inspect and/or audit such records, or any other records of Franchisee or any party affiliated with Franchisee, including but not limited to Franchisee's Principal Representatives, other owners, guarantors, officers, directors, or Authorized Representatives, any immediate family members of Franchisee or of such affiliated parties, or any companies or entities associated with Franchisee or such affiliated parties, that Crestcom in its sole discretion determines may be relevant in determining the business results of Franchisee's CRESTCOM Business; such as verifying that Franchisee has paid all fees and other amounts owed to Crestcom based on the revenues of Franchisee or otherwise. Any such inspection or audit shall be conducted at Crestcom's expense, except that Franchisee will be responsible for any expenses associated with collecting and delivering any documents requested by Crestcom for its inspection or audit. Inspections and audits conducted at the Franchise Location may take place without prior notice, during normal business hours. Crestcom may also require at any time the records from Franchisee or its affiliated parties be sent to Crestcom's offices or another location to permit the inspection or audit of such records to be conducted at Crestcom's place of business or the other location. If Crestcom notifies Franchisee that documents are to be sent to a location other than the Franchise Location for the purpose of conducting an inspection or audit at that location, Franchisee shall provide the requested documents to Crestcom within the time period set forth in Crestcom's notice. Franchisee agrees that Crestcom will have the right to inspect and audit any records of Franchisee or any affiliated party that Crestcom determines to be relevant in its sole discretion, which records may include but are not limited to (i) tax returns; (ii) quarterly and/or annual financial statements, including profit and loss statements and balance sheets; (iii) copies of check ledgers and bank statements for checking and savings accounts; (iv) copies of any checks or other evidence of payments; (v) all contracts or agreements entered into by Franchisee and any third parties related to its CRESTCOM Business, including but not limited to enrollment contracts entered with Clients; and (vi) any other documents requested by Crestcom. Crestcom may audit and inspect documents covering a period beginning with the date on which Franchisee first acquired its CRESTCOM Business and ending on the date such audit is concluded. All documents provided for Crestcom's inspection or audit must be certified by Franchisee and the appropriate affiliated party, if applicable, as true, complete and correct. Inspections and audits may be conducted following the termination or expiration of this Agreement for any reason. If any inspection or audit discloses a deficiency in amounts of payments owed to Crestcom pursuant to this Agreement then such amounts will become immediately payable to Crestcom by Franchisee, with Administrative Fees, Late Charges and interest from the date such payments were due in accordance with **Section 11.7** hereof, except for Acts of Deception which shall be governed by the provisions of **Section 14.5** hereof. In addition, if it is found by any inspection or audit that the Gross Revenues of its CRESTCOM Business have been understated by 2 percent or more during the period audited, or if Franchisee has failed for three or more consecutive reporting periods to submit to Crestcom any required statement or report, Franchisee must pay all reasonable costs and expenses Crestcom incurred in connection with the inspection or audit, including the costs and fees of any independent accountant and the travel and living expenses and compensation of any of Crestcom's employees or agents conducting such inspection or audit.

14.4. Failure to Comply with Reporting Requirements. If Franchisee fails to prepare and submit any statement or report as required under this Article, Crestcom shall have the right to charge the Administrative Fee and Late Charge set forth in **Section 11.7** above. In addition, if Franchisee's failure constitutes an Act of Deception then Crestcom will have the right to proceed in accordance with **Section 14.5**. Crestcom's rights to conduct inspections and audits as provided in **Section 14.3** above may be exercised at any time Crestcom chooses, including at any time Franchisee fails to prepare and submit

any statement or report required under this **Article 14**. Crestcom's right to conduct inspections and audits shall be in addition to all other remedies that are available to Crestcom.

14.5. Act of Deception. Notwithstanding anything to the contrary contained in this Article, if a breach occurs under **Sections 10.5.d, 11.1, 11.2, 11.4, 11.5, 14.1, 14.2, 14.3** and/or **14.4** due to Franchisee failing to pay or report to Crestcom any sales pursuant to the terms established hereunder; or if Franchisee fails to provide any contracts between Franchisee and its Clients to Crestcom; or underpays any amounts owed to Crestcom, including amounts discovered in an audit of Franchisee's books and records; or provides reports to Crestcom that are incomplete, inaccurate or misleading in any respect, and said breach remains uncured for 25 days or more following notice, said act shall be deemed a deceptive act by Franchisee to prevent Crestcom from receiving its fees based on the sale (an "**Act of Deception**"). The occurrence of an Act of Deception would result in serious damage to Crestcom and the Crestcom system in that it would (i) result in Crestcom receiving less compensation than it is entitled; (ii) result in substantial costs to Crestcom in responding to the Act of Deception, based on the need to research Franchisee's activities, contact third parties, coordinate an audit, and/or take other actions; (iii) demand substantial effort and attention of Crestcom's representatives, in turn diverting their attention from their ordinary duties devoted to Crestcom and its services for the Crestcom system; and (iv) encourage other franchisees, distributors, Area Representatives, or area developers of Crestcom to engage in similar acts, thereby contributing to a general atmosphere of noncompliance within the Crestcom system. At the same time, Crestcom and Franchisee acknowledge and agree that these damages, due to their nature, would be difficult to quantify. Therefore, upon discovery of an Act of Deception by Crestcom, Franchisee shall pay Crestcom as liquidated damages and not as a penalty, 100 percent of Franchisee's gross amount of the entire applicable sale or sales involved in the Act of Deception, together with any Administrative Fees and Late Charges in accordance with the terms of this Agreement, plus interest at the highest rate allowable by applicable law on such amount from the first date any fees arising from such sale were due to Crestcom. With respect to an Act of Deception, this interest provision shall supersede any other interest provision in this Agreement. This same interest rate shall apply as the post-judgment interest rate, regardless of the applicable statutory rate, in the event of any legal actions related to an Act of Deception under this Agreement. Additionally, once an Act of Deception is discovered, Crestcom or its designated representatives may conduct an inspection or audit of the records of Franchisee or any of its affiliated parties as stated in **Section 14.3**, provided, however, that any inspection or audit conducted as a result of the discovery of an Act of Deception shall be performed at Franchisee's sole cost and expense and shall be conducted at any time of Crestcom's choosing. Crestcom shall provide written notice to Franchisee of its election to conduct an audit of Franchisee's books and records pursuant to this Section and upon receipt of such written notice, Franchisee shall immediately pay to Crestcom $25,000.00 (the "**Audit Fee**"), which Audit Fee shall be utilized by Crestcom to offset the cost and expenses incurred by Crestcom or its designated representatives in conducting such audit. If the final costs and expenses of the audit are less than the Audit Fee, Crestcom shall either, in its sole discretion, refund the excess portion of the Audit Fee to Franchisee or offset such excess portion of the Audit Fee against other amounts determined to be due to Crestcom. If the actual cost of the audit exceeds the Audit Fee, Franchisee shall pay Crestcom the excess amount within 10 days of written notice of the deficiency and demand for payment. Failure on the part of Franchisee to pay the excess amount shall be deemed a continuing default of Franchisee under this Agreement.

15. TRANSFER

15.1. Transfer by Franchisee. The franchise granted herein is personal to Franchisee and, except as stated below, Crestcom will not allow or permit any Transfer, as defined below, by Franchisee or any owner of Franchisee. The term "**Transfer**," as used in this Agreement, means and includes the voluntary, involuntary, direct or indirect assignment, sale, gift or other similar disposition.

15.2. Pre-Conditions to Franchisee's Transfer. Franchisee will not sell, transfer, sublicense, assign, subfranchise or convey its rights under this Agreement or any interest in it, or all or any part of any business entity that owns it, or all or a substantial portion of the assets of its CRESTCOM Business (in each case, a "**Transfer**"), unless Franchisee and the transferee obtain Crestcom's written consent and they comply with all of the following requirements:

a. Franchisee provides Crestcom written notice of the proposed Transfer not less than 30 days prior to the proposed effective date of the Transfer, such notice to contain information sufficiently detailed to enable Crestcom to evaluate the terms and conditions of the proposed Transfer.

b. Franchisee has paid all amounts due to Crestcom or, if applicable, to Crestcom's affiliates pursuant to this Agreement, and to third parties whose debts or obligations Crestcom has guaranteed on behalf of Franchisee, and is otherwise not in default to Crestcom under this or any other agreement.

c. The transferee satisfactorily completes Crestcom's then current initial franchisee training program, which must be completed by the transferee prior to the effective date of the Transfer. The transferor or the transferee shall be required to pay to Crestcom, at Crestcom's option, a franchisee training fee of $3,500.00 (the "**Transferee Training Fee**"), which shall be payable even if the transferee is experienced in management, sales and personnel development training, and as a result, all or portions of the training program are waived, or if Crestcom authorizes a third party to conduct the training. The Transferee Training Fee will be refunded to the transferee if Crestcom determines that the transferee does not meet Crestcom's qualification requirements or fails to successfully complete Crestcom's initial classroom training program.

d. The transferee assumes in writing all of Franchisee's obligations pursuant to this Agreement, or at the option of Crestcom, the transferee executes a new Franchise Agreement in a form then currently offered by Crestcom, the term of which may end on the expiration date of this Agreement, and which will supersede this Agreement in all respects. If a new Franchise Agreement is signed, the terms thereof may differ from the terms of this Agreement; provided, however, the transferee will not be required to pay any additional initial franchise fee and will not be entitled to receive the Initial Inventory, but the transferee will be required to pay any applicable New Materials Surcharges at or prior to the time of the Transfer.

e. The proposed transferee must be an individual or entity whom Franchisee initially contacted in regard to its CRESTCOM Business (as opposed to an individual or entity who became aware of Franchisee's CRESTCOM Business through the promotional efforts or contacts of Crestcom, through other Crestcom franchisees, distributors, Area Representatives, or area developers, or otherwise learned about Franchisee's CRESTCOM Business by means other than a direct introduction by Franchisee). The proposed transferee shall provide information to Crestcom sufficient for Crestcom to assess the proposed transferee's business experience, aptitude and financial qualifications, and Crestcom will have ascertained that the proposed transferee meets such qualifications.

f. Franchisee executes a consent or transfer agreement, in the form established by Crestcom, which (unless prohibited by law) shall include a general release of any and all claims against Crestcom, its affiliates and their respective officers, directors, employees and agents.

g. Franchisee or the proposed transferee pays Crestcom a transfer fee in the amount of $16,500.00 ("**Transfer Fee**"). The Transfer Fee will be refunded only if the proposed transferee is not

approved in accordance with this Article or does not complete Crestcom's training program to Crestcom's satisfaction.

h. Franchisee agrees to abide by the post-termination covenants set forth in **Article 19** below and elsewhere in this Agreement.

15.3. Crestcom's Approval of Transfer. Crestcom has 15 days from the date of the proposed transferee's successful completion of Crestcom's initial training program to give written approval or disapproval of Franchisee's proposed Transfer. Franchisee acknowledges that the proposed transferee will be provided, if appropriate, with such disclosure documents and other information as may be required by applicable law. If Franchisee and its proposed transferee comply with all conditions for a Transfer as set forth herein and Crestcom has not given Franchisee notice of its approval or disapproval within such period, approval is deemed granted. Crestcom's prior approval of advertising (as specified in **Section 12.2** above and the Procedures Manual) is also required for any advertising related to Franchisee's attempt to sell or to otherwise Transfer its CRESTCOM Business.

15.4. Waiver of Transfer Fee. Crestcom will waive the Transfer Fee set forth in **Section 15.2.g** in regard to the following Transfers, although all other requirements set forth in this **Article 15** shall apply:

a. If Franchisee is a business entity, a Transfer of less than 25 percent of the ownership interest in the Franchisee business entity. If there are multiple Transfers that result in a total Transfer of 25 percent or more of the ownership interest in the Franchisee business entity, then this **Section 15.4** will not apply and Franchisee shall pay the Transfer Fee at such time as the 25 percent level is reached.

b. If Franchisee is one or more individuals, a Transfer from such individual or individuals to a business entity wholly owned and controlled by them, so long as this Agreement is not signed as part of Franchisee's exercise of successor franchise rights and such Transfer occurs no later than 90 days following the date of this Agreement. Any entity transferee shall comply with the terms of **Section 10.9** and the Procedures Manual.

15.5. Franchisee's Death or Disability. Upon the death or permanent disability of Franchisee (or an individual owning more than a 25 percent interest in the Franchisee entity), the executor, administrator, conservator, guardian or other personal representative of such person will Transfer Franchisee's interest in this Agreement (or such interest in the Franchisee entity) to a third party approved by Crestcom. Such Transfer of this Agreement (or such interest), including, without limitation, Transfer by bequest or inheritance, will be completed within a reasonable time, not to exceed 120 days from the date of death or permanent disability, and will be subject to all terms and conditions applicable to Transfers contained in this Article. However, in a Transfer under this Section, there will be no Transfer Fee charged by Crestcom but the proposed transferee will be responsible for attending and completing, at the proposed transferee's sole expense, the initial training program and paying the Transferee Training Fee set forth in **Section 15.2.c** above. Failure to Transfer the interest in this Agreement or such interest in the Franchisee entity within the given period of time shall, at the option of Crestcom, constitute a breach of this Agreement. For the purposes hereof, the term "**permanent disability**" will mean a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Franchisee or the owner of more than a 25 percent ownership interest in Franchisee entity from supervising the management and operation of the CRESTCOM Business for a period of 120 days from the onset of such disability, impairment or condition.

15.6. Transfer by Crestcom. This Agreement is fully assignable by Crestcom and will inure to the benefit of any assignee or other legal successor in interest. If Crestcom assigns this Agreement to a third party who expressly assumes Crestcom's obligations under this Agreement, Crestcom will be relieved from any performance or other obligations under this Agreement.

16. TERM AND EXPIRATION

16.1. Term. The term of this Agreement is for a period of seven years from the date of this Agreement, unless sooner terminated as provided herein. Franchisee agrees to actively operate the CRESTCOM Business for the entire term of this Agreement.

16.2. Continuation. If Franchisee continues to operate its CRESTCOM Business with Crestcom's express or implied consent following the expiration or termination of this Agreement, the continuation will be a month-to-month extension of this Agreement. This Agreement will then be terminable by either party on 30 days written notice. Otherwise, all provisions of this Agreement will apply while Franchisee continues to operate its CRESTCOM Business.

16.3. Rights Upon Expiration. At the end of the term hereof, provided Franchisee is not in default hereunder either at the time of notice of exercise of its successor franchise rights or at the time of the grant of successor franchise rights, Franchisee will have the option to obtain a successor franchise for three additional terms of seven years each, by acquiring successor franchise rights, unless Crestcom declines to offer a successor franchise in accordance with **Section 16.5** below, provided that Franchisee:

a. At least 30 days prior to expiration of the term of this Agreement, executes the form of Franchise Agreement then in use by Crestcom, which may have terms substantially different than those set forth in this Agreement.

b. Has maintained compliance with all provisions of this Agreement, including the payment on a timely basis of all fees and other payments due hereunder. "**Compliance**" means, at a minimum, that Franchisee has not received written notification from Crestcom of breach hereunder more than three times during the term hereof.

c. Maintains or modifies the CRESTCOM Business and its operations at Franchisee's sole expense (the necessity of which will be in the sole discretion of Crestcom) to conform with the then current Procedures Manual and Licensed Methods.

d. Executes a successor franchise rider in the form then in use by Crestcom.

e. Pays Crestcom a successor franchise fee in the amount of $3,500.00 ("**Successor Franchise Fee**") upon each exercise of the successor franchise rights. The Successor Franchise Fee will be due and payable upon execution of Crestcom's then current Franchise Agreement and will be nonrefundable under all circumstances once paid. The Successor Franchise Fee is paid in lieu of an additional initial franchise fee.

f. Pays Crestcom all New Materials Surcharges that are required to obtain the then existing Materials available under the new Franchise Agreement, if Franchisee has not paid the New Materials Surcharges for such Materials under this Agreement. The New Materials Surcharges will be due and payable upon execution of Crestcom's then current Franchise Agreement and will be nonrefundable under all circumstances once paid.

16.4. Exercise of Option for Successor Franchise. Franchisee may exercise its option for a successor franchise by giving written notice of such exercise to Crestcom not less than 120 days prior to the scheduled expiration of this Agreement. Franchisee's successor franchise rights will become effective by signing the Franchise Agreement then currently being offered to new franchisees of Crestcom and a successor franchise rider, and by paying the Successor Franchise Fee as described in **Section 16.3** above. If Franchisee fails to give Crestcom timely notice in accordance with this **Section 16.4**, then this Agreement will, at Crestcom's option, expire in accordance with its terms and Crestcom shall have no obligation to grant any additional or successor franchise rights pursuant to **Section 16.3** above.

16.5. Conditions of Refusal. Crestcom will not be obligated to offer Franchisee a successor franchise upon the expiration of this Agreement if Franchisee fails to comply with any of the above conditions of exercising a successor franchise. Upon the expiration of this Agreement, Franchisee will comply with the provisions of **Section 17.5** below.

17. TERMINATION AND DEFAULT

17.1 Termination by Crestcom - Effective Upon Notice. Crestcom will have the right, at its option, to terminate this Agreement and all rights granted Franchisee under this Agreement, without affording Franchisee any opportunity to cure any default, except as set forth in any applicable laws to the contrary which cannot be modified by agreement, effective upon written notice to Franchisee, upon the occurrence of any of the following events:

a. Unauthorized Disclosure. Franchisee intentionally or negligently discloses to any unauthorized person the contents of or any part of Crestcom's Procedures Manual or any other trade secrets or confidential information of Crestcom.

b. Abandonment. Franchisee ceases to operate its CRESTCOM Business or otherwise abandons its CRESTCOM Business for a period of 30 consecutive days, or any shorter period that indicates an intent by Franchisee to discontinue operation of its CRESTCOM Business, unless and only to the extent that full operation of its CRESTCOM Business or any substantial part thereof is suspended or terminated due to an Act of God beyond Franchisee's control and not related to the availability of funds to Franchisee.

c. Insolvency; Assignment. Franchisee or any of its guarantors becomes insolvent or is adjudicated a bankrupt; or any action is taken by Franchisee or any guarantor, or by others against Franchisee or any guarantor under any insolvency, bankruptcy or reorganization act (this provision may not be enforceable under U.S. federal bankruptcy law, 11 U.S.C. § 101 et seq.), or if Franchisee or any guarantor makes an assignment for the benefit of creditors, or a receiver is appointed for Franchisee or any guarantor.

d. Unsatisfied Judgments; Levy; Foreclosure. Any material judgment (or several judgments which in the aggregate are material) is obtained against Franchisee and remains unsatisfied or of record for 30 days or longer (unless a supersedeas or other appeal bond has been filed); or if execution is levied against Franchisee's CRESTCOM Business or any of the property used in the operation of the CRESTCOM Business and is not discharged within five days; or if the real or personal property of Franchisee's CRESTCOM Business is to be sold after levy thereupon by any sheriff, marshal or constable and is not discharged within five days.

e. Criminal Conviction. Franchisee or any of its Principal Representatives are convicted of a felony, or a crime involving moral turpitude, or any other crime or offense that is reasonably likely,

in the sole opinion of Crestcom, to materially and unfavorably reflect on the Licensed Methods, Marks, goodwill or reputation of Crestcom.

f. **Sexual Harassment or Discrimination.** Crestcom receives credible evidence, which it verifies to its satisfaction, that Franchisee, its Principal Representative, or any other Authorized Representative of Franchisee, has sexually harassed or intimidated any individual or intentionally engaged in any racial, ethnic, religious, sexual, or other offensive discrimination against any individual or group.

g. **Act of Deception.** Crestcom discovers that Franchisee has committed an Act of Deception, as defined in **Section 14.5**.

h. **Repeated Noncompliance.** Franchisee has received three notices of default from Crestcom during the term of this Agreement, regardless of whether the prior defaults were cured by Franchisee.

i. **Unauthorized Transfer.** Franchisee or its owner(s) make a Transfer without complying with the provisions of **Article 15** above.

j. **Unauthorized Conduct of Live Instruction.** Franchisee Markets or conducts, directly or indirectly, Live Instruction outside of its Assigned Area without the prior authorization of Crestcom.

k. **Unauthorized Solicitation of Authorized Representatives.** Franchisee hires or engages the services of, or attempts to hire or engage the services of, a current or former (if hired or engaged within 30 months of the previous employment) Authorized Representative of a then current Crestcom franchisee or distributor, or of Crestcom, including without limitation, employees, independent agents, Facilitators, Salespersons or telemarketers who are or have been Authorized Representatives of such then current franchisee, distributor or Crestcom.

l. **Unauthorized Sales Outside of Assigned Area or Principal Marketing Area.** Franchisee or any of its Authorized Representatives sell, lend, trade or otherwise distribute Materials outside of the Assigned Area or, if a Principal Marketing Area is assigned to Franchisee, the Principal Marketing Area, without Crestcom's prior written consent, which consent may be withheld for any reason.

m. **Unauthorized Purchase, Resale or Transfer of Materials.** Franchisee purchases any Materials from, or sells, lends, reships, transships or otherwise distributes Materials purchased or otherwise acquired from or through Crestcom or its approved supplier to, any other current or former CRESTCOM franchisee, distributor or other reseller of the Materials, either within or outside of the Assigned Area, without the prior written consent of Crestcom.

n. **Unauthorized Duplication or Modification of Materials.** Franchisee duplicates, except as is permitted by the Procedures Manual, or alters, decompiles, disassembles or otherwise reverse engineers the Materials.

o. **Violation of Covenant Not to Compete or Other Restrictive Covenant.** Franchisee, or any officer, director, shareholder, partner, or member of Franchisee (as applicable), or any member of his, her or their immediate families, violates the covenant not to compete or any other restrictive covenant contained in **Article 19** below.

p. **Failure to Complete Training.** Franchisee or its Principle Representative (as applicable) fails to successfully complete Crestcom's initial training program, LaunchPad to Success training program, or any mandatory Additional Meetings, or Franchisee has no Facilitators that have successfully completed the PRO Certification training program within the required time.

q. **Inadequate Guaranties.** Any guaranty of this Agreement fails to be a continuing obligation fully enforceable against the guarantor signing the guaranty, or there is any inadequacy of the guaranty or guarantor and the guarantor is unable to provide adequate assurances as required by Crestcom.

r. **Patriot Act.** Franchisee, or any officer, director, member, manager, or partner of Franchisee (as applicable) violates or becomes subject to United States Executive Order 13224 or The Uniting and Strengthening America by Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**Patriot Act**").

s. **Noncompliant Legal Actions.** Franchisee or any of the Franchisee Affiliates (defined in **Section 21.5**) files a lawsuit or commences other legal action against Crestcom or any of the Crestcom Affiliates (defined in **Section 21.5**) that does not comply with the dispute resolution provisions contained in **Article 21** below as may be modified by any applicable rider in Exhibit VI, and fails to have the action dismissed within seven days of Crestcom's demand.

t. **Breach of Related Agreement.** Franchisee defaults under any term of any agreement with a Client or any other agreement material to its CRESTCOM Business or any other agreement between Crestcom or any of its affiliates, Area Representatives, area developers, distributors, or other franchisees and Franchisee, and such default is not cured within the time specified in such other agreement; provided, however, so long as any financing from the United States Small Business Administration remains outstanding that is secured by the assets of its CRESTCOM Business, Franchisee will be given the same opportunity to cure defaults under any agreement between Crestcom or its affiliates and Franchisee, as Franchisee is given under this Agreement.

17.2. **Termination by Crestcom - Ten Days' Notice.** Crestcom will have the right to terminate this Agreement, effective upon 10 days written notice to Franchisee, except as set forth in any mandatory applicable laws, if Franchisee breaches any other provision of this Agreement and fails to cure the default during such 10-day period; provided if the breach is curable, but is of a nature which cannot be reasonably cured within such 10-day period and Franchisee has commenced and is continuing to make good faith efforts to cure the breach during such 10-day period, Franchisee will be given an additional reasonable period of time not to exceed 90 days to cure the same, and this Agreement will not terminate. Unless cured, this Agreement will, at Crestcom's option, terminate without further notice to Franchisee, effective upon expiration of the 10-day period, or such longer period. The foregoing provisions regarding an additional period of time to cure a default shall not apply to any monetary defaults. Defaults will include, but not be limited to, the following:

a. **Failure to Maintain Standards.** Franchisee fails to maintain the then-current operating procedures and standards established by Crestcom as set forth in this Agreement or in the Procedures Manual or otherwise communicated to Franchisee.

b. **Failure to Pay When Due or File Reports.** Franchisee fails to pay any amounts due to Crestcom, including but not limited to the monthly Distribution Fee, or file any reports when the same are due and payable under this Agreement; provided, however if Franchisee (i) fails to comply with an assigned remedial action plan established based on Franchisee's failure to meet the Monthly Production

Goal or if it fails to meet the Monthly Production Goal on average over the six months of any two consecutive calendar quarters or in any more than four months in a 24 month period, and (ii) has failed to, on average, meet the Monthly Production Goal in the previous 12 months, then no notice shall be required for termination by Crestcom.

c. **Misuse of Marks.** Franchisee misuses or fails to follow Crestcom's directions and guidelines concerning use of Crestcom's Marks.

d. **Failure to Maintain Insurance.** Franchisee fails to procure, maintain or provide evidence to Crestcom of insurance in a form and amount required by the Procedures Manual.

e. **Deceptive Practices.** Franchisee engages in any unauthorized business or practice or sells any unauthorized product or service under Crestcom's Marks or under a name or mark which is confusingly similar to Crestcom's Marks.

f. **Failure to Obtain Consent.** Franchisee fails, refuses or neglects to obtain Crestcom's prior written approval or consent as required by this Agreement, other than the failure to obtain a consent under **Section 17.1** above.

g. **Failure to Comply with Manual.** Franchisee fails or refuses to comply with the then current requirements of the Procedures Manual, other than the failure to comply in a manner described in **Section 17.1** above.

h. **Improper Conduct.** Except as is provided in **Section 17.1** above, Franchisee conducts its CRESTCOM Business in a manner which is harmful to Crestcom, its affiliates, or its image and system.

17.3. **Crestcom's Right to Suspend Services on Franchisee's Default.** If Crestcom has provided Franchisee with a notice of any default pursuant to this **Article 17,** in addition to Crestcom's other remedies, Crestcom reserves the right, on behalf of itself and the Crestcom Affiliates, to suspend any services to be provided by Crestcom or any Crestcom Affiliate or the sales of any products to Franchisee by Crestcom or any Crestcom Affiliate until such time as Franchisee cures the default. The services that may be suspended include but are not limited to any services related to advertising or promotion of Franchisee's CRESTCOM Business such as the listing of Franchisee's CRESTCOM Business on any website. The suspension may continue until Franchisee has cured each default identified in the default notice from Crestcom and Franchisee is deemed to be in good standing. Franchisee is not relieved of any obligation to pay any fees during the term of any suspension. The rights afforded to Crestcom in this **Section 17.2** are in addition to any other rights of Crestcom upon a default by Franchisee.

17.4. **Termination by Crestcom - Continuing Force Majeure Event.** Crestcom will have the right, at its option, to terminate this Agreement and all rights granted Franchisee under this Agreement, except as set forth in any applicable laws to the contrary which cannot be modified by agreement, effective upon written notice to Franchisee, in the event of a force majeure event as described in **Section 22.16** below that continues for a period of six consecutive months or longer and which prevents Crestcom from performing its obligations hereunder.

17.5. Termination by Franchisee. Franchisee shall have the following rights of termination:

a. Provided Franchisee is not in default hereunder at the time of notice of termination or on the effective date of termination, Franchisee may terminate this Agreement at any time after the first anniversary of this Agreement, by providing Crestcom with written notice of termination not less than one year prior to the effective date of termination and complying with the post termination obligations set forth in **Section 17.6** hereof.

b. Franchisee shall have the right to terminate this Agreement due to a material breach of this Agreement by Crestcom, provided Franchisee provides Crestcom with written notice of the breach within 30 days of the breach and a reasonable opportunity to cure such breach, which shall in no event be less than 90 days. Notwithstanding the foregoing, if the breach is curable, but is of a nature which cannot be reasonably cured within a 90-day or other given period and Crestcom has commenced and is continuing to make good faith efforts to cure the breach during the given period, Crestcom will be given an additional reasonable period of time to cure the breach.

17.6. Obligations of Franchisee Upon Termination or Expiration. Franchisee is obligated upon termination or expiration of this Agreement to immediately do all of the following:

a. Pay to Crestcom all fees and any and all amounts or accounts payable then owed to Crestcom or its affiliates pursuant to this Agreement, or pursuant to any other agreement, whether written or oral, between the parties. In the event of a termination due to a default by Franchisee, the amounts due to Crestcom shall include an amount equal to the Royalty Fees that would have been payable based on Gross Revenues meeting the Monthly Production Goal and the Distribution Fees for each month from the date of termination through the remainder of the term of the Agreement had it not been terminated.

b. Cease to identify itself as a Crestcom franchisee or publicly identify itself as a former Crestcom franchisee, except as provided in **Section 17.6.i** below.

c. Cease to identify itself or its former CRESTCOM Business as being, or having been, associated with Crestcom.

d. Cease using any of the Licensed Methods and Marks, trade names, trade secrets, Materials and Live Instruction or any items identified with the CRESTCOM Business, except as provided in **Section 17.6.i** below.

e. Cease the Marketing of all Materials and the use or display of all advertising (including websites, social media sites, or other sites on the Internet), training or operations audio, video, or online media, forms or other items bearing any of the Marks or otherwise identified with Crestcom and obtained by and in connection with this Agreement.

f. Deliver to Crestcom at Franchisee's expense, by prepaid insured air freight or other means of delivery acceptable to Crestcom, the Materials, or any part thereof, and all related materials provided by Crestcom or its approved supplier, the Procedures Manual, the International Account List and all other materials, documents or written information that contain any of the Marks or that Crestcom considers proprietary, together with all copies thereof, along with Franchisee's written certification that all copies thereof have either been returned or destroyed. Any such items held in electronic format shall be deleted. If Crestcom is required by applicable law to repurchase any Materials from Franchisee, then the purchase price payable by Crestcom to Franchisee for such Materials shall be equal to the wholesale price of such Materials discounted by 3 percent for each month that such Materials are in Franchisee's

possession or control. If all of these items are not returned to Crestcom within two weeks of the date of termination or expiration of this Agreement, Franchisee will be obligated to pay to Crestcom a weekly late return fee of $250.00 for each week that Franchisee does not return all of these items to Crestcom.

g. Take such action as is required to cancel all fictitious or assumed names or equivalent registrations relating to its use of any Marks, or, at the option of Crestcom, assign the Marks, without remuneration, to Crestcom.

h. Notify the telephone company, all telephone directory publishers, domain name registration companies, and social media website operators, of the termination or expiration of Franchisee's right to use any telephone number, domain name, social media websites or accounts, and any regular, classified or other telephone directory listings associated with any Mark and complete all forms, and provide other necessary notification to authorize the transfer of all such telephone and fax numbers, domain name registrations, social media websites or accounts, and directory listings to Crestcom or its designee. Franchisee acknowledges that, as between Franchisee and Crestcom, Crestcom has the sole rights to and interest in all telephone, telecopy or facsimile machine numbers and directory listings, all domain names, and social media websites or accounts associated with any Mark.

i. If required by Crestcom, conduct any Live Instruction that is already scheduled but which is to be conducted after the effective date of termination or expiration, including any Live Instruction scheduled pursuant to the MAS Program, but only at the written directive of Crestcom. Franchisee, on or prior to the effective date of termination or expiration, will provide to Crestcom information regarding any scheduled Live Instruction and Crestcom will notify Franchisee within five days thereafter as to the scope of Franchisee's responsibility for completing the scheduled Live Instruction.

j. If required by Crestcom, notify any Clients who owe payments to Franchisee and instruct them to make those payments directly to Crestcom, in accordance with **Section 11.5.d**.

k. Execute a termination agreement in a form required by Crestcom.

l. Abide by all restrictive covenants set forth in **Article 19** of this Agreement.

17.7. Exercise of Rights. Crestcom's rights hereunder are cumulative and no exercise or enforcement by Crestcom of any right or remedy hereunder shall preclude the exercise or enforcement by Crestcom of any other right or remedy which Crestcom is entitled to enforce by law.

17.8. Terminology. For purposes of this Agreement, wherever the term "expiration" or "termination" is used, it is intended to refer to both situations, unless the context indicates otherwise. Any terms herein that apply upon expiration or termination shall also apply to a transferor upon a Transfer.

17.9. Conflicting Laws. THE PARTIES ACKNOWLEDGE THAT IF THE TERMS OF THIS AGREEMENT REGARDING TERMINATION OR EXPIRATION ARE INCONSISTENT WITH APPLICABLE LAW, SUCH LAW WILL GOVERN FRANCHISEE'S RIGHTS REGARDING TERMINATION OR EXPIRATION OF THIS AGREEMENT.

18. BUSINESS RELATIONSHIP

18.1. Business Relationship. The parties agree that each of them is an independent businessperson or entity, their only relationship is by virtue of this Agreement and that no fiduciary relationship is created hereunder. Neither party is liable or responsible for the other's debts or obligations, nor will either party be obligated for any damages to any person or property directly or indirectly arising out of the operation of the other party's business authorized by or conducted pursuant to this Agreement. Crestcom and Franchisee agree that neither of them will hold itself out to be the agent, employer or partner of the other and that neither of them has the authority to bind or incur liability on behalf of the other. Franchisee will include a standard signature block in all e-mail communications identifying itself as an independent franchisee of Crestcom. Neither this Agreement nor the course of conduct between Crestcom and Franchisee is intended, nor may anything in this Agreement (or the course of conduct) be construed, to state or imply that Crestcom is the employer of Franchisee's Authorized Representatives, or vice versa. Notwithstanding any other provisions in this Agreement, Crestcom shall not be responsible for supervising the activities of Franchisee's CRESTCOM Business or ensuring that the CRESTCOM Business is operated in compliance with applicable laws.

18.2. Third Party Obligations. Crestcom will have no liability for Franchisee's obligations to pay or otherwise fulfill Franchisee's obligations to any third parties, including without limitation, obligations to provide Live Instruction, payments owed to any product vendors, or liability for any sales, use, service, occupation, excise, gross receipts, income, property or other tax levied upon Franchisee, Franchisee's property, Franchisee's CRESTCOM Business or upon Crestcom in connection with the sales made or business conducted by Franchisee, except any taxes Crestcom is required by law to collect from Franchisee with respect to purchases from Crestcom.

18.3. Indemnification. Franchisee agrees to indemnify, release, defend and hold harmless Crestcom, its subsidiaries and affiliates, and their respective shareholders, directors, officers, employees, agents, successors and assignees, (the "**Indemnified Parties**") against, and to reimburse them for all Claims, defined below, based on (a) any and all third party obligations described in **Section 18.2**, and (b) any and all claims, obligations and liabilities directly or indirectly arising out of (i) the operation of the CRESTCOM Business, (ii) the use of the Marks and Licensed Methods in any manner not in accordance with this Agreement, or (iii) the violation of any laws including labor and employment laws. This indemnity includes any Claims arising from the acts or omissions of Franchisee's Authorized Representatives. For purposes of this indemnification, "**Claims**" include all obligations, actual and consequential damages and costs reasonably incurred in the defense of any claim against the Indemnified Parties, including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. Crestcom will have the right to defend any such Claim against it. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

19. RESTRICTIVE COVENANTS

19.1. Non-Competition During Term. Franchisee acknowledges that, in addition to the license of the Marks hereunder, Crestcom has also licensed commercially valuable information which comprises and is a part of the Licensed Methods, including without limitation, operations, Marketing, advertising and related information and materials and that the value of this information is derived not only from the time, effort and money which went into its compilation, but from the usage of the same by all the franchisees, distributors, Area Representatives, and area developers of Crestcom using the Marks and Licensed Methods. Franchisee therefore agrees that other than its CRESTCOM Business licensed herein, neither Franchisee nor any of Franchisee's officers, directors, shareholders, partners, or members, nor any

member of his, her or their immediate families, nor any Authorized Representative, will during the term of this Agreement and any extensions hereto:

a. have any direct or indirect controlling interest as a disclosed or beneficial owner in a "Competitive Business," as defined below; or

b. perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business.

The term "**Competitive Business**" as used in this Agreement means any business operating, or granting franchises, licenses or distributorships to others to operate, a business that offers sales, motivational, office professional or personnel profiling or evaluation, personnel development, recruiting, customer service, or management training or consulting, or other business or personnel development advice, aptitude, personnel assessment services or materials or training to individuals, companies or other organizations; or that sells or provides training or instruction, books, manuals, written materials, audio media, video media, online media, or similar materials of any kind transmitted by any form of electronic medium providing instruction and advice in sales, motivational, office professional or personnel development, recruiting, customer service, management training, personnel profiling or evaluation, or other business or personnel development advice or training. However, Franchisee will not be prohibited by this Agreement from owning securities, on a passive basis, in a Competitive Business if such securities are listed on a stock exchange or traded on the over-the-counter market and represent 2 percent or less of that class of securities issued and outstanding.

19.2. Post-Termination Covenant Not to Compete. Upon termination or expiration of this Agreement for any reason, Franchisee and its officers, directors, shareholders, partners and/or members agree that, for a period of 30 months commencing on the effective date of termination or expiration, or the date on which Franchisee ceases to conduct business, whichever is later, neither Franchisee nor its officers, directors, shareholders, partners, members, or any Authorized Representative will have any direct or indirect interest, whether through a member of any immediate family or otherwise, as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent or in any other capacity in any Competitive Business, defined above, located or operating within the Assigned Area or within the Assigned Area of any other franchised, licensed or company-owned CRESTCOM Business. Franchisee and its officers, directors, shareholders, partners and/or members expressly acknowledge that they possess business and career skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Section will not deprive them of their personal goodwill or ability to earn a living. If Franchisee, or any of its officers, directors, shareholders, members, partners or Authorized Representatives, breaches this Section, the 30-month period shall start on the date that such person is enjoined from competing or stops competing, whichever is later.

19.3. No Diversion of Businesses or Employees. Franchisee and its officers, directors, shareholders and/or partners agree that, during the term of this Agreement and for a period of 30 months commencing on the effective date of termination or expiration, or the date on which Franchisee ceases to conduct business, whichever is later, neither Franchisee nor its officers, directors, shareholders and/or partners will directly or indirectly, through a member of any immediate family or otherwise, divert or attempt to divert any business related to Crestcom's business or any other Crestcom franchisee's, distributor's, Area Representative's, or area developer's business, or any customer or account of any CRESTCOM Business, Area Representative's business, or area developer's business, or divert or attempt to divert the employment of any employee or other Authorized Representative of Crestcom or another franchisee, distributor, Area Representative, or area developer licensed by Crestcom to use the Marks and

Licensed Methods, to any CRESTCOM Business operated by Franchisee or to any Competitive Business by any direct inducement or otherwise.

19.4. Prohibition Against Redistribution. Franchisee will not in any manner reship, transship, lend, distribute or sell any of the Materials purchased or otherwise acquired from or through Crestcom or its approved supplier to another current or former Crestcom franchisee, distributor or any other reseller of the Materials, either within or outside of the United States. Franchisee will sell the Materials purchased through Crestcom only from or through its CRESTCOM Business and only to Clients who are the actual end users of the Materials. In addition, Franchisee will not purchase nor accept Materials from any other current or former Crestcom franchisee or distributor, without the prior written consent of Crestcom.

19.5. Prohibition Against Relationships With Talent. During the term of this Agreement, and for a period of 30 months after the termination or expiration of this Agreement, Franchisee agrees not to contact any of the talent or video faculty members who appear in the Materials for the purpose of directly or indirectly engaging or utilizing such talent in Franchisee's CRESTCOM Business or in any Competitive Business, to enter into any business dealings or arrangements with such persons, or to broker any business dealings or arrangements involving the services of such individuals. The term "**talent**" shall mean the video faculty members who have contracted with Crestcom, either as of the date of this Agreement or at any time during the term of this Agreement and any successor franchise terms, to present their areas of expertise in the Materials for use by Crestcom and its franchisees, distributors, Area Representatives, and area developers.

19.6. Post-Termination Prohibition Against Relationships With Franchisees. For a period of 30 months after the termination or expiration of this Agreement, Franchisee agrees not to hire, attempt to hire or otherwise enter into any business dealings or arrangements with any current or former Crestcom franchisees, distributors, Area Representatives, or area developers for the purpose of using such current or former franchisee's, distributor's, Area Representative's, or area developer's services or materials in any Competitive Business.

19.7. Non-Interference. During the term of this Agreement and for a period of 30 months thereafter, neither Franchisee nor its officers, directors, partners, members, managers, employees, agents, or representatives shall interfere with the business of Crestcom by interfering with or disrupting, or attempting to interfere with or disrupt, the relationship, contractual or otherwise, between Crestcom and any of its existing or prospective franchisees, distributors, Area Representatives, area developers, customers, talent, suppliers, partners or joint venturers. If Franchisee breaches the terms of this Section, Franchisee agrees to pay Crestcom, as liquidated damages, and not as a penalty, an amount equal to the then current initial franchise fee due for the type of franchise originally sold by Crestcom to Franchisee per occurrence.

19.8. Confidentiality of Proprietary Information. Franchisee will treat as proprietary and confidential all information it receives that is a part of the Licensed Methods licensed hereunder, including but not limited to the sales process and methodology and the Materials used in its CRESTCOM Business. Franchisee will not use or duplicate such information in any unauthorized manner nor disclose the information to any unauthorized person, including in any business that may be competitive with Crestcom, without first obtaining Crestcom's written consent. Franchisee acknowledges that the Marks and the Licensed Methods have valuable goodwill attached to them, that the protection and maintenance thereof is essential to Crestcom and that any unauthorized use or disclosure of the Marks and Licensed Methods will result in irreparable harm to Crestcom.

19.9. Confidentiality Agreements and Training Agreements. Crestcom reserves the right to require that Franchisee cause each of its officers, directors, shareholders, partners or members, and any member of his, her or their immediate families, and any Authorized Representatives, to execute a nondisclosure and noncompetition agreement in a form approved by Crestcom containing the restrictive covenants of this Article. If Crestcom requires any immediate family member to execute a nondisclosure and noncompetition agreement subsequent to the execution of this Agreement by Franchisee, Franchisee must use its best efforts to cause that immediate family member to execute the nondisclosure and noncompetition agreement. Franchisee must provide Crestcom a copy of each nondisclosure and noncompetition agreement at the time it is signed and thereafter upon Crestcom's request. In addition, all Clients of Franchisee and/or its Authorized Representatives, or any others acquiring the use of the Materials by or through Franchisee and/or its Authorized Representatives, will be required to execute a contract substantially in the form set forth in the Procedures Manual (the "**Training Agreement**"). Any changes to the Training Agreement shall require Crestcom's prior written consent. In no event shall Franchisee permit any third party, including any Client of Franchisee, to attend any Live Instruction or other training sessions, or acquire, observe, or use any of the Materials, without first having obtained a signed Training Agreement or other document approved by Crestcom from that third party. If requested by Crestcom, Franchisee will cooperate with Crestcom in enforcing the obligations under any Training Agreement or other approved document signed by a Client of Franchisee or another party who has acquired access to the Materials through Franchisee, including but not limited to the obligation to provide information requested by Crestcom. Notwithstanding Franchisee's efforts, in the event any signature required by Crestcom pursuant to this Section is not obtained within a reasonable time, Crestcom may, in its sole option, terminate this Agreement in accordance with **Section 17.2** of this Agreement.

19.10. Claims Are Not Defenses to Covenants. Franchisee expressly agrees that the existence of any claim it may have against Crestcom, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Crestcom of the covenants of this **Article 19**. Franchisee further agrees that Crestcom shall be entitled to set off from any amount owed by Crestcom to Franchisee any loss or damage to Crestcom resulting from Franchisee's breach of this **Article 19**.

20. INSURANCE

20.1. Insurance Coverage. If the Assigned Area is in the United States, Franchisee shall procure, maintain and provide evidence of comprehensive general liability insurance for the Franchise Location and its operations with a limit of not less than $1 million combined single limit and other insurance for Franchisee's CRESTCOM Business in the amount and types as set forth in the Procedures Manual. If the Assigned Area is outside of the United States, Franchisee shall procure, maintain, and provide evidence of insurance coverage for Franchisee's CRESTCOM Business in the amount and types reasonable and customary in the Assigned Area for a business similar to the CRESTCOM Business and in accordance with the requirements of the laws and regulations of the Assigned Area. Franchisee shall provide proof of insurance for all insurance to be carried hereunder and otherwise comply with all terms and conditions related to insurance as set forth in the Procedures Manual.

21. ARBITRATION

21.1. Arbitration.

a. Except as set forth in **Section 21.4**, all controversies, disputes claims, causes of action and/or alleged breaches or failures to perform between Crestcom, its subsidiaries and affiliated companies or their shareholders, officers, directors, agents, employees and attorneys, in their representative capacity, and Franchisee, and its employees, officers, directors, owners, guarantors or Authorized Representatives,

if applicable, arising out of or related to: (1) this Agreement; (2) the relationship of the parties; (3) the validity of this Agreement; or (4) any Licensed Methods will be submitted for binding arbitration to either the Judicial Arbiter Group ("**JAG**") or the American Arbitration Association ("**AAA**"), as selected by the party submitting the demand.

b. Arbitration proceedings will be conducted in Denver, Colorado, U.S.A. and will be heard by one arbitrator in accordance with the then current rules of AAA that apply to commercial arbitration. The decision as to whether a claim is subject to mandatory arbitration shall be made by an arbitrator, not a court, except that the decision whether arbitration may proceed as a class action shall be made by the court. The arbitrator shall be a resident of the State of Colorado U.S.A. knowledgeable of Colorado law and fluent in English. The arbitration proceeding and all other hearings shall be conducted in English only, although Franchisee shall have the right, at Franchisee's option and sole expense, to have a translator present at the proceeding or other hearings. The expense of a translator shall not be considered a cost or expense related to an action pursuant to **Section 22.9** of this Agreement. The parties further agree that, in connection with any arbitration proceeding, each will file any compulsory counterclaim, as defined by Rule 13 of the U.S. Federal Rules of Civil Procedure, within 30 days after the date of the filing of the claim to which it relates.

c. Any party to an arbitration proceeding may apply to the arbitrator for reasonable discovery from the other. In this Agreement "reasonable discovery" means a party may submit no more than 10 interrogatories, including subparts, 25 requests for admission, 25 document requests, and three depositions per side of the dispute. The foregoing discovery rights and limitations shall control over any contradictory discovery rules of AAA, unless the parties agree otherwise.

d. The parties agree that failure or refusal of a party to pay its required share of the deposits for arbitrator compensation or administrative charges shall constitute a waiver by that party to present evidence or cross-examine witnesses. In such event, the other party, at the discretion of the arbitrator, shall be required to present evidence and legal argument either at a hearing or by documents and affidavits. Such waiver shall not allow for an award against the non-paying party in the absence of evidence presented as provided above.

21.2. Arbitration Award. Subject to **Sections 21.6** and **21.7** below, the arbitrator will have the right to award or include in the award any relief available and appropriate under the applicable law (as set forth in **Section 21.5**) and this Agreement. Any award shall be based on established law as opposed to broad principles of justice and equity. The award and decision of the arbitrator will be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction. This Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

21.3. Limitations on Proceedings.

a. Crestcom and Franchisee agree that arbitration will be conducted on an individual basis only. Neither party shall commence any arbitration with a third party against the other, or join with any third party in any arbitration involving Crestcom and Franchisee. Further, neither Crestcom nor Franchisee shall attempt to consolidate or otherwise combine in any manner an arbitration proceeding involving Crestcom and Franchisee with another arbitration of any kind, nor shall Crestcom or Franchisee attempt to certify a class or participate as a party in a class action against the other.

b. The foregoing notwithstanding, in the event Franchisee controls, is controlled by or is in active concert with another franchisee, distributor, Area Representative, or area developer of Crestcom, or

there is a guarantor of some or all of the Franchisee's obligations to Crestcom, then the joinder of those parties to any arbitration between Crestcom and Franchisee shall be permitted, and in all events, the joinder of an owner, director, officer, manager, partner or other representative or agent of Franchisee shall be permitted.

c. Franchisee agrees that no claims may be brought on its behalf or on behalf of any of Franchisee's owners by any third party, including but not limited to any association representing Franchisee.

21.4. Exceptions to Arbitration. Notwithstanding the terms of **Section 21.1** or any other provisions in this Agreement:

a. Any actions brought which are primarily related to or based on the Marks or the copyrights in the Materials or to enforce the provisions of **Article 19** of this Agreement may be brought by Crestcom, at its option, either (i) in a court of competent jurisdiction or (ii) in arbitration pursuant to **Section 21.1**. Further, in the event that Franchisee brings any claims to contest or oppose Crestcom's application for, or registration of, any of the Marks, or the validity or ownership of the Marks (notwithstanding those prohibitions in **Section 13.1** above), Franchisee agrees that such actions must be brought in a court of competent jurisdiction under **Section 21.5**.

b. If an action is based on a separate agreement or instrument between Franchisee or any party affiliated with Franchisee and Crestcom or any party affiliated with Crestcom, such as a promissory note or lease, the dispute resolution procedure in that agreement or instrument will control rather than **Section 21.1**; provided, that, at Crestcom's sole option, any claim of Crestcom or its affiliate against Franchisee or its affiliate based on such other agreement or instrument may be brought in arbitration in conjunction with a dispute between the parties that is subject to arbitration under **Section 21.1**, regardless of any provisions to the contrary contained in that other agreement or instrument.

c. Crestcom and Franchisee will each have the right in a proper case to obtain temporary or preliminary injunctive relief from a court of competent jurisdiction. Each party agrees that the other party may have such temporary or preliminary injunctive relief, without bond, but upon due notice, and with the sole remedy in the event of the entry of such injunctive relief being the dissolution of such injunctive relief, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of such injunction being expressly waived by each party). Any such action will be brought as provided in **Section 21.5** below.

21.5. Governing Law/Consent to Jurisdiction/Waiver of Jury Trial. The United States Federal Arbitration Act shall govern all questions about the enforceability of **Sections 21.1** and **21.2** and the confirmation of any arbitration awards pursuant to such procedures, and no arbitration issues are to be resolved pursuant to any other statutes, regulations or common law. Otherwise, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or applicable international trademark law, this Agreement shall be interpreted under the laws of the State of Colorado U.S.A. and any dispute between the parties shall be governed by and determined in accordance with the internal substantive laws, and not the laws of conflict, of the State of Colorado U.S.A., which laws shall prevail in the event of any conflict of law. Notwithstanding the foregoing, the parties agree that the Colorado Consumer Protection Act (COLO. REV. STAT. ANN. Sections 6-1-101, et seq.) shall not apply to this Agreement or any disputes between the parties. Franchisee and Crestcom have negotiated regarding a forum in which to resolve any disputes that arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding not subject to mandatory arbitration, as specified in **Sections 21.1** and **21.4**, involving Franchisee, its employees, officers, directors, or guarantors (collectively, "**Franchisee Affiliates**") and

Crestcom, its employees, officers or directors (collectively, "**Crestcom Affiliates**"), both parties agree that the exclusive venue for disputes between them shall be in the state and federal courts of Colorado U.S.A., and each waive any objection either may have to the personal jurisdiction of or venue in the state and federal courts of Colorado U.S.A. Notwithstanding the foregoing, any legal proceeding by Crestcom or any Crestcom Affiliate not subject to mandatory arbitration may be brought in any court of competent jurisdiction in the country, state, province, or other geographic area in which the CRESTCOM Business is located or in which Franchisee or any Franchisee Affiliate resides or owns assets. **IF A CLAIM MAY BE BROUGHT IN COURT, THEN CRESTCOM, THE CRESTCOM AFFILIATES, FRANCHISEE AND THE FRANCHISEE AFFILIATES EACH WAIVE THEIR RIGHTS TO A TRIAL BY JURY.**

21.6. **No Punitive or Consequential Damages**. Except as specifically permitted elsewhere in this Agreement or as may be required by statute, neither Crestcom or any of the Crestcom Affiliates, on the one side, nor Franchisee or any of the Franchisee Affiliates, on the other side, shall be liable to the other for punitive or other damages not measured by the other party's actual damages in any action between the parties.

21.7. **No Recourse Against Others**. Franchisee agrees that its sole recourse for claims (whether in contract or in tort, in law or in equity, or granted by statute) arising between the parties shall be against Crestcom or its successors and assigns. Franchisee agrees that the shareholders, directors, officers, employees, managers, members and agents of Crestcom and its affiliates (the "**Nonparty Affiliates**") shall not be personally liable nor named as a party in any action between Crestcom and Franchisee. To the maximum extent permitted by law, Franchisee waives any such claims against such Nonparty Affiliates.

22. MISCELLANEOUS PROVISIONS

22.1. **Nonrefundability.** Except as expressly stated otherwise herein, all fees and other amounts paid by Franchisee to Crestcom under this Agreement are nonrefundable once they are paid.

22.2. **Modification.**

a. This Agreement may only be modified upon execution of a written agreement between Crestcom and Franchisee or, at Crestcom's option, upon notice of the approval of a Super-Majority as defined in Section **22.2.b** below. Unless prohibited by law or waived by Crestcom, Franchisee must provide a general release of any and all claims against Crestcom if Franchisee requests and Crestcom consents to modify any provisions of this Agreement after it has been signed. Franchisee acknowledges that Crestcom may modify its standards and specifications and operating and Marketing techniques set forth in the Procedures Manual and the Materials and Live Instruction sold through the CRESTCOM Business unilaterally under any conditions and to the extent in which Crestcom, in its sole discretion, deems necessary to protect, promote, or improve the Marks and the quality of the Materials or other of the Licensed Methods. These modifications may include regional and local variations. Franchisee shall be bound by, and incorporate into its CRESTCOM Business, these modifications. Franchisee may be obligated to invest additional capital in Franchisee's CRESTCOM Business and incur higher operating costs based on these periodic modifications. Crestcom has the right to vary the franchise agreement and any standards, specifications, and techniques for a particular Crestcom franchisee based on the circumstances related to the franchisee, its Assigned Area, or any other condition. Franchisee shall not be entitled to require Crestcom to grant Franchisee a similar variation.

b. This Agreement may be modified by Crestcom at its option whenever Crestcom and a Super-Majority, as hereinafter defined, of franchisees and distributors of Crestcom agree to any such modification. A "**Super-Majority**" of Crestcom franchisees and distributors shall consist of the owners of at least 75 percent of all CRESTCOM Businesses and Crestcom distributorship businesses in good standing, or if only a portion of CRESTCOM Businesses and Crestcom distributorship businesses are affected by the modification, at least 75 percent of those CRESTCOM Businesses and Crestcom distributorship businesses affected by the modification. Whenever a modification is approved by a Super-Majority, Crestcom may elect to treat the modification as effective to all franchisees and distributors or the applicable group thereof, including Franchisee, to the same extent and in the same manner if the modification was unanimously approved by them, and regardless of whether Franchisee may or may not desire to be bound by the modification. Crestcom shall provide Franchisee with notice of any modification to this Agreement based on a Super-Majority approval at least 30 days prior to the date such modification is to be effective. By signing this Agreement, Franchisee appoints the officers of Crestcom as its attorneys in fact with irrevocable power and authority to execute and such modification so approved.

22.3. Entire Agreement. This Agreement, which includes the attachments and exhibits to this Agreement, contains the entire agreement and understanding between the parties and supersedes any and all prior agreements concerning the subject matter hereof. Crestcom does not authorize and will not be bound by any representation of any nature other than those expressed in this Agreement. Franchisee acknowledges and agrees that no representations have been made to it by Crestcom or its representatives regarding projected sales volumes, market potential, revenues, or profits of Franchisee's CRESTCOM Business, or operational assistance other than as stated in this Agreement or in any applicable franchise disclosure document or advertising or promotional materials provided by Crestcom. Additionally, Franchisee hereby acknowledges and agrees that, in entering into this Agreement, it is not relying on the existence or non-existence of any particular fact or matter not set forth in this Agreement or in the franchise disclosure document provided to Franchisee. Franchisee agrees and understands that Crestcom will not be liable or obligated for any oral representations or commitments made prior to the execution hereof, for claims of negligent or fraudulent misrepresentation based on any such oral representations or commitments, or for claims of negligent or fraudulent omissions or nondisclosure of facts or information. Nothing in this Agreement or in any related agreement is intended to disclaim any representations made by Crestcom in the franchise disclosure document provided to Franchisee.

22.4. Delegation by Crestcom. From time to time, Crestcom will have the right to delegate the performance of any portion or all of its obligations and duties under this Agreement to third parties, whether they are agents of Crestcom or independent contractors with whom Crestcom has contracted to provide such services. Franchisee agrees in advance to any such delegation by Crestcom of any portion or all of its obligations and duties hereunder.

22.5. Consent; Business Judgment. Wherever Crestcom's consent or approval is required in this Agreement, unless the provision specifically indicates otherwise, Crestcom has the right to withhold its approval at its option, in its business judgment, taking into consideration its assessment of the long-term interests of the Crestcom system overall. Crestcom may withhold any and all consents or approvals required by this Agreement if Franchisee is in default or breach of this Agreement, and all approvals and consents must be in writing and signed by one of Crestcom's duly authorized representatives. In no event may Franchisee make any claim for money damages based on any claim that Crestcom has unreasonably withheld or delayed any consent or approval to a proposed act by Franchisee under the terms of this Agreement. Franchisee's sole remedy for the claim will be an action or proceeding to enforce the provisions of this Agreement by specific performance or by declaratory judgment.

22.6. Effective Date. This Agreement will not be effective until accepted by Crestcom as evidenced by dating and signing by an authorized officer of Crestcom.

22.7. Limitation on Actions. Notwithstanding anything contained in this Agreement to the contrary, any and all claims and actions by Franchisee arising out of or relating to this Agreement, the relationship between Franchisee and Crestcom, or Franchisee's operation of its CRESTCOM Business must be commenced within one year from the occurrence of the facts giving rise to the claim or action.

22.8. Review of Agreement. Franchisee acknowledges that it had a copy of this Agreement in its possession for a period of time not less than that required by applicable law and has been given sufficient time to seek, and to submit this Agreement for, professional review and advice of Franchisee's choosing prior to freely executing this Agreement.

22.9. Attorneys' Fees. The prevailing party in any action arising out of, or related to this Agreement (including an action to compel arbitration) is entitled to recover from the other party all costs and expenses related to the action, including reasonable attorneys' fees, and all costs of collecting monies owed. If both parties are awarded a judgment in any dollar amount, the court or arbitrator, as applicable, shall determine the prevailing party taking into consideration the merits of the claims asserted by each party, the amount of the judgment received by each party and the relative equities between the parties.

22.10. Incorporation of Riders. To the extent that any of the Riders to Franchise Agreement for Specific States or Countries attached as Exhibit VI is applicable, such rider is incorporated herein and this Agreement is modified accordingly. The provisions in any applicable rider are included as a condition to registration or use in certain jurisdictions, and Crestcom is not precluded from contesting the validity, enforceability, or applicability of such provisions in any action relating to this Agreement or its rescission or termination.

22.11. No Waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by Crestcom or Franchisee will be considered to imply or constitute a further waiver by Crestcom or Franchisee of the same or any other condition, covenant, right, or remedy.

22.12. Rights to Set Off. Franchisee will not be allowed to set off amounts owed to Crestcom for any fees or other amounts due hereunder, against any monies owed to Franchisee, which right of set off is expressly waived by Franchisee. Crestcom has the right, in its sole discretion, to apply any amounts owed by Crestcom to Franchisee against any amounts that are currently due from Franchisee to Crestcom.

22.13. Survival of Terms. Every article and section of this Agreement that by its terms is intended to survive expiration and/or termination of this Agreement shall survive the expiration or termination of this Agreement for any reason.

22.14. Invalidity; Authority to Reform. In the event that any arbitrator or court of competent jurisdiction determines that any provision of this Agreement, including but not limited to any of the restrictive covenants contained in **Article 19** hereof, are unenforceable as written for any reason, including for purposes of the restrictive covenants, reasons that the areas of restriction exceed the reasonable maximum time period, geographic area or scope, then the parties hereby request and authorize the arbitrator or court to "blue pencil" such provision so as to make it enforceable and to best carry out the intent of the parties, or to deem such provision severed from this Agreement if it cannot be so modified. The holding, declaration or pronouncement shall not adversely affect any other provisions of this Agreement, which shall otherwise remain in full force and effect.

22.15. Notices. All notices required to be given under this Agreement will be given in writing, by personal delivery, certified mail, return receipt requested, e-mail or an overnight delivery service providing documentation of receipt, at the address set forth in the first paragraph of this Agreement in the case of Crestcom, at the Franchise Location set forth in the Addendum in the case of Franchisee, at the e-mail address set forth on the signature page of this Agreement, or at such other addresses as Crestcom or Franchisee may designate from time to time. Notice will be effectively given when personally delivered or delivered by e-mail to the proper e-mail address. If the Assigned Area is in the United States, notice will be effectively given three days after being deposited in the United States mail, with proper address and postage prepaid, or one day after being deposited with the overnight delivery service, as may be applicable. If the Assigned Area is outside of the United States, notice will be effectively given seven days after being deposited in the United States mail, with proper address and postage prepaid, or three days after being deposited with the overnight delivery service, as may be applicable.

22.16. Force Majeure. Crestcom will not be liable to Franchisee, nor will Crestcom be deemed to be in breach of this Agreement, if it exercises best efforts to perform its obligations to supply Materials and perform other obligations as may be due to Franchisee hereunder and its failure to supply Materials or perform its obligations results from: (i) transportation shortages, inadequate supply of labor, material or energy, or the voluntary foregoing of the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any government or any governmental department or agency; (ii) compliance with any law, ruling, order, regulation, requirement or instruction of any government or any governmental department or agency; (iii) viral or bacterial epidemic, pandemic, or other public health crisis; (iv) acts of God; or (v) fires, strikes, terrorism, embargoes, war or riot. Any delay resulting from any of these causes will extend performance by Crestcom accordingly or excuse performance by Crestcom in whole or in part, as may be necessary.

22.17. Taxes. All taxes or withholdings imposed on products or services, on any payments due Crestcom by Franchisee, or any other taxes or withholdings imposed by governmental or quasi-governmental entities and assessed against Franchisee's CRESTCOM Business shall be borne exclusively by Franchisee, and payments of any fees or other consideration which is payable by Franchisee to Crestcom hereunder shall not, in any way, be reduced or affected by any such taxes or withholdings.

22.18. Estoppel Certificates. Franchisee agrees at any time and from time to time within 10 days after notice from Crestcom, to execute, acknowledge and deliver to Crestcom a statement in writing, form and substance acceptable to Crestcom, verifying that this Agreement is unmodified and in full force and effect (or if there have been modifications, that the Agreement is in full force and effect as modified and stating the modifications), and whether or not there exists any default in the performance of any term, condition or covenant of this Agreement and, if so, specifying each such default, it being intended that any such statement delivered pursuant hereto may be relied upon by Crestcom and by any lenders of Crestcom, or any prospective investors in or purchasers of all or any part of Crestcom's business.

22.19. Cross-Default and Cross Termination Provisions.

a. A default by Franchisee under this Agreement will be deemed a default of all agreements between Franchisee and/or any company(ies) affiliated with Franchisee, on the one hand, and Crestcom and/or any company(ies) affiliated with Crestcom, on the other hand (the "**Other Agreements**"). A default by Franchisee and/or any company(ies) affiliated with Franchisee under any of the Other Agreements will be deemed a default under this Agreement. A default by any guarantor(s) of this Agreement or of any of the Other Agreements will be deemed a default of this Agreement.

b. If this Agreement is terminated as a result of a default by Franchisee, Crestcom may, at its option, elect to terminate any or all of the Other Agreements. If any of the Other Agreements is terminated as a result of a default by Franchisee and/or any company(ies) affiliated with Franchisee, Crestcom may, at its option, elect to terminate this Agreement. It is agreed that an incurable or uncured default under this Agreement or any of the Other Agreements will be grounds for termination of this Agreement and/or any and all of the Other Agreements without additional notice or opportunity to cure.

22.20. Charges and Taxes. All provisions in this Agreement stating that Franchisee will pay or be responsible for any costs, charges or taxes includes all customs or duty charges, foreign currency purchase levies, import and export fees and levies, and other similar costs, charges and taxes.

22.21. Translations. If Franchisee is required to translate the Materials to use them in the Assigned Area, it will do so in accordance with the terms of Crestcom's then current form of translation agreement. Crestcom shall have the right to copyright the translated or adapted materials in any other country or territory, and shall own the United States and all foreign copyrights of all translations, adaptations and/or derivative versions of the Materials and shall have the right to market the Materials, including the translated or adapted versions of the Materials in any manner Crestcom might choose in all countries of the world.

22.22. Approval Within Assigned Area. Any approval of this Agreement by the appropriate authorities in the Assigned Area that is required to enable Franchisee to enter into this Agreement, perform under the terms of this Agreement, do business with Crestcom, or to make payments to Crestcom in United States Dollars in the United States of America will be the sole responsibility and at the sole expense of Franchisee.

22.23. Manner of Payment. All payments provided for herein shall be paid to Crestcom in the United States in U.S. Dollars net of any taxes or withholdings. The exchange rate for calculating payments due hereunder shall be the exchange rate published in The Wall Street Journal on the day the payment is due. If, for any reason whatsoever, a payment that is due to Crestcom under this Agreement is not paid on the date that such payment is due, the exchange rate to be used shall be either the exchange rate published on the due date or the exchange rate published on the date that the payment is actually made, whichever results in a greater amount to Crestcom. If The Wall Street Journal is not published on the date of conversion, the applicable exchange rate shall be that rate published in The Wall Street Journal on the nearest date of publication prior to the date of conversion, or by a successor or equivalent publication to be designated by Crestcom in the event The Wall Street Journal ceases to be published or ceases to publish the applicable exchange rates. Crestcom may designate and change payment instructions at any time on prior written notice to Franchisee. Franchisee shall be solely responsible for the payment of any costs and charges incurred in connection with the transfer and exchange of currency over and above any fees due or paid.

22.24. Translation of Agreement. The English language will be regarded as the authoritative and official text of this Agreement; however, this Agreement may be translated into the language in dominant use in the Assigned Area, at Franchisee's expense, in the event that translation is necessary for any reason, including for the purpose of registration of this Agreement with the applicable governmental authority. Nevertheless, in the event that any discrepancies exist between the English text and the translated text, the English text will be considered the official text of this Agreement.

22.25. Electronic Communications. Franchisee expressly consents to (i) receiving electronic or other communications from Crestcom, the Crestcom Affiliates, and Crestcom's approved suppliers, and (ii) Crestcom disclosing Franchisee's e-mail address and other contact information to any of the Crestcom

Affiliates and Crestcom's approved suppliers. Franchisee acknowledges that these communications are necessary to facilitate and keep Franchisee updated regarding the ongoing franchise relationship.

22.26. Counterparts and Electronic Signature. This Agreement and all riders and addenda hereto may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement, any riders or addenda hereto, and any other agreements entered into with Crestcom by facsimile or in electronic format shall be effective as delivery of a manually executed counterpart of this Agreement or such other document. The words "execution," "signed," "signature," and words of similar meaning in this Agreement shall be deemed to include electronic or digital signatures or the keeping of records in electronic form, each of which shall be of the same effect, validity, and enforceability as manually executed signatures or a paper-based recordkeeping system to the extent and as provided for under applicable laws.

22.27. Crestcom's Reserved Rights. Notwithstanding anything in this Agreement to the contrary, Crestcom shall have the right to exchange Materials for transport, travel, or lodging within the Assigned Area where the intent of such exchange for transport, travel, or lodging is related to aiding Franchisee's activities within the Assigned Area. Crestcom also reserves the right to sell or exchange the Materials in conjunction with live appearances by any officer of Crestcom.

22.28. Acknowledgment. BEFORE SIGNING THIS AGREEMENT, FRANCHISEE SHOULD READ IT CAREFULLY WITH THE ASSISTANCE OF LEGAL COUNSEL. FRANCHISEE REPRESENTS AND WARRANTS THAT IT HAS INDUCED CRESTCOM TO ENTER INTO THIS AGREEMENT BASED ON THE REPRESENTATIONS AND WARRANTIES MADE TO CRESTCOM AND SET FORTH IN THIS AGREEMENT, INCLUDING THE FOLLOWING. THE FOLLOWING REPRESENTATIONS AND WARRANTIES SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT. FRANCHISEE ACKNOWLEDGES THAT:

a. FRANCHISEE OR ITS PRINCIPAL REPRESENTATIVE HAS BEEN AFFORDED THE OPPORTUNITY TO ASK SUCH QUESTIONS AND REVIEW SUCH MATERIALS OF CRESTCOM AS FRANCHISEE OR ITS PRINCIPAL REPRESENTATIVE DEEMS RELEVANT IN ORDER TO MAKE A DECISION TO ENTER INTO THIS AGREEMENT AND ACQUIRE A FRANCHISE HEREUNDER, AND HAS SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL, TAX AND BUSINESS MATTERS AND HAS PRIOR KNOWLEDGE AND EXPERIENCE IN MANAGEMENT, SALES OR PERSONNEL TRAINING OR RELATED FIELDS SO AS TO ENABLE FRANCHISEE OR ITS PRINCIPAL REPRESENTATIVE TO UTILIZE THE INFORMATION MADE AVAILABLE TO FRANCHISEE AND FULLY UNDERSTAND SUCH INFORMATION;

b. THE SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED HEREIN INVOLVES SUBSTANTIAL RISKS AND DEPENDS UPON FRANCHISEE'S ABILITY AS AN INDEPENDENT BUSINESSPERSON AND ITS ACTIVE PARTICIPATION IN THE DAILY AFFAIRS OF THE BUSINESS;

c. NO ASSURANCE OR WARRANTY, EXPRESS OR IMPLIED, HAS BEEN GIVEN AS TO THE POTENTIAL SUCCESS OF SUCH BUSINESS VENTURE OR THE EARNINGS LIKELY TO BE ACHIEVED;

d. FRANCHISEE HAS HAD AN OPPORTUNITY TO CONDUCT AN INDEPENDENT INVESTIGATION OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT

AND RECOGNIZES THAT, LIKE ANY OTHER BUSINESS, THE NATURE OF THIS BUSINESS MAY EVOLVE AND CHANGE OVER TIME, THAT THE INVESTMENT INVOLVES BUSINESS RISKS AND THAT THE SUCCESS OF THE VENTURE IS LARGELY DEPENDENT ON FRANCHISEE'S BUSINESS ABILITIES AND EFFORTS;

e. FRANCHISEE HAS MADE NO MISREPRESENTATIONS IN OBTAINING THE FRANCHISE GRANTED PURSUANT TO THIS AGREEMENT;

f. FRANCHISEE IS FAMILIAR WITH AND HAS THE NECESSARY MANAGERIAL AND FINANCIAL ABILITY TO OPERATE, DEVELOP AND MAINTAIN THE CRESTCOM BUSINESS AND THAT IT HAS OR WILL HAVE SUFFICIENT STAFF AND OFFICES TO OPERATE THE CRESTCOM BUSINESS AND TO CARRY OUT THE OTHER TERMS AND CONDITIONS OF THIS AGREEMENT;

g. FRANCHISEE UNDERSTANDS AND ACKNOWLEDGES THAT IT IS FAMILIAR WITH THE APPLICABLE LAWS AND REGULATIONS CONCERNING THE OPERATION OF THE CRESTCOM BUSINESS IN THE ASSIGNED AREA, AND AGREES TO USE ITS BEST EFFORTS TO COMPLY WITH THEM; AND

h. NEITHER FRANCHISEE, NOR ANY OFFICER, DIRECTOR, MEMBER, MANAGER OR PARTNER OF FRANCHISEE (AS APPLICABLE), IS SUBJECT TO UNITED STATES EXECUTIVE ORDER 13224 OR THE PATRIOT ACT. IF FRANCHISEE, OR ANY OFFICER, DIRECTOR, MEMBER, MANAGER OR PARTNER OF FRANCHISEE (AS APPLICABLE), BECOMES SUBJECT TO UNITED STATES EXECUTIVE ORDER 13224 OR THE PATRIOT ACT, FRANCHISEE SHALL NOTIFY CRESTCOM IMMEDIATELY THEREOF.

[SIGNAGURES APPEAR ON FOLLOWING PAGE]

The parties have executed this Agreement to be made effective as of the date set forth below.

CRESTCOM:

CRESTCOM INTERNATIONAL, LLC

Date:_____ By: _____
Title: _____

E-mail Address: info@crestcom.com

FRANCHISEE:

Date:_____ _____
Individually

OR:
(if a corporation, partnership or other business entity) _____
Company Name

Date:_____ By: _____
Title: _____

E-mail Address: _____

EXHIBIT I
TO FRANCHISE AGREEMENT

ADDENDUM TO CRESTCOM INTERNATIONAL, LLC
FRANCHISE AGREEMENT

This is an Addendum ("**Addendum**") to the Franchise Agreement (the "**Agreement**") by and between Crestcom International, LLC, hereinafter "**Crestcom**" and the undersigned franchisee, hereinafter "**Franchisee**." This Addendum modifies the terms of the Agreement and in the event of a conflict in terms between the Agreement and this Addendum, the terms of this Addendum shall be controlling.

The parties agree as follows:

1. Franchise Location. The Franchise Location, referenced in **Section 3.1** of the Agreement, will be located at:_____

2. Assigned Area. The Assigned Area, referenced in **Section 3.2** of the Agreement, will be the geographic area described as:_____, on a non-exclusive basis.

3. Initial Franchise Fee. The initial franchise fee, referenced in **Section 4.1** of the Agreement, will be the sum of $_____ (U.S. Dollars), which shall be payable as follows:

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

The parties have executed this Addendum to be made effective as of even date with the Agreement.

CRESTCOM:

CRESTCOM INTERNATIONAL, LLC

Date:_____ By: _____
Title: _____

FRANCHISEE:

Date:_____ _____
Individually

OR:
(if a corporation, partnership or other business entity) _____
Company Name

Date:_____ By: _____
Title: _____

EXHIBIT II
TO FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP

Franchisee: _____

Trade Name (if different from above): _____

Form of Ownership (Check One)

____ Individual ____ Partnership _____ Corporation ____ Limited Liability Company ____ Other

If an Individual, provide the name, address, and social security or other national identification number of the Individual.

If a Partnership, provide the name, address, and social security or other national identification number of each partner showing the percentage owned and whether each is active in management, indicate the country, state and/or province in which the partnership was formed and the date it was formed, and provide a copy of the Partnership Agreement.

If a Corporation, provide the name, address, and social security or other national identification number of each officer and director, and list the name, address, and social security or other national identification number of every shareholder showing what percentage of stock is owned by each, indicate the country, state and/or province and date of incorporation, and provide a copy of the Articles of Incorporation certified by the Secretary of State or other official for the country, state and/or province in which the corporation was formed.

If a Limited Liability Company, provide the name, address, and social security or other national identification number of each member and each manager showing the percentage owned, indicate the country, state and/or province in which the Limited Liability Company was formed and the date it was formed, and provide a copy of the Articles of Organization certified by the Secretary of State or other official for the country, state and/or province in which the Limited Liability Company was formed and the Operating Agreement.

If another type of business entity, provide the name, address, and social security or other national identification number of each owner and each officer or manager showing the percentage owned, indicate the country, state and/or province in which the business entity was formed and the date it was formed, and provide a copy of any articles of formation and governing agreements certified, if applicable, by the Secretary of State or other official for the country, state and/or province in which the business entity was formed.

_____

_____

_____

_____

_____

Social Security/National ID Number(s) of Individual Franchisee or Principals: _____

_____

Franchisee acknowledges that this Statement of Ownership applies to the CRESTCOM Business authorized under the Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information must be reported to Crestcom in writing.

_____ _____

Date Name

EXHIBIT III
TO FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

A. In consideration of, and as an inducement to, the execution of the above Franchise Agreement (the "**Franchise Agreement**") by Crestcom International, LLC ("**Crestcom**"), each of the undersigned personally and unconditionally:

1. Guarantees to Crestcom and its successors and assigns, for the term of the Franchise Agreement, including successor franchise terms, that the undersigned franchisee named on the signature page hereto ("**Franchisee**") will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Franchise Agreement;

2. Agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement and any notes, security agreements or other instruments or agreements relating to the purchase of the franchised business governed by the Franchise Agreement; and

3. Agrees to be personally bound by the covenants against competition and other restrictive covenants contained in **Article 19** and elsewhere in the Franchise Agreement.

B. Each of the undersigned waives all of the following:

1. Acceptance and notice of acceptance by Crestcom of the foregoing undertaking.

2. Notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed.

3. Protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed.

4. Any right he or she may have to require that any action be brought against Franchisee or any other person as a condition of liability.

5. Notice of any amendment, modification, deletion or addition of any term or condition of or to any of the obligations hereby guaranteed.

6. Notice of any termination as to future liability of any other guarantor.

7. Any and all other notices and legal or equitable defenses to which he or she may be entitled.

C. Each of the undersigned consents and agrees to all of the following:

1. His or her direct and immediate liability under this guaranty will be joint and several.

2. He or she will render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses punctually to do so.

3. Such liability will not be contingent or conditioned upon pursuit by Crestcom of any remedies against Franchisee or any other person.

4. Such liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Crestcom may from time to time grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this guaranty, which will be continuing and irrevocable during the term of the Franchise Agreement, including successor franchise terms.

5. He or she shall be bound by the restrictive covenants, confidentiality provisions, audit provisions, and the indemnification provisions contained in the Franchise Agreement.

6. Crestcom may, at its option, without notice to or further consent of him or her, take any of the following actions:

(i) retain the primary or secondary liability of any other party with respect to all or any part of the obligations hereby guaranteed.

(ii) release or compromise any liability of any other guarantor or any other party with respect to the obligations hereby guaranteed.

(iii) amend, modify, delete, or add any term or condition of or to any of the obligations hereby guaranteed, which may include the creation of new obligations.

D. No delay or neglect on the part of Crestcom in the exercise of any right or remedy existing under law or by virtue of this Guaranty shall operate as a waiver thereof, but such rights and remedies shall continue in full force and effect until specifically waived or released by an instrument in writing executed by Crestcom and designated as a waiver or release; and no single or partial exercise by Crestcom of any right or remedy shall preclude further exercise thereof or the exercise of any right or remedy.

E. The arbitration, injunctive relief, governing law and jurisdiction provisions contained in the Franchise Agreement shall govern this Guaranty, and such provisions are incorporated into this Guaranty by this reference.

F. This Guaranty may be executed via electronic signatures.

Each of the undersigned has affixed his or her signature effective on the same day and year as the Franchise Agreement was executed.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

FRANCHISEE:

_____

GUARANTOR(S):

_____
(Print Name)

_____
Signature

_____
Address

_____

_____
Telephone Number

_____
(Print Name)

_____
Signature

_____
Address

_____

_____
Telephone Number

EXHIBIT IV
TO FRANCHISE AGREEMENT

CREDIT CARD AUTHORIZATION

This Credit Card Authorization (this "**Authorization**") is entered into this ___ day of _____, 202___ by the undersigned credit card account owner ("**Owner**"). Owner agrees that Crestcom International, LLC ("**Crestcom**") may charge (in Crestcom's sole discretion) the account(s) listed below for payment of due and past due fees, interest charges, or other charges owed to Crestcom (as specified below), as follows:

1. Owner authorizes Crestcom to charge Owner's account(s), as listed below, for due and past due Distribution Fees, Royalty Fees, Client Access Fees, and for Administrative Fees, Late Charges, and interest charges, as defined in one or more Franchise Agreements between Owner, or a company controlled by Owner, and Crestcom; along with other due and past due amounts owed by Owner, or a company controlled by Owner, to Crestcom.

Type of Credit Card: _____ VISA _____MASTERCARD

Name on Card: _____

Billing Address: _____
_____
_____

Credit Card Number: _____ Expiration Date: _____

Card Identification Number: _____ Current Credit Limit: $_____
(last 3 digits located on the back of the credit card)

Distribution Fee Start Date: _____ Distribution Charge Amount: $_____

CRM Charge Start Date: _____ CRM Charge Amount: $_____

2. Owner agrees that this Authorization will remain in effect for each Crestcom Franchise Agreement of Owner, or a company controlled by Owner, throughout the duration of the applicable Franchise Agreement, unless Crestcom agrees to an earlier termination of this Authorization. Owner agrees not to revoke any Authorization prior to the termination of the applicable Franchise Agreement, without prior written consent of Crestcom.

3. Owner agrees to maintain, at all times, sufficient available credit in each account covered by this Authorization to pay due and past due amounts and associated charges, as listed above, but, in any event the available credit on each account should not be less than $5,000.00.

4. Owner shall notify Crestcom of the expiration, cancellation, or any other change in its account(s) covered by this Agreement within one business day of the change, providing new account numbers and other information requested by Crestcom. Owner agrees to execute a new Authorization within three business days after receipt of a new Authorization form from Crestcom.

5. Owner agrees that Crestcom may charge Owner's account(s) listed above, as applicable, whenever fees owed by Owner, or a company controlled by Owner, are due or past due, as follows:

(a) Crestcom may charge Owner's credit card account(s) for the amount of due or past due Distribution Fees, Royalty Fees, Client Access Fees, plus any Administrative Fees, default interest and Late Charges described below and permitted under the applicable Crestcom Franchise Agreement and/or other fees or amounts owed to Crestcom.

(b) Crestcom may charge the following Administrative Fee, Late Charge, and interest to Owner's credit card account, with or apart from the actual past due Distribution Fee, Royalty Fee, or any other fees or amounts owed to Crestcom. The Administrative Fee is $10.00, and the Late Charge is 3 percent of the actual past due amount and fees assessed. If any payment required to be made by Owner to Crestcom under a Franchise Agreement is seven or more days late, Crestcom may also charge Owner's account(s) interest on any past due amounts at the lesser of 18 percent per annum, or the highest rate allowable per law, accruing from the date of the default.

6. Crestcom may bill Owner directly for any amounts owed by Owner, or a company controlled by Owner, to Crestcom for which Crestcom does not charge Owner's account(s) under this Authorization.

7. A company is considered to be "controlled by Owner" if Owner is a guarantor of a Franchise Agreement between the company and Crestcom; or if Owner has a 10 percent or greater shareholder, partnership, or member interest in the company, or is the sole proprietor of the company.

8. Owner agrees to execute any other documents required by any credit card processing company, any credit card issuer, any other entity, or by law, as necessary to enable Crestcom to exercise the rights granted to it by this Authorization.

9. Owner agrees that the credit card issuer cannot cancel this Authorization without receiving written consent from Crestcom.

10. All capitalized terms not defined in this Authorization are defined as in the applicable Franchise Agreement between Crestcom and Owner.

OWNER:

Signature:_____

Print Name:_____

Title:_____

Date: _____

EXHIBIT V
TO FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT FOR ACH PAYMENTS
(DIRECT DEBITS FOR ROYALTY, DISTRIBUTION AND OTHER FEES)

_____ (Name of Person or Legal Entity)

_____ (ID Number)

The undersigned franchisee ("**Franchisee**") hereby authorizes Crestcom International, LLC ("**Franchisor**") to withdraw all fees, amounts and obligations that become payable by Franchisee to Franchisor from Franchisee's checking and/or savings account(s) indicated below.

_____	_____	
Depository	Branch	
_____	_____	_____
City	State/Province/Territory	Zip/Postal Code
_____	_____	
Bank Transit/ABA Number	Account Number	

Franchisee states and acknowledges that the account described above has been established, and that this authority is extended, primarily for commercial purposes, and not for personal, family, or household purposes.

This authority is to remain in full force and effect until Depository has received joint written notification from Franchisor and Franchisee of the Franchisee's termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity to act on it. Franchisee agrees to not revoke any authorization for funds transfer prior to the termination of its Franchise Agreement with Franchisor, without the prior written consent of Franchisor. Any termination or dishonor of this authority shall not relieve Franchisee of its obligation to make payments to Franchisor, whether pursuant to the Franchise Agreement or otherwise.

Printed Name of Franchisee: _____

Signed By: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT VI
TO FRANCHISE AGREEMENT

RIDERS TO FRANCHISE AGREEMENT FOR SPECIFIC STATES AND/OR COUNTRIES

If any one or more of the following Riders to the Franchise Agreement for Specific States and/or Countries ("**Riders**") is checked as an "Applicable Rider" below, then that Rider shall be incorporated into the Franchise Agreement entered into by Crestcom International, LLC and the undersigned Franchisee. To the extent any terms of an Applicable Rider conflict with the terms of the Franchise Agreement, the terms of the Rider shall supersede the terms of the Franchise Agreement.

APPLICABLE RIDER:

United States

☐ California	☐ Maryland	☐ Rhode Island
☐ Hawaii	☐ Minnesota	☐ Virginia
☐ Illinois	☐ New York	☐ Washington
☐ Indiana	☐ North Dakota	☐ Wisconsin

CRESTCOM:

CRESTCOM INTERNATIONAL, LLC

Date:_____ By: _____
Title: _____

FRANCHISEE:

_____

Date:_____ By:_____
Title: _____

UNITED STATES RIDERS TO FRANCHISE AGREEMENT

CALIFORNIA RIDER TO FRANCHISE AGREEMENT

1. The following language is added to the end of **Article 4**:

The Department of Financial Protection and Innovation has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

2. **Section 21.5** is deleted and replaced with the following language:

21.5. Governing Law/Consent to Jurisdiction/Waiver of Jury Trial. The United States Federal Arbitration Act shall govern all questions about the enforceability of **Sections 21.1** and **21.2** and the confirmation of any arbitration awards pursuant to such procedures, and no arbitration issues are to be resolved pursuant to any other statutes, regulations or common law. Otherwise, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or applicable international trademark law, this Agreement shall be interpreted under the laws of the State of Colorado U.S.A. and any dispute between the parties shall be governed by and determined in accordance with the internal substantive laws, and not the laws of conflict, of the State of Colorado U.S.A., which laws shall prevail in the event of any conflict of law. Notwithstanding the foregoing, the parties agree that the Colorado Consumer Protection Act (COLO. REV. STAT. ANN. Sections 6-1-101, et seq.) shall not apply to this Agreement or any disputes between the parties. If a claim is asserted in any legal proceeding not subject to mandatory arbitration, as specified in **Sections 21.1** and **21.4**, involving Franchisee, its employees, officers or directors (collectively, "**Franchisee Affiliates**") and Crestcom, its employees, officers or directors (collectively, "**Crestcom Affiliates**"), both parties consent to jurisdiction and venue for disputes between them in the state and federal courts of Colorado U.S.A., and each waive any objection either may have to the personal jurisdiction of or venue in the state and federal courts of Colorado U.S.A. Notwithstanding the foregoing, any legal proceeding by Crestcom or any Crestcom Affiliate not subject to mandatory arbitration may be brought in any court of competent jurisdiction in the country, state, province, or other geographic area in which the CRESTCOM Business is located or in which Franchisee or any Franchisee Affiliate resides or owns assets. **IF A CLAIM MAY BE BROUGHT IN COURT, THEN CRESTCOM, THE CRESTCOM AFFILIATES, FRANCHISEE AND THE FRANCHISEE AFFILIATES EACH WAIVE THEIR RIGHTS TO A TRIAL BY JURY.**

2. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

HAWAII RIDER TO FRANCHISE AGREEMENT

1. The following language is added at the end of **Sections 15.2.f**, **16.3.d** and **22.2**:

   Any release executed pursuant to this Section will not apply to any claims that may arise under the Hawaii Franchise Investment Law.

2. The following paragraph is added to **Section 17.6.f**:

   Section 482E-6(3) of the Hawaii Revised Statutes provides that upon termination or refusal to renew the Franchise, Crestcom is obligated to compensate Franchisee for the fair market value, at the time of the termination or expiration of the Franchise, of Franchisee's inventory, supplies, equipment and furnishings purchased from Crestcom or a supplier designated by Crestcom; provided that personalized materials which have no value to Crestcom need not be compensated for. If Crestcom refuses to renew a Franchise for the purpose of converting Franchisee's business to one owned and operated by Crestcom, Crestcom, in addition to the remedies provided above, shall compensate Franchisee for the loss of goodwill. Crestcom may deduct from such compensation reasonable costs incurred in removing, transporting and disposing of Franchisee's inventory, supplies, equipment and furnishings pursuant to this requirement, and may offset from such compensation any monies due Crestcom.

3. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ILLINOIS RIDER TO FRANCHISE AGREEMENT

1. Illinois law shall apply to and govern the Franchise Agreement.

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

3. Franchisees' rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the

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

6. See the first page of this Exhibit VI for your signature.

INDIANA RIDER TO FRANCHISE AGREEMENT

The following modifications are made to the Franchise Agreement only to the extent required by the Indiana Franchises Act, IND. CODE § 23-2-2.5, and the Indiana Deceptive Franchise Practices Act, IND. CODE § 23-2-2.7:

1. The following statement is added to **Section 3.5**:

   Indiana law prohibits Crestcom from establishing a Crestcom-owned outlet engaged in a substantially identical business within Franchisee's territory, or if no exclusive territory is designated, that competes unfairly with Franchisee within a reasonable area.

2. The following language is added to the end of **Sections 15.2.f**, **16.3.d** and **22.2**:

   Any release executed pursuant to this Section will not apply to any claims that may arise under the Indiana Franchise Disclosure Act and Indiana Deceptive Franchise Practices Act.

3. The words, "or within the Assigned Area of any other franchised, licensed or company-owned CRESTCOM Business," are deleted from **Section 19.2**.

4. **Section 21.5** is deleted and replaced with the following language:

   21.5. Governing Law/Consent to Jurisdiction/Waiver of Jury Trial. The United States Federal Arbitration Act shall govern all questions about the enforceability of **Sections 21.1** and **21.2** and the confirmation of any arbitration awards pursuant to such procedures, and no arbitration issues are to be resolved pursuant to any state statutes, regulations or common law. Otherwise, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or applicable international trademark law, disputes related to a violation of the Indiana Franchises Act or the Indiana Deceptive Franchise Practices Act shall be governed thereby, and all other matters regarding this Agreement shall be governed by the laws of the State of Colorado. Subject to the foregoing, Franchisee and Crestcom have negotiated regarding a forum in which to resolve any disputes that arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding involving Franchisee, its employees, officers or directors (collectively, "**Franchisee Affiliates**") and Crestcom, its employees, officers or directors (collectively, "**Crestcom Affiliates**"), both parties agree that the exclusive venue for disputes between them shall be in the state and federal courts of Colorado and each waive any objection either may have to the personal jurisdiction of or venue in the state and federal courts of Colorado. Notwithstanding the foregoing, any legal proceeding by Crestcom or any Crestcom Affiliate not subject to mandatory arbitration may be brought in any court of competent jurisdiction in the country, state, province, or other geographic area in which the CRESTCOM Business is located or in which Franchisee or any Franchisee Affiliate resides or owns assets. **IF A CLAIM MAY BE**

BROUGHT IN COURT, THEN CRESTCOM, THE CRESTCOM AFFILIATES, FRANCHISEE AND THE FRANCHISEE AFFILIATES EACH WAIVE THEIR RIGHTS TO A TRIAL BY JURY.

5. The following sentence is added at the end of **Section 22.3**:

Notwithstanding anything to the contrary in this provision, Franchisee does not waive any right under the Indiana Franchises Act or the Indiana Deceptive Franchise Practices Act with regard to prior representations made by Crestcom.

6. **Section 22.7** is deleted, and replaced with the following language:

22.7 Limitation on Actions. Any and all claims and actions of Franchisee arising out of or relating to this Agreement, the relationship between Franchisee and Crestcom, or Franchisee's operation of its CRESTCOM Business shall be commenced within the time period specified in Indiana Law.

MARYLAND RIDER TO FRANCHISE AGREEMENT

1. The following language is added to the end of **Article 4**:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

2. The following language is added at the end of **Section 15.2.f** (Preconditions to Franchisee's Assignment) and **16.3.d** (Rights Upon Expiration):

(Any release executed in connection herewith will not apply to any claims that may arise under the Maryland Franchise Registration and Disclosure Law.)

3. The following sentence is added to the end of **Section 21.1** and **Section 22.7**:

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

4. The following paragraph is added to the end of **Section 21.5**:

Franchisee may commence any cause of action against Crestcom in any court of competent jurisdiction, including the state or federal courts of Maryland, unless otherwise governed by the arbitration provisions of this Agreement. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

5. The second through fifth sentences in **Section 22.3** are deleted.

6. **Section 22.28** is deleted in its entirety.

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

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MINNESOTA RIDER TO FRANCHISE AGREEMENT

1. The following sentences are added to **Section 13.6**:

   Crestcom will protect Franchisee's right to use its Marks to the extent required under Minnesota law. The Minnesota Department of Commerce requires franchisors to indemnify franchisees against liability to third parties resulting from claims by third parties that the franchisees' use of the franchisor's marks infringes upon the trademark rights of the third parties.

2. The following sentence is added to **Articles 15 and 17**:

   Crestcom will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of this Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

3. **Sections 17.1.k and 19.3** are modified by the following language:

   Minnesota Statutes Section 181.991 prohibits a franchisor from restricting, restraining, or prohibiting in any way a franchisee from soliciting or hiring an employee of the franchisor or an employee of a franchisee of the same franchisor. Any such restrictions in these **Sections 17.1.k and 19.3** are hereby deemed deleted.

4. The following sentence is added to **Section 21.4.c**:

   Pursuant to Minnesota Rule 2860.4400(J), a franchisee cannot consent to a franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required.

5. The following paragraph is added to **Section 21.5**:

   Minnesota Statute §80C.21 and Minnesota Rule 2860.4400(J) prohibit Crestcom from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial,

or requiring Franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or this Agreement can abrogate or reduce (1) any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. The above language has been included in this Agreement as a condition to registration. Crestcom and Franchisee do not agree with the above language and believe that each of the provisions of this Agreement, including all choice of law provisions, are fully enforceable. Crestcom and Franchisee intend to fully enforce all of the provisions of this Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

6. The following sentence is added to **Section 22.7**:

   Notwithstanding the foregoing, any claims and actions based on a violation of Chapter 80C of the Minnesota statutes or any rule or order thereunder shall be commenced within three years from the occurrence of the facts giving rise to such claim or action pursuant to Minn. Stat. §80C.17, subd. 5.

7. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided, it does not bar the voluntary settlement of disputes. All applicable provisions are deemed hereby amended.

NEW YORK RIDER TO FRANCHISE AGREEMENT

1. The following sentence is added to **Section 8.3**:

   Any new or different requirements set forth in the Procedures Manual shall not unreasonably increase Franchisee's obligations or place an excessive burden on Franchisee's operation of its CRESTCOM Business.

2. The following sentence is added at the end of **Sections 15.2.f** and **16.3.d**:

   Provided however, that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

3. The following sentence is added to **Section 15.6**:

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

4. The following is added to **Article 17**:

   Franchisee may terminate the Agreement upon any grounds available by law.

5. After the first sentence of **Section 18.3**, the following sentence is added:

However, Franchisee shall not be required to indemnify Crestcom for any liabilities which arose as a result of Crestcom's breach of this Agreement or other civil wrongs committed by Crestcom.

6. The following sentence is added to **Section 21.5**:

The foregoing choice of law should not be considered a waiver of any right conferred upon either Crestcom or Franchisee by the General Business Law of the State of New York, Article 33. The preceding sentence has been included in this Agreement as a condition to registration. Crestcom and Franchisee do not agree with the above language and believe that each of the provisions of this Agreement, including all choice-of-law provisions, are fully enforceable. Crestcom and Franchisee intend to fully enforce all of the provisions of this Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT

1. The North Dakota Securities Commissioner has held the following to be unfair, unjust or inequitable to North Dakota franchisees:

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 the arbitration of disputes at a location that is remote from the site of the franchisee's business.

C. Restrictions 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 they are to 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 & Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

H. General Release: Franchise agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

I. Limitation of Claims: Franchise agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

2. The following paragraph is added at the end of **Section 21.1**:

The State of North Dakota has determined that parties agreeing to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business is unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment law. The site of arbitration or mediation will be agreeable to all parties and may not be remote from the franchisee's place of business.

3. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

RHODE ISLAND RIDER TO FRANCHISE AGREEMENT

1. The following paragraph is added at the end of **Section 21.5**:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The foregoing language has been included in this Agreement as a condition to registration. Crestcom and Franchisee do not agree with the above language and believe that each of the provisions of this Agreement, including all choice of law provisions, are fully enforceable. Crestcom and Franchisee intend to fully enforce all of the provisions of this Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

VIRGINIA RIDER TO FRANCHISE AGREEMENT

1. **Section 22.19** of the Agreement will not be applicable to the Agreement signed by a Virginia franchisee entering into the attached Agreement.

2. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON RIDER TO FRANCHISE AGREEMENT AND ALL RELATED AGREEMENTS

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

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

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

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

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

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

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

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

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

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

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

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

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

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments**. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is

inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. The following is added at the end of **Article 4**:

All initial franchise fees payable to Crestcom shall be deferred until the day that Crestcom has fulfilled all of Crestcom's initial pre-opening obligations to Franchisee and Franchisee is open for business.

20. The following sentence is added to **Section 18.3**:

Franchisees have no obligation to indemnify or hold harmless an indemnified party for losses to the extent that they are determined to have been caused solely and directly by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

21. The fourth sentence in **Section 22.3** of the Agreement is hereby deleted.

22. **Section 22.28** is deleted in its entirety.

23. See the first page of this Exhibit VI for your signature.

WISCONSIN RIDER TO FRANCHISE AGREEMENT

1. The following paragraph is added to the end of **Section 17.9**:

The conditions under which this Agreement can be terminated or not renewed may be effected by the Wisconsin Fair Dealership Law, Wisconsin Statutes 1981-82, Title XIV-A, Chapter 135.

ATTACHMENT B

CONFIDENTIALITY/APPLICATION AGREEMENT

CRESTCOM®

CONFIDENTIALITY AGREEMENT

Contact Information

Phone (Office) _____ Phone (Home) _____

Phone (Cell) _____ Fax _____

E-Mail _____

_____ ("Applicant")
(check one:) ☐ has paid ☐ will pay a deposit of $2,500.00 US* to reserve a place in the Crestcom International, LLC ("Crestcom") Franchise Training program.

Initial Training will begin: Date _____ Location/City _____
conclude: Date _____

LaunchPad to Success Training
will begin: Date _____ Location/City _____
conclude: Date _____

Applicant acknowledges that, as a part of Applicant's training (or preparation for training), Applicant will be furnished with certain proprietary information. Applicant agrees not to divulge any proprietary information or trade secrets disclosed by Crestcom during, or in preparation for, training at any time, or utilize any of Crestcom's proprietary methods or trade secrets, without the prior written consent of Crestcom. Further, Applicant agrees not to copy, duplicate or otherwise replicate any of the materials furnished hereunder or as part of Applicant's training and to immediately return, upon request, such materials.

At the conclusion of the 2-day Business Training Program, Applicant shall have the following options:

a. Execute a copy of Crestcom's current Franchise Agreement, complete the purchase of the Franchise (to which Crestcom will apply the training deposit), complete any remaining segment of the initial training program, receive the Initial Inventory, and begin operations.
b. Decline the opportunity to become a Crestcom Franchisee and receive a full refund of the training deposit paid hereunder, (refunds requested under this Agreement are to be made within five (5) working days of Applicant's completion of training).

* _____
Applicant's Signature Date
Signed confirmation by Applicant to the terms of this Confidentiality Application Agreement

_____

Credit Card Information
Details follow for deposits to be paid by credit card

Name on Card _____

Card # _____

Expiration Date _____

Wire Transfer Information
Crestcom International, LLC
Signed confirmation by Crestcom to the terms of this Confidentiality Application Agreement

Details follow for deposits to be paid by wire transfer

Bank Name & Address:
FirstBank of Colorado
P.O. Box 260400
Lakewood, Colorado 80226 USA

Account Name:
Crestcom International, LLC

Account Number: 3405528658
Bank Number: 107005047
Swift Code: FBCRUS51
Bank Phone: +1 303-274-5000

For Office Use Only

Date Deposit Received _____

ATTACHMENT C

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

This Nondisclosure and Noncompetition Agreement (the "**Agreement**") is made effective on the date set forth on the signature page hereof, by and between CRESTCOM INTERNATIONAL, LLC, a Delaware limited liability company ("**Crestcom**") located at 6900 East Belleview Avenue, Suite 100, Greenwood Village, Colorado 80111, the undersigned franchisee, distributor, or area representative (the "**Company**"), and the undersigned associate of the Company ("**Recipient**").

RECITALS

A. Crestcom is engaged in the business of operating and selling franchises, distributorships, and other rights for the operation of sales and management training businesses ("**CRESTCOM Businesses**"), associated with the marks "CRESTCOM®," and "CRESTCOM TRAINERS TO THE WORLD®," and utilizing copyrighted written materials, video media, audio media, online media, and other materials ("**Materials**") and live instructional programs ("**Programs**");

B. Crestcom and its affiliates have developed proprietary methods for establishing, operating and promoting the CRESTCOM Businesses utilizing certain confidential information relating to Company and its operations as more fully described herein, and have established substantial goodwill and an excellent reputation with respect to the quality of the Materials and Programs available, which goodwill and reputation have been and will continue to be of major benefit to Crestcom;

C. Company is a franchisee, distributor or area representative under an effective agreement with Crestcom (the "**Crestcom Agreement**");

D. Recipient is or will become involved with Company in the capacity of an officer, partner, director, manager, agent, employee, or independent contractor (such capacities collectively referred to as "**Affiliation**") or is related to a person who has an Affiliation with the Company, and will become privileged as to certain confidential information related to Crestcom, its operations, the CRESTCOM Businesses and/or the Materials and Programs; and

E. Recipient, Company and Crestcom have reached an understanding and agreement with regard to nondisclosure by Recipient of confidential information and with respect to noncompetition by Recipient with Crestcom and Company.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Recipient, Company and Crestcom, intending legally to be bound, agree as follows:

AGREEMENT

1. **Confidential Information**. Recipient recognizes and agrees that certain proprietary information relating to Crestcom and its operations ("**Confidential Information**") is owned by and treated as confidential by Crestcom and Company, including without limitation, (1) all proprietary information concerning Crestcom's business and the CRESTCOM Businesses; (2) all Crestcom's financial information other than financial information filed with any government regulatory agency; (3) franchise, distributorship, and other business sales processes and promotional methods and materials; (4) Materials and Programs sales methods; (5) sales, motivational and management training techniques and methodology, including information relating to conducting live training programs; (6) all nonpublic statistical information; (7) the strategic plan, budgets and projections for Crestcom; (8) all information

concerning negotiations of any kind conducted by Crestcom whether pending or completed; (9) all marketing research data and marketing plans, including information relating to marketing or conducting of live training programs; (10) all lead generation or prospecting methods; (11) all information contained in Crestcom's procedures manuals, and any other manual or other nonpublic written information; (12) Crestcom's written, video medium, audio medium and related documentation and information including that contained on websites or on the Internet which relate to conducting live training programs; (13) internal lists of Crestcom's current and former franchisees, distributors, area representatives, area developers, and clients of Crestcom and its franchisees, distributors, area representatives, and area developers, including contact information such as physical addresses and e-mail addresses thereof; and (14) all other information that may be considered a trade secret or proprietary and such Confidential Information that may be further developed from time to time by Crestcom.

2. **Use and Disclosure of Confidential Information**. Recipient acknowledges that, in connection with Recipient's Affiliation with Company, Crestcom or Company will disclose in strict confidence certain Confidential Information necessary for the operation of a CRESTCOM Business or for sale of the Materials and Programs. Recipient specifically acknowledges that the Confidential Information is valuable, unique and comprises a key portion of the assets of Crestcom; and Recipient agrees that he or she will not utilize all or any portion of the same for Recipient's personal benefit during the term of Recipient's Affiliation with Company, nor in any manner use the same subsequent to the termination of Recipient's Affiliation with Company or the termination or expiration of the Crestcom Agreement, nor disclose any of the same to any person, firm, corporation or other entity whatsoever, including but not limited to a Competitive Business, as defined below, at any time for any reason or purpose, without the prior written consent of Crestcom. Recipient shall not copy, publish or otherwise duplicate the Confidential Information or permit others to do so and shall return all Confidential Information to Crestcom or Company upon termination of Recipient's Affiliation with Company. Recipient may disclose to other employees, agents, or representatives of Crestcom or Company the Confidential Information only to the extent necessary for such employees, agents or representatives to carry out their intended function.

3. **No Engagement in Other Business During Term**. Recipient covenants and agrees that, during the term of his or her Affiliation, except while conducting Company's business in a manner authorized by Crestcom and Company, Recipient shall not engage in any other type of business or profession in addition to the CRESTCOM Business, or offer or market other types of programs or materials, make speeches or presentations, or conduct other training, unless Crestcom and Company approve such action in writing.

4. **Noncompetition Covenant**. Recipient covenants and agrees that, during the term of his or her Affiliation, except while conducting Company's business in a manner authorized by Crestcom and Company, Recipient shall not, either directly or indirectly through any member of Recipient's immediate family, separate business entity or otherwise:

(a) have any direct or indirect controlling interest as a disclosed or beneficial owner in a "Competitive Business," as defined below; or

(b) perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business.

The term "**Competitive Business**" as used in this Agreement means any business operating, or granting franchises, licenses, distributorships, or rights to others to operate, a business that offers sales, motivational, office professional or personnel profiling or evaluation, personnel development, recruiting,

customer service, or management training or consulting, or other business or personnel development advice, aptitude, personnel assessment services or materials or training to individuals, companies or other organizations; or that sells or provides training or instruction, books, manuals, written materials, or audio, video, or online media (or similar materials of any kind transmitted by any form of electronic medium) providing instruction and advice in sales, motivational, office professional or personnel development, recruiting, customer service, management training, personnel profiling or evaluation, or other business or personnel development advice or training. However, Recipient will not be prohibited by this Agreement from owning securities, on a passive basis, in a Competitive Business if such securities are listed on a stock exchange or traded on the over-the-counter market and represent 2 percent or less of that class of securities issued and outstanding.

5. **Post-Termination Covenant Not to Compete**. Recipient covenants and agrees that, for a period of 30 months commencing on the effective date of termination or expiration of the Recipient's Affiliation with the Company, the effective date of termination or expiration of the Company's Crestcom Agreement, or the date on which Recipient or its immediate family ceases to conduct business in violation of this Section 5, whichever is later, neither Recipient, nor any member of Recipient's immediate family, shall have any direct or indirect interest, as a disclosed or a beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent or in any other capacity, in any "Competitive Business" located or operating within the Assigned Area or Territory of the Company's CRESTCOM Business or within any Assigned Area, Territory, or Development Area, as defined in the respective agreement, of any other franchised or licensed business of Crestcom. Recipient expressly acknowledges that he or she possesses business and career skills and abilities of a general nature and has other opportunities for exploiting such skills and abilities. Consequently, enforcement of this covenant will not deprive Recipient of his or her personal goodwill or ability to earn a living.

6. **No Diversion of Business or Employees**. During the term of Recipient's affiliation with the Company, and for a period of 30 months after the earlier of (i) the effective date of termination or expiration of Recipient's Affiliation with the Company, or (ii) the effective date of termination or expiration of the Company's Crestcom Agreement, Recipient agrees not to divert or attempt to divert any business related to the Company, Crestcom or any other franchisee, distributor, area representative, or area developer of Crestcom, or any client or account of the Company, Crestcom or any other franchisee, distributor, area representative, or area developer of Crestcom, by direct inducement or otherwise, or divert or attempt to divert the employment of any employee of Crestcom, the Company or any other franchisee, distributor, area representative, or area developer of Crestcom, to any Competitive Business by any direct inducement or otherwise.

7. **Prohibition Against Relationship With Talent**. During the term of Recipient's affiliation with the Company, and for a period of 30 months after the earlier of (i) the effective date of termination or expiration of Recipient's Affiliation with the Company, or (ii) the effective date of termination or expiration of the Company's Crestcom Agreement, Recipient agrees not to contact any of the talent set forth in the Materials for the purpose of engaging or utilizing such talent in the Company's CRESTCOM Business or in any Competitive Business, to enter into any business dealings or arrangements with such persons, or to broker any business dealings or arrangements involving the services of such individuals. The term "**talent**" shall mean the video faculty members who have contracted with Crestcom, either as of the date of this Agreement or at any time during the term of this Agreement, to present their areas of expertise in the Materials for use by Crestcom and its franchisees, distributors, area representatives, and area developers.

8. **Post-Termination Prohibition Against Relationships with Franchisees**. For a period of 30 months after the earlier of (i) the effective date of termination or expiration of Recipient's

Affiliation with the Company, or (ii) the effective date of termination or expiration of the Company's Crestcom Agreement, Recipient shall not hire, or attempt to hire or otherwise enter into any business dealings or arrangements with any current or former franchisee, distributor, area representative, or area developer of Crestcom for the purpose of using such current or former franchisee's, distributor's, area representative's, or area developer's services or materials in any Competitive Business.

9. **Non-Interference**. During the term of Recipient's affiliation with the Company, and for a period of 30 months after the earlier of (i) the effective date of termination or expiration of Recipient's Affiliation with the Company, or (ii) the effective date of termination or expiration of the Company's Crestcom Agreement, Recipient shall not interfere with the business of Crestcom by interfering with or disrupting, or attempting to interfere with or disrupt, the relationship, contractual or otherwise, between Crestcom or Company and any of their existing or prospective franchisees, distributors, area representatives, area developers, customers, talent, suppliers, partners or joint venturers.

10. **Audit of Financial Records**. Crestcom or its designated representatives may inspect and/or audit any records of Recipient, Recipient's immediate family members, or any party affiliated with Recipient or its immediate family members, including any companies or entities associated with Recipient or its immediate family members, that Crestcom in its sole discretion determines may be relevant in determining Recipient's compliance with the terms of this Agreement or Company's compliance with its Crestcom Agreement. The records subject to this audit include (i) tax returns; (ii) quarterly and/or annual financial statements, including profit and loss statements and balance sheets; (iii) copies of check ledgers and bank statements for checking and savings accounts; (iv) copies of any checks or other evidence of payments; (v) business contracts or agreements; and (vi) any other documents requested by Crestcom. Any such inspection or audit shall be conducted in accordance with the audit provisions set forth in the Crestcom Agreement, which are deemed incorporated herein. Inspections and audits conducted at Recipient's business location or other location where the records are held may take place without prior notice during business hours. Crestcom may also require at any time the records from Recipient or its affiliated parties be sent to Crestcom's offices or another location to permit the inspection or audit of such records to be conducted at Crestcom's place of business or the other location. If Crestcom notifies Recipient that documents are to be sent to a location other than Recipient's business location for the purpose of conducting an inspection or audit at that location, Recipient shall provide the requested documents to Crestcom within the time period set forth in Crestcom's notice. Crestcom may audit and inspect documents covering a period beginning with the date on which Recipient's Affiliation commenced and ending on the date such audit is concluded. All documents provided for Crestcom's inspection or audit must be certified by Recipient and the appropriate affiliated party, if applicable, as true, complete and correct. Inspections and audits may be conducted following the termination of Recipient's Affiliation for any reason.

11. **Invalidity**. If any provision of this Agreement shall be held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority, arbitrator or otherwise, the parties authorize and request such court, governmental authority, or arbitrator to modify the provision held to be void, voidable, invalid, unenforceable or inoperative to contain such lesser covenants that impose the maximum duty permitted by law so that the provision is upheld as valid, and the parties agree to be bound by such modified provision. Further such holding, declaration or pronouncement shall not affect adversely any other provisions of this Agreement which shall otherwise remain in full force and effect.

12. **Injunction**. Recipient hereby acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, Crestcom or Company shall be authorized and entitled to seek, from

any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which Crestcom or Company may be entitled.

13. **Assignment**. Company or Crestcom may assign all or part of this Agreement and the rights which inure to either of them hereunder without the consent of Recipient, provided that any assignment by the Company shall require the written consent of Crestcom. This Agreement shall not be assignable by Recipient.

14. **Effect of Waiver**. The waiver by Recipient, Company or Crestcom of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof.

15. **Binding Effect**. This Agreement shall be binding upon and inure to the benefit of Recipient, Company and Crestcom and their respective heirs, executors, representatives, successors and assigns.

16. **Entire Agreement**. This instrument contains the entire agreement of Recipient, Company and Crestcom relating to the matters set forth herein. It may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought. Further, both Recipient and Company agree that no change to this Agreement shall be made without the written consent of Crestcom having first been obtained.

17. **Governing Law**. If Crestcom is a party to any action, this Agreement shall be governed by and construed under the laws of the State of Colorado, U.S.A. Otherwise, this Agreement shall be governed by and construed under the laws of the state, province, or country where Company is located.

18. **Arbitration**.

(a) Any and all controversies, disputes or claims between Crestcom, its subsidiaries and affiliated companies or their shareholders, officers, directors, agents, employees and attorneys (in their representative capacity); Company, its shareholders, officers, directors, agents and employees; and/or Recipient arising out of or related to: (1) this Agreement; (2) the relationship of the parties; or (3) the validity of this Agreement shall be submitted for binding arbitration; except for actions for injunctive relief pursuant to Section 12 above, which actions Crestcom and/or Company at their option may bring either in a court of competent jurisdiction or in arbitration.

(b) If Crestcom is a party to any controversy, dispute or claim, such arbitration proceedings shall be conducted in Denver, Colorado, U.S.A., will be submitted to either the Judicial Arbiter Group ("JAG") or the American Arbitration Association ("AAA"), as selected by the party submitting the arbitration demand, and will be heard by one arbitrator in accordance with the then current rules of AAA applicable to commercial arbitration. The arbitrator shall be a resident of the State of Colorado, U.S.A. knowledgeable of Colorado law and fluent in English. The arbitration proceeding and all other hearings shall be conducted in English only, although Recipient shall have the right, at Recipient's option and sole expense, to have a translator present at the proceeding or other hearings. If Crestcom is not a party to such controversy, dispute or claim, such arbitration proceedings shall be conducted within the Assigned Area or Territory (as applicable, as defined in the Franchise Agreement or Area Representative Agreement between Company and Crestcom) of the Company and will be heard by one arbitrator in accordance with the then current commercial arbitration rules of any arbitration group mutually acceptable to Company and Recipient, and if Company and Recipient cannot agree on an

arbitration group within 30 days after demand for arbitration, then the American Arbitration Association shall conduct such arbitration in accordance with its then current commercial arbitration rules. The decision as to whether a claim is subject to mandatory arbitration shall be made by an arbitrator, not a court.

(c) The parties agree that failure or refusal of a party to pay its required share of the deposits for arbitrator compensation or administrative charges shall constitute a waiver by that party to present evidence or cross-examine witnesses. In such event, the other party, at the discretion of the arbitrator, shall be required to present evidence and legal argument either at a hearing or by documents and affidavits. Such waiver shall not allow for an award against the non-paying party in the absence of evidence presented as provided above.

19. **Attorneys' Fees**. If Crestcom or Company must enforce any of the provisions or rights under this Agreement in any action at law or in equity and if the Company and/or Crestcom is successful in such litigation or arbitration as determined by the court or arbitrator in a final judgment or decree taking into consideration the merits of the claims asserted by each party, then the Recipient shall pay Crestcom or Company, as applicable, all costs, expenses and reasonable attorneys' fees incurred by Crestcom and/or Company (including without limitation such costs, expenses and fees on any appeals), and if Crestcom and/or Company shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment.

20. **Definitions**. All capitalized terms not defined in this Agreement have the respective meanings set forth in the effective Franchise Agreement or Area Representative Agreement between Company and Crestcom.

21. **Cross Default**. A default by Recipient under this Agreement will be deemed a default of all agreements between Company and Crestcom, unless waived by Crestcom in writing.

22. **Counterparts; Electronic Signatures**. This Agreement may be executed in counterparts and via electronic signatures.

SIGNATURES APPEAR ON FOLLOWING PAGE

The parties have signed this Agreement on this __ day of _____, 202____.

"CRESTCOM"

Crestcom International, LLC,
a Delaware limited liability company

By: _____
Its: _____
Date: _____

"COMPANY"

_____
a _____

By: _____
Its: _____
Date: _____

"RECIPIENT"

_____
Name: _____
Date: _____

RIDERS TO THE NONDISCLOSURE AND NONCOMPETITION AGREEMENT FOR SPECIFIC STATES

If any one of the following Riders to the Nondisclosure and Noncompetition Agreement for Specific States ("**Riders**") is checked as an "**Applicable Rider**" below, then that Rider shall be incorporated into the Nondisclosure and Noncompetition Agreement entered into by CRESTCOM INTERNATIONAL, LLC and the undersigned Recipient and Company. To the extent any terms of an Applicable Rider conflict with the terms of the Nondisclosure and Noncompetition Agreement, the terms of the Applicable Rider shall supersede the terms of the Nondisclosure and Noncompetition Agreement.

APPLICABLE RIDER

- ☐ INDIANA
- ☐ MINNESOTA
- ☐ WASHINGTON

CRESTCOM:

Crestcom International, LLC, a Delaware limited liability company

By: _____
Its: _____

COMPANY:

_____
a _____

By: _____
Its: _____

RECIPIENT:

_____
Print Name: _____

INDIANA RIDER TO THE NONDISCLOSURE AND NONCOMPETITION AGREEMENT

1. **Section 5** is reduced in scope to apply only to the Assigned Area or Territory of Company.

2. **Section 17** is deleted and replaced with the following language:

   17. **Governing Law**. Except to the extent governed by the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law, this Agreement shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Colorado.

MINNESOTA RIDER TO THE NONDISCLOSURE AND NONCOMPETITION AGREEMENT

1. **Section 6** is modified by the following language:

   Minnesota Statutes Section 181.991 prohibits a franchisor from restricting, restraining, or prohibiting in any way a franchisee from soliciting or hiring an employee of the franchisor or an employee of a franchisee of the same franchisor. Any such restrictions in this **Sections 6** are hereby deemed deleted.

WASHINGTON RIDER TO THE NONDISCLOSURE AND NONCOMPETITION AGREEMENT

1. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

2. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Agreement or elsewhere are void and unenforceable in Washington.

ATTACHMENT D

FORM OF PROMISSORY NOTE

PROMISSORY NOTE

$_____ _____, 202___

_____ ("Maker") promises to pay to the order of Crestcom International, LLC, a Delaware limited liability company, located at 6900 East Belleview Avenue, Suite 100, Greenwood Village, Colorado USA 80111 ("Holder"), the sum of _____ Dollars ($_____) with interest at _____ percent (__%) per annum on the following terms and conditions:

1. Payments. This Note is payable in _____ (____) consecutive monthly installments in the amount of _____ Dollars ($_____) each, payable on the ____ day of each month commencing on _____.

2. Place of Payment. This Note is payable at 6900 East Belleview Avenue, Suite 100, Greenwood Village, Colorado USA 80111, or at such other place as the Holder may designate in writing.

3. Prepayment. Maker may prepay all or any part of this Note at any time and from time to time without penalty.

4. Acceleration. It is agreed that the failure to make any payment when due shall cause the entire unpaid balance of this Note to become due at once, at the option of Holder of the Note.

5. Waiver. The Maker waives presentment for payment, protest and notice of protest and agrees that any extension of time of payment due under this Note shall not affect Maker's liability hereunder. No waiver by the Holder of this Note of any payment or right under this Note shall operate as a waiver of any other payment or right under this Note. If there are multiple parties who are the Maker under this Note, then this Note is the joint and several obligation of each of them, and is binding on each of them, their executors, administrators, successors and assigns. Each Maker further waives all duty or obligation of Holder to effect, protect, perfect, retain or enforce any security for payment of this Note. Each Maker further agrees that at any time without notice the terms of payment herein may be modified by agreement between Holder and any of the Makers. Holder may release any of the Makers without in any way affecting the liability of any of the other Makers with respect to any indebtedness evidenced hereby.

6. Default. If default occurs in the payment when due of any installment payment, or part thereof, due upon this Note, then if not cured within ten (10) days after delivery of written notice of such default, the entire remaining principal balance together with all accrued and unpaid interest shall become immediately due and payable, without further notice, at the option of Holder. If any payment of principal is not made on the due date hereof, then all accrued and unpaid interest shall be added to the remaining principal balance of this Note, which collectively shall bear interest at a default rate of _____ percent (__%) per annum. This same default rate shall apply as the post-judgment interest rate, regardless of the applicable statutory rate, in the event of any legal actions or proceedings related to this Note. In the event of default, the Holder shall be entitled to declare all amounts due under this Note immediately due and payable and shall be entitled to exercise any and all rights in the security as permitted by law.

7. Collection Costs. Maker agrees to pay all costs and expenses, including reasonable attorneys' fees paid or incurred by the Holder in enforcing this Note in the event of default by Maker.

8. **Setoffs.** This Note shall not be subject to any right of setoff claimed by the Maker or any person assuming the obligations of Maker herein, which right of setoff is hereby expressly waived. Holder shall have the right to apply any amounts that Holder owes Maker toward the amount owed under this Note.

9. **Jurisdiction.** All actions and proceedings in any way arising out of, related to, or connected with this Note brought by Holder against Maker shall be, at Holder's sole option, either (i) litigated in courts located in the City and County of Denver, Colorado, and Maker agrees to submit to the personal jurisdiction of such courts, or (ii) arbitrated before the Denver, Colorado, U.S.A. office of either the Judicial Arbiter Group or the American Arbitration Association, as selected by Holder, and Maker agrees to submit to binding arbitration before one arbitrator. **MAKER WAIVES ITS RIGHTS TO A TRIAL BY JURY IN ANY SUCH ACTION**.

10. **Governing Law.** This Note shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Colorado.

11. **Modification.** This Note may not be changed orally, but only by an agreement in writing signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

MAKER:

_____

INDIANA RIDER TO
PROMISSORY NOTE

All Promissory Notes made by franchisees operating franchises in the State of Indiana will be revised to replace **Section 10** with the following **Section 10**:

Governing Law. Except to the extent governed by the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law, this Note shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Colorado.

ATTACHMENT E

FORM OF SUCCESSOR FRANCHISE RIDER TO FRANCHISE AGREEMENT

FORM OF SUCCESSOR FRANCHISE RIDER
TO FRANCHISE AGREEMENT

CRESTCOM INTERNATIONAL, LLC ("**Crestcom**") and the undersigned franchisee ("**Franchisee**") entered into a certain Crestcom Franchise Agreement ("**Agreement**") contemporaneously herewith, and desire to supplement and amend certain terms and conditions of such Agreement by this Successor Franchise Rider to Franchise Agreement ("**Rider**"). The parties therefore agree as follows:

1. Initial Franchise Fee. Section 4.1 of the Agreement and **Paragraph 3** of the Addendum to Franchise Agreement ("**Addendum**") are deleted in their entirety, with the following substituted in their place:

> **Successor Franchise Fee.** Franchisee will pay to Crestcom a successor franchise fee, due and payable upon the execution of this Rider, as follows:
>
> $_____.

2. Initial Training Program, LaunchPad to Success Training Program, and PRO Certification Training Program. Sections 5.1, **5.2**, **5.3**, and **5.4** of the Agreement are deleted in their entirety. Notwithstanding the foregoing, the definition of "**Principal Representative**," as provided in **Section 5.1**, shall remain effective and have the meaning set forth therein.

3. Initial Materials. Section 6.1 and Exhibit II of the Agreement are deleted in their entirety. Franchisee specifically acknowledges that it is not entitled to the Initial Inventory or any initial Materials as a result of the exercise of this successor franchise.

4. Commencement of Operations. Section 6.6 of the Agreement is deleted in its entirety.

5. Active Operations. The first sentence of **Section 6.7** is deleted, with the following substituted in its place:

> Franchisee must actively promote and maintain its CRESTCOM Business.

6. Development Assistance. Article 7 of the Agreement is deleted in its entirety. Franchisee acknowledges that it has previously received the development assistance set forth in **Article 7**, including in particular, access to Crestcom's Procedures Manual.

7. Access to New Materials Upon Exercise of Successor Franchise. If Franchisee has not acquired Materials that are available on the date of this Rider, by paying an introductory surcharge under Franchisee's prior Franchise Agreement, then Franchisee shall pay to Crestcom the New Materials Surcharge set forth in **Section 10.2** of the Agreement for all such Materials which are available as of the date of this Rider as a condition to Crestcom's execution of this Rider. **Section 10.2** of the Agreement shall remain in full force and effect.

8. Monthly Production Goal. The clause "Beginning with the first month of the fourth full calendar quarter after execution of this Agreement," which appears at the start of **Section 11.6**, is hereby deleted.

9. Transferee Training Fee and Transfer Fee. The Transferee Training Fee referenced in **Section 15.2.c** shall be $_____, and the Transfer Fee referenced in **Section 15.2.g** of the Agreement and set forth in the Addendum shall be $_____.

10. Term. Section 16.1 is hereby deleted in its entirety with the following substituted in its place:

> **Successor Franchise Term.** The term of this Agreement shall commence on _____, 20___ (the "**Commencement Date**"), and is for a period of seven years from the Commencement Date, unless sooner terminated as provided herein. Franchisee agrees to actively operate the CRESTCOM Business for the entire term of this Agreement.

11. Rights Upon Expiration. Section 16.3 is hereby modified as follows (check the appropriate box):

> ☐ The header sentence of **Section 16.3** is hereby deleted in its entirety with the following substituted in its place:
>
> > At the end of the term hereof, provided Franchisee is not in default hereunder either at the time of notice of exercise of its successor franchise rights or at the time of the grant of successor franchise rights, Franchisee will have the option to obtain a successor franchise for ☐ one ☐ two additional terms of seven years, by acquiring successor franchise rights, unless Crestcom declines to offer a successor franchise in accordance with **Section 16.5** below, provided that Franchisee:
>
> ☐ **Section 16.3** is hereby deleted in its entirety with the following substituted in its place:
>
> > At the end of the term hereof, Franchisee shall have no option to obtain a successor franchise, and this Agreement shall expire.

12. Successor Franchise Fee. The Successor Franchise Fee referenced in **Section 16.3.e** of the Agreement and set forth in the Addendum shall be $_____.

13. Release. Franchisee for itself, its successors, assigns, agents and representatives, hereby fully and forever unconditionally releases and discharges Crestcom and its successors, assigns, agents, representatives, employees, officers and directors (collectively referred to as "**Crestcom Affiliates**") from any and all claims, demands, obligations, actions, liabilities and damages of every kind and nature whatsoever, in law or in equity, whether known or unknown to it, which it may now have against Crestcom or the Crestcom Affiliates, or which may hereafter be discovered, in connection with, as a result of, or in any way arising from, any relationship or transaction with Crestcom or the Crestcom Affiliates, however characterized or described, from the beginning of time until the date of this Rider.

14. Effectiveness of Agreement. The terms and conditions of this Rider are in addition to or in explanation of the existing terms and conditions of the Agreement and shall prevail over and supersede any inconsistent terms and conditions thereof.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

Fully executed this ____ day of _____, 202___.

CRESTCOM:

CRESTCOM INTERNATIONAL, LLC

Date:_____ By: _____
Title: _____

FRANCHISEE:

Date:_____ _____
Individually

OR:
(if a corporation, partnership or other business entity) _____
Company Name

Date:_____ By: _____
Title: _____

ATTACHMENT F

CURRENT FORM OF GENERAL RELEASE

THE FOLLOWING FORM OF GENERAL RELEASE AGREEMENT IS A SAMPLE OF OUR CURRENT FORM OF GENERAL RELEASE AGREEMENT. THIS AGREEMENT IS OFTEN MODIFIED TO CONFORM TO THE FACTS SURROUNDING THE EVENT OR INCORPORATED INTO A LARGER AGREEMENT WHICH MORE PRECISELY ADDRESSES THE EVENT. WE MAKE NO REPRESENTATION OR GUARANTY THAT THE GENERAL RELEASE AGREEMENT YOU MAY BE REQUIRED TO SIGN WILL BE IDENTICAL TO THE GENERAL RELEASE AGREEMENT SET FORTH BELOW.

GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT (this "Agreement") is made as of _____, 202____ by and between CRESTCOM INTERNATIONAL, LLC, a Delaware limited liability company ("Crestcom") and _____, a(n) _____ ("Franchisee").

RECITALS

A. Crestcom and Franchisee entered into that certain Franchise Agreement or Area Development Agreement dated _____, 202____, (the "Franchise Agreement").

B. Franchisee desires to _____ its rights and obligations under Franchise Agreement.

C. As a condition to the _____ of Franchisee's rights and obligations under the Franchise Agreement, Crestcom requires Franchisee to execute this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the terms and conditions set forth below, and other good and valuable consideration, the receipt, adequacy and sufficiency of which are acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Release. Franchisee, for itself, its principals, owners, directors, officers, employees, heirs, assigns, agents and representatives, fully and forever unconditionally releases and discharges Crestcom, and its shareholders, directors, officers, employees, successors, assigns, agents and representatives (collectively referred to as "Crestcom Affiliates") from any and all claims, demands, obligations, actions, liabilities and damages of every kind and nature whatsoever, in law or in equity, whether known or unknown to it, which it may now have against Crestcom or the Crestcom Affiliates, or which it may discover hereafter, in connection with, as a result of, or in any way arising from, any relationship or transaction with Crestcom or the Crestcom Affiliates, however characterized or described, from the beginning of time until the date of this Agreement.

2. Notice. Any notice, request, demand, statement or consent made under this Agreement shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, and shall be deemed given when personally delivered or three days after deposit in the United States Mail, postage prepaid, and properly addressed to the other party at its address as set forth below. Each party may designate a change of address by notice to the other party in accordance with this Section.

If to Franchisee: _____
_____
_____

If to Crestcom: Crestcom International, LLC
6900 East Belleview Avenue, Suite 100
Greenwood Village, Colorado 80111

3. Colorado Laws. This Agreement shall be interpreted by the laws of the State of Colorado. Should any provision of this Agreement be found to violate the statutes or court decisions of the State of Colorado or of the United States, that provision shall be deemed to be amended to comply with and conform to such statutes or court decisions to affect the intent of the Parties.

4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the successors, assigns, trustees, receivers, personal representatives, legatees and devisees of the parties.

5. Attorneys' Fees. Each party shall be responsible for paying its and his or her own costs and expenses incurred in the preparation of this Agreement. However, in the event of any litigation between the parties based upon an alleged breach or default in their respective obligations to be fulfilled pursuant to this Agreement, the prevailing party in the action shall be entitled to recover attorney's fees and court costs from the non-prevailing party(ies).

6. Entirety. This Agreement embodies the entire agreement and understanding between the parties and supersedes all prior agreements and understandings related to the subject matter hereof.

FOR WASHINGTON FRANCHISEES ONLY:

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act, RCW 19.100, or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CRESTCOM:

CRESTCOM INTERNATIONAL, LLC,
a Delaware Limited Liability Company

By: _____
Name: _____
Title: _____

Date: _____

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____

Date: _____

ATTACHMENT G

LIST OF FRANCHISEES

LIST OF CRESTCOM FRANCHISEES
December 31, 2025

UNITED STATES - 57

ALABAMA - 1

JOEL & AMANDA SMITH
4995 U.S. Hwy 278 East
Cullman, Alabama 35055
256-339-2720

ARIZONA - 2

NEVIN PHULL
9720 E Barrudean Hills St.
Tucson, Arizona 85748
317-691-5711

DARRYL MCSWAIN
1900 Chapman Avenue
Rockville, Maryland 20852
240-678-8688

CALIFORNIA - 8

ALAN CLARK
194 Hyannis Court
Aptos, California 95003
956-212-4878

KELLEY CONNELL
1046 Del Rey Avenue
Pasadena, California 91107
626-529-5267

JOEY RUIZ
1200 Sandra Circle
Vista, California 92083
619-204-9130

JONATHAN SEITZ
AND SIAN SEITZ
(4 Franchises)
1200 Sandra Circle
Vista, California 92083
619-204-9130

JONATHAN SEITZ, SIAN
SEITZ, AND SAM SERIO, JR.
1200 Sandra Circle
Vista, California 92083
619-204-9130

COLORADO - 1

KRISTINA MORGAN
1942 Broadway St.
Suite 314C
Boulder, Colorado 80302
415-650-6573

CONNECTICUT - 1

KARA HUGHS
67 Brookview Circle
Manchester, CT 06040
860-205-1914

FLORIDA - 6

ROBERT V. BERRY
7581 Doubleton Drive
Delray Beach, Florida 33446
937-974-0348

ANTHONY "TONY" G. DAVIS
2342 Stoney Glen Drive
Fleming Island, Florida 32003
904-622-7458

CHRIS ALLEN HOWARD
(2 Franchises)
153 Sugar Belle Drive #B200
Horizon West, Florida 34787
321-338-5319

DAVID M. LAWRENCE
(2 Franchises)
210 NE 102nd Street
Miami Shores, Florida 33138
305-780-3051

GEORGIA - 1

CARL MATTOX
708 Weeping Willow Drive
Athens, Georgia 30605
706-340-2092

ILLINOIS - 1

RAQUEL CHOLE
11309 72nd Street
Burr Ridge, Illinois 60527
630-212-7679

INDIANA - 1

DOUGLAS PETERSON
15701 Bethpage Trail
Carmel, Indiana 46033
937-207-3600

MAINE - 1

JEREMY BOARDMAN
20 Hennings Way
North Yarmouth, Maine 04097
207-800-6870

MARYLAND - 1

KONÉ FAULKNER
13919 Heatherstone Drive
Bowie, Maryland 20720
443-567-2397

MASSACHUSETTS - 2

HEATHER ROSENFELD
29 Lincoln Circle
Andover, Massachusetts 01810
978-475-9755

JACOB JOHNSTON
7 Union Road
Stratham, New Hampshire 03885
810-513-8789

LIST OF CRESTCOM FRANCHISEES
December 31, 2025

MICHIGAN - 2

DAVID HEISEY
3660 Observatory Lane
Holt, Michigan 48842
517-449-0124

DOMINICK GIOVINAZZO
3441 Yosemite Drive
Lake Orion, Michigan 48360
248-877-1436

MINNESOTA - 1

TAUNA HEDIN
10556 Major Ave N
Brooklyn Park, MN 55443
763-226-9048

NEBRASKA - 1

JAMES MACKIEWICZ
10341 Rockbrook Road
Omaha, Nebraska 68124
402-399-9239

NEW HAMPSHIRE - 1

JONATHAN BRADLEY
12 Bittersweet Lane
Atkinson, New Hampshire 02811
603-303-2912

NEW JERSEY - 2

DAVID BROTMAN
(2 Franchises)
218 N. Second Avenue
Highland Park, New Jersey 08904
908-385-8045

NEW YORK - 3

MICHELE REBETTI
4 Wagon Wheel Lane
Dix Hills, New York 11746
631-807-8904

JOHN LENTINI
P O Box 966
Greenwood Lake, New York 10925
929-341-9889

IVY GOODMAN
122 Ashland Place
Apt 10J
Brooklyn, New York 11201
646-248-9184

NORTH CAROLINA - 3

ANTOINETTE MOORMAN
439 Westwood Shopping Center
Suite 153
Fayetteville, North Carolina 28314
910-723-0111

PETER LINDSAY
2887 Fleming Road
Greensboro, North Carolina 27410
336-314-6111

DOUGLAS SANDERSON
1214 Sunday Silence Drive
Knightdale, North Carolina 27545
502-439-2106

OHIO - 4

ELIZABETH JOY
104 Mill Street
Suite H2
Columbus, Ohio 43230
614-547-8588

JAKE MEISER
1344 Bruck Street
Columbus, Ohio 43206
440-346-2258

KEVIN MOWERS
2756 Saxe Road
Mogadore, Ohio 44260
906-361-0011

MATTHEW LIS
560 Sugar Camp Road
Venetia, Pennsylvania 15367
937-877-9226

OREGON - 1

MANUEL A. "MANNY" MARTINEZ
2512 28TH Avenue SE
Olympia, Washington 98501
360-561-4030

PENNSYLVANIA - 2

JOSE LUIS ELIZARRARAS AVILA
206 Briarwood Lane
Cranberry TWP, Pennsylvania 16066
724-487-4496

LAURIE AND ANTHONY CUSIC
99 Wiand Lane
Spring City, Pennsylvania 19475
509-434-9103

SOUTH CAROLINA - 1

DAMON THOMAS
199 Dolce Lane
Summerville, South Carolina 29483
330-806-4178

SOUTH DAKOTA - 1

JENNIFER SCHMIDTBAUER
48252 264th St
Brandon, South Dakota 57005
605-496-3902

TENNESSEE - 2

GARY RAINFORD
361 Saint Andrews Drive
Franklin, Tennessee 37069
407-488-8384

CHIP BAKER
911 Dunsinane Road
Signal Mountain, Tennessee 37377
423-593-2211

LIST OF CRESTCOM FRANCHISEES
December 31, 2025

TEXAS - 4

DAWN MCCARTER
465 Little Bear Road
Buds, Texas 78610
512-784-3333

KEVIN BAST
13116 Red Robin Drive
Keller, Texas 76224
817-993-0045

DWARAKA IYENGAR
3536 Hutch Drive
Plano, Texas 75074
469-878-7718

MARCELO ALVES
17319 Legend Creek Ct.
Tomball, Texas 77375
346-300-1833

VIRGINIA - 1

TERRANCE MCCRAY
5000 Thayer Center
Suite C
Oakland, Maryland 21550
279-800-6249

WASHINGTON - 2

MANUEL A. "MANNY" MARTINEZ
2512 28TH Avenue SE
Olympia, Washington 98501
360-561-4030

CALE PEARSON & MANNY MARTINEZ
2512 28TH Avenue SE
Olympia, Washington 98501
439 N.W. 29th Street
Redmond, Oregon 97756
360-561-4030
541-480-7783

INTERNATIONAL - 111

AUSTRALIA - 1

KARLIE CREMIN
Dynamic Leadership Programs Australia
Level 3, 15 Blue Street
North Sydney NSW 2060
+61 410 537 017

AUSTRIA - 5

FRIEDRICH KALNY
(2 Franchises)
Drauweg 10 A-9524 St. Ulrich/Villach, Austria
+43-664-450-5068

MANFRED MONSBERGER
Seidengasse 33-35/26
1070 Wien, Austria
069913541995

RICHARD SKENE
(2 Franchises)
A-8403 Lebring
Oedt 15d, Austria+43 664 928 77 55

BELGIUM - 1

NADINE RAES
Uilstraat 76,
3300 Sint-Margriete-Houtem (Tienen), Belgium
+32-16-777-420

CANADA - 16

JOHN BENT
(5 Franchises)
3247 Sealey Crescent, Burlington
Ontario L7M 0J6 Canada
289-208-8089

MICHAEL W. HOULE
JENNIFER THORNE
(4 Franchises)
4 Pierport Common
St Catharines, Ontario
L2M 0B9 Canada
519-865-1459

KEN STRILCHUK
372, 440-10816 Macleod Trail S.
Calgary, Alberta T2J 5N8 Canada
403-278-4407

MICHAEL LORENZ
(2 Franchises)
2913 Meadowvista Place
Coquitlam, B.C. V3E 2R9 Canada
604-351-2127

DOHA MELHEM
10339-124 Street NW Suite 700
Edmonton, Alberta
T5N 3W1 Canada
780-266-5578

BEN DUECK
15 Kirkdale Drive
Niverville, Manitoba
R0A 0A2
204-793-3167

STEVEN COLEMAN
ERICA COLEMAN
3389 McKinley Drive
Abbotsford, British Columbia
V2S 8M8
604-316-3905
604-317-6113

KEVIN WOLFE
655 Otterson Court
Ottawa, Ontario
K1V 7A7
613-864-4460

CHINA - 2

ZHAOQUAN "DAVID" PAN
(2 Franchises)
#8 Hexiang Building
Shanding Community, Liwan District
Guangzhou, Guangdong 510000
China
+86-185-2099-9332

LIST OF CRESTCOM FRANCHISEES
December 31, 2025

COLOMBIA - 1

JOSE FERNANDO AGUDELO
Cra 1 Oeste 9-59 Apto 602
Edif Avenida del Rio
Cali, Valle del Cauca, 760045
Colombia
+572-4865-468

COSTA RICA, HONDURAS, GUATEMALA, EL SALVADOR, NICARAGUA AND PANAMA - 2

LINDBERG MILLER AND KARLA TELES
P O Box 2127
San Jose, 2050 Costa Rica
+506-8712-1300

HEIDI SCHAER
Barrio Woodbridge
La Uruca, San Jose, Costa Rica
+506-8850-4787

ENGLAND (UNITED KINGDOM) - 4

FIONA BISHOP
2 Churchfields
Standon, Herts,
SG11 1QR Herts, England
+44-798-465-5099

JULIAN MCINERNEY
Dacre Street
Liverpool, L20 8DN, England
+44-151-944-1744

ALAN PATTERSON
12, Glassdrumman Road
Ballynaninch, County Down
Northern Irelanld BT24 8UX
+44-7i7i11-033-799

TALEL COHEN
1 Mowbray Road
Edgware, London HA8 8JG
United Kingdom
+447597873937

FRANCE - 3

PATRICE DEAL
11 rue du sescanet
31780 CASTELGINEST France
06 63 38 83 64

VIOLETTE MARTINEZ
89, Rue Albert Hénon
74 100 Ville La Grand, France
+33-06-28-33-3692

PASCAL TREMBLAY
19 Rue Soulane,
06250 Mougins Le Haut, France
33-6-86-22-6930

GERMANY - 33

UWE DIETZ
Niederhofheimer Str. 6,
D-65812 Bad Soden, Germany
+49-178-9339-918

THOMAS DYLLUS
(2 Franchises)
Am Wirbelberg 17, DE-76684
Ostringen-Odenheim, Germany
+49-170-858-2214

KLAUS FOLGMANN
Thomas-Igl-Str. 18, D-47441 Moers
Nordrhein-Westfalen, Germany
+49-177-65-660

ARND MEYER
(2 Franchises)
Lachsweg 32a
23669 Timmendorfer Strand
Germany+49-151-580-49-868

HARTMUT HORST
Beiden Schlehen 2
D-38855 Wernigerode, Germany
+49-175-936-1436

VERENA KAKUSCHKE
MARTIN KAKUSCHKE
Gruner Weg 25
Aurich Nds 26605, Germany
+49-171-553-7775

GERD KASCH
Carl-Arnold-Street 10
Bad Mergeutheim
Baden-Württemberg
D-97989 Germany
011-49-1525-368-7631

STRUENSEE & DR. ROTHE GMBH
(4 Franchises)
Tobias Rothe: Zöllmener Str. 19
D-01705 Freital, Germany
+49-173-522-9254
Wolfgang Struensee
Margarethenstrasse 4
99867 Gotha, Germany
+49-172-807-7713

SONJA MITREUTER SEIDL
Tobelstr. 50/2, D-88069
Tettnang, Germany
+49-171-211-1403

MARTIN SUCHANEK
Wrightallee 31
12487 Berlin, Germany
+49-30-5490-8078

MATHIAS VON MACKENSEN
Koszeger Str. 7/1
Vaihingen 71665 Germany
+49-0173-209-4251

MARTIN ZURSIEDEL
Daimlestr. 9
70372 Stuttgart, Germany
+49-177-321-6203

KARSTEN DRESSBACH
(2 Franchises)
Am Waeldla 2
Hemhofen, Bavaria 91334 Germany
+49-1525-342-6391

HANS SCHLICKUM
Unterm Steeg 2
47839 Krefeld-Hüls
Germany
+49 0172-6333-000

LIST OF CRESTCOM FRANCHISEES
December 31, 2025

TORSTEN MÖLLER
Schumannstr. 61-63
40237 Düsseldorf, Germany
0211 9661003

THORSTEN PUNKE
Professor-Schmieder St. 7B
78476 Allensbach
+49 157 507 48544

CARSTEN GREB
Friedrich-List-Weg 23
45659 Recklinghausen
Germany
+49 173 2750265

DIRK LANGENSTRÖHER
Bruchstraße 6
33189 Schlangen
0173-2595915

FRANK MENZ
Falkenweg 30
Jena Thüringen 07751
Deutschland
0172-3928727

PETER GAWLIK
Lindenstrasse 18
Laaber Bavaria 93164
Germany
+49.171.7505538
+49.9498.9071064

SASCHA ROESLER
Str. der Pariser Kommune 23
10243 Berlin
+4930 40783199
+49178 4869109

SANDRA ROELL
Brandenburgerstraße 45a
63075 Offenbach
+49 163 3129863

BJÖRN LEHMANN
Schweriner Str. 10
72116 Mössingen
+49 172 666 66 23

MARCUS RASCH
Schlossfeldweg 13
Obergünzburg, Bavaria 87634
+49 173 9718434

IHNO KOEHNEMANN
Deich, Straße 15
26632 Ihlow
01751661425

ARNOLD CHETTY
Stieglitzweg 6f, Geestland District
Langen, Lower
Saxony, 27607 Germany
+49 17622667910

LANGENSTRÖHER & GREB GmbH
Bruchstraße 6
33189 Schlangen
0173-2595915
+49 173 2750265

GHANA - 1

KOJO YANKAH
20 Justice EP Sowah Avenue
Ambassadorial Enclave
East Legion, Accra Ghana
+233-302-253-952

GREECE AND CYPRUS - 1

ANTONIS PROKOS
City Plaza Building
85 Vouliagmenis Avenue
GR 16674, Glyfada
Athens, Greece
+30-210-9637541

HAITI - 1

DR. PAUL R. LATORTUE
Borinquen Gardens, Jazmin DD 22
San Juan, Puerto Rico 00926
787-632-6972

INDIA - 4

NARESH P. SHOTHAM / LAKSHMI VASAN
Old No. 4, New No. 7
Dhandayuthapani Nagar
1st St. Kotturpuram, Chennai,
600085 India
+91-44-2447-3570

RAJENDRA MUTHYE
14, Madhu Milan, H.M. Patil Marg,
Near Sanapati Bapat Statue
Shivaji Park Dadar
Mumbai 400 028 India
+91-85726-50091

SAMIR MATTU
1062 Prestige White Meadows
Whitefield, Bengaluru 560066
Karnataka, India
224-433-8471

MANORANJAN SAHU
C 302 Exotica East Square
Ahinsha Khand-2
Indirapuram, Ghaziabad
Utter Pradash, India
+91-8800-558-594

INDONESIA - 1

DAVID KNOWLES
JL Kemang Timur Raya 100F
Kemang, Jakarta, Indonesia 12730
+62-21-7192105

IRELAND - 2

DEIRDRE KEANE
14B Crosthwaite Park East
Basement Office
Dun Laoghaire, County Dublin
Ireland A96 AN25
+353-8587-02269

BRENDAN O'BRIEN
Ballycommon, Nenagh,
Co. Tipperary, Ireland E45Y183
+353-87-915-5705

LIST OF CRESTCOM FRANCHISEES
December 31, 2025

KUWAIT - 1

HUMAN INVESTMENT CORP.
P. O. Box 3600
Safat, Kuwait
+965-2241-1335

LEBANON - 1

HANNA MOUJAES AND WALID AL MAKARY
Khanamirian Building
Badaro, Georges Katro Street
Beirut 1107, Lebanon
+966-564-000-093

LIBERIA - 1

WILLIE BELLEH-PEWU SUBAH
First Merchant Bank Building,
43 Broad Street, Monrovia, Liberia
+231-880-694-918

MEXICO - 2

EDSON BRINDIS MAYA
Juan Alvarez #205
Sn. Felipe Tlalmimilolpan
Toluca, Estado de Mexico
+52-722-198-1192

GERARDO HURTADO
Calle Treviño 616 Col Palo Blanco
San Pedro Garza Garcia N.L.
México C.P. 66236
+52-81-8356-5895

MOROCCO - 4

MOHAMED BERRADA
VJ1 residence Dar El Kanz
20223 Dar Bouazza, Morocco
+212-660-450-769

RACHID SAYASS
Num 16, Lotissement Abdelmalek
Route Aviation
90000 Tanger, Morocco
011-212-771-000-771

MUSTAPHA SEKKAT
57, Rue Abou Zahr Apt. 13
Casablanca, Morocco 20360
011-212-661-088-927

YOUNES BOUASSIS
34 Avenue Tariq Ibn Zyad Apt. 13
Kenitra, Rabat-Sale-Kenitra 14000
992126 60 62 49 04

MOZAMBIQUE - 1

MÁRIO DA MOTA
Av Frederik Engels
Maputo, Mozambique
+258-846-873-800

NETHERLANDS - 1

ROBERT "Rob" DUPPEN
Ridderspoor 4, 5803 KC Venray
The Netherlands
+31-478-515-166

NEW ZEALAND - 1

KARLIE CREMIN
Dynamic Leadership Programs
Australia
Level 3, 15 Blue Street
North Sydney NSW 2060
+61 410 537 017

NIGERIA - 1

SOLOMON AVBIOROKO
19 Emina Crescent, Off Toyin St.
Ikeja, Lagos, Nigeria
+234-802-312-4750

PANAMA - 1

GABRIELA SOTO
Calle 47 Bellavista,
Edificio Twin Towers, Torre A
Depto 8ª, Panama City, Panama
+507-6234-6370

PHILIPPINES - 1

ROBERT MERLYN JENKINS
12/F Robinsons Summit Center
6783 Ayala Avenue
Makati City, 1226 Philippines
+63-2-479-1774

POLAND - 1

ANDRZEJ KURAS
Brzozowa 17 Street
Podkowa Lesna 05-807 Poland
+48-516-475-205

PUERTO RICO - 2

MARIA DE LOS ANGELES ORTIZ
276 Elenor Roosevelt
San Juan, PR 00918
787-462-3335

ALMA IRIS ACOSTA DIAZ
P. O. Box 192392
San Juan, Puerto Rico 00919
787-758-7700

RWANDA - 1

JOHN NYAKAHUMA
KG 541 Street, Ground Floor,
Prester House, Kacyiru, P.O. Box 4456
Kigali, Rwanda
+250-782-29722

SAUDI ARABIA - 1

ABDULAZIZ ALOMARI
Awad AlOmari, President
473718th Street
Ar Rayyan, Unit No. 10
Dammam 32256-8405
Kingdom of Saudi Arabia
+966-13-842-5554

LIST OF CRESTCOM FRANCHISEES
December 31, 2025

SINGAPORE - 1

DORA NG
3 Fraser Street, Level 08-21 Duo Tower, Singapore 189352
011-65-6100-7325

SOUTH AFRICA - 1

BUZWE PAMA
256 Lupton St.
Halfway House, Midrand
Johannesburg, South Africa- 1685
+27-11-463-6577

SPAIN - 1

ANTONIO MAC-LELLAN ITURMENDI
c/Tramontana, 5 (1-B)
Pozuelo De Alarcon-28223
Madrid, Spain
+34-630-45-46-48

SWEDEN - 1

MARCUS OTTOSON
C/O Bryggan, Torsgatan 13
111 23 Stockholm, Sweden
+46-768-709-060

SWITZERLAND - 3

STEVEN LUTZ
Thunstraße 49
CH - 3661 Uetendorf
0041 79 622 5085

RUDOLF GASSER
Chressibuech 11
CH-8580 Hefenhofen, Switzerland
+41-71-410-1528

SANDRO MELLINI
Stallikonerstrasse 69
8903 Birmensdorf, Switzerland
+41-79-504-2239

TANZANIA - 1

SHANNON MTASIWA
Ada Estate
Chabruma Road, House #27
Kinondoni, Tanzania
+255754222268

TRINIDAD & TOBAGO - 1

RAM RAMESH AND RENATA TULSIE
41 Rainbow Crescent,
Green Acres, Arouca
Trinidad & Tobago, West Indies
868-221-0912

TURKEY – 2

TUNA BEKTAS
(2 Franchises)
Merdivenköy Mah., Bora Sokak
Nidakule Göztepe No 1-3/22
34732 Kadiköy, Istanbul, Turkey
011-90-530-931-1248

VIETNAM - 2

TOAN HOANG NGOC MINH
M4-3 Sky Garden Resident
Tan Phong Ward, District 7
Ho Chi Minh City, Vietnam
011-84-90-978-8343

LINH NGUYEN
LINH TANG
154 Nguyen Ba Tong Street
Quarter 26, Bay Hien Ward
Ho Chi Minh City, Vietnam
+84968485555

ATTACHMENT H

FRANCHISEES WHO HAVE LEFT THE SYSTEM

CRESTCOM FRANCHISEES
WHO HAVE LEFT THE SYSTEM
(January 1, 2025 - December 31, 2025)

Listed below is the name and last known city, state and telephone number of every franchisee who has had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under their respective 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.

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

UNITED STATES - 12

CALIFORNIA - 2

NINA HOFFMAN
(2 Franchises)
West Hills, California
818-307-6659

COLORADO - 1

JOHN "JC" LIGHTCAP
Arvada, Colorado
303-667-2610

KENTUCKY - 1

DWIGHT BUTLER
Georgetown, Kentucky
740-602-1444

MARYLAND - 1

VASUDEVAN SRINIVASAN
Ellicott City, Maryland
410-491-3726

NEW YORK - 1

MICHAEL MCDERMOTT
New York, New York
650-906-5280

OHIO - 1

GREGORY LOGUE
Perrysburg, Ohio
567-686-2071

OREGON - 1

CALE PEARSON
Redmond, Oregon
541-480-7783

PENNSYLVANIA - 1

TODD PERZ
Gibsonia, Pennsylvania
412-585-1329

TEXAS - 2

JOSEPH RUIZ
(2 Franchises)
Richmond, Texas
714-454-7624

WISCONSIN - 1

VILSON SIMON
Brookfield, Wisconsin
414-469-6834

INTERNATIONAL - 8

CANADA - 2

TREVOR HAINS
Ottawa, Ontario
Canada
613-797-3999

MICHAEL GIBSON
VICKEY GIBSON
Thornbury, Ontario
Canada
226-665-0677

GERMANY - 2

JOACHIM SCHULZ
Morfelden-Walldorf, Germany
011-49-171-319-0659

MARTIN LUTZ
Münster, Germany
+49 1728552323

INDIA - 1

ANURAG SHARMA
Noida, India
011-91-986-808-2777

NIGERIA - 1

KAYODE OLUSUNMADE
Ilupeju, Lagos, Nigeria
011-234-80-331-06607

VIETNAM - 2

BICH HOANG NGOC
Ho Chi Minh City, Vietnam
011-84-904-288-233

VINGROUP
Nguyen Mai Hoa
Hanoi, Vietnam
(844) 39749999 ext. 9300

ATTACHMENT I

FINANCIAL STATEMENTS

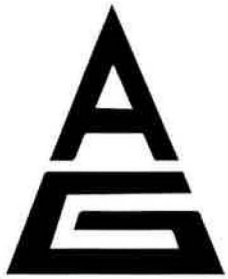
CRESTCOM INTERNATIONAL, LLC
AND SUBSIDIARY

CONSOLIDATED
FINANCIAL STATEMENTS

DECEMBER 31, 2025, 2024, AND 2023

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THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Board of Directors and Member
Crestcom International, LLC and Subsidiary
Greenwood Village, Colorado

Opinion

We have audited the accompanying consolidated financial statements of Crestcom International, LLC and Subsidiary (the Company), which comprise the consolidated balance sheet as of December 31, 2025, and the related consolidated statements of operations, member's equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Period Financial Statements

The consolidated financial statements of Crestcom International, LLC and Subsidiary as of December 31, 2024, and 2023 were audited by other auditors whose report dated March 28, 2025 expressed an unmodified opinion on those statements.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

The Adams Group, LLC

Greenwood Village, Colorado
March 16, 2026

CRESTCOM INTERNATIONAL, LLC AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

December 31,	2025	2024	2023
Assets			
Current assets			
Cash and cash equivalents	$ 295,185	$ 337,479	$ 304,672
Accounts receivable, net	907,504	556,634	654,557
Due from Crestcom Holdings	136,568	61,568	61,568
Prepaid expenses	52,994	56,768	220,475
Deferred expenses, current portion	347,509	368,239	346,334
Total current assets	1,739,760	1,380,688	1,587,606
Property and equipment	93,341	110,447	90,077
Right-of-use assets, net	269,925	108,828	223,045
Other assets			
Intangible assets, net	668,469	662,045	704,869
Goodwill	8,672,037	8,672,037	8,672,037
Deferred expenses, net of current portion	1,043,060	1,216,698	1,069,690
Total other assets	10,383,566	10,550,780	10,446,596
Total Assets	$ 12,486,592	$ 12,150,743	$ 12,347,324
Liabilities and Member's Equity			
Current liabilities			
Accounts payable	$ 460,539	$ 206,711	$ 308,603
Accrued liabilities	391,221	353,712	230,054
Deferred revenue, current portion	49,776	50,000	-
Due to Crestcom Holdings	188,420	188,420	188,420
Current portion of operating lease liability	70,558	112,144	114,518
Current portion of long-term debt	-	-	259,444
Total current liabilities	1,160,514	910,987	1,101,039
Long-term liabilities			
Other accrued liabilities	375,000	372,123	248,906
Deferred revenue, net of current portion	240,574	291,667	-
Long-term operating lease liability	220,591	-	111,842
Senior subordinated loan, net of financing costs	7,602,070	6,829,096	6,512,802
Total long-term liabilities	8,438,235	7,492,886	6,873,550
Total liabilities	$ 9,598,749	$ 8,403,873	$ 7,974,589
Member's equity	2,887,843	3,746,870	4,372,735
Total liabilities and member's equity	$ 12,486,592	$ 12,150,743	$ 12,347,324

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

CRESTCOM INTERNATIONAL, LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS

For the Years Ended December 31,	2025	2024	2023
Revenues			
Franchise sales	$ 987,557	$ 1,116,153	$ 1,269,354
Royalties, fees, and product sales	4,170,607	4,222,751	4,579,235
Total revenue	5,158,164	5,338,904	5,848,589
Cost of revenues			
Materials and commissions	1,670,494	1,557,205	1,647,196
Amortization	247,633	272,472	322,734
Total cost of revenue	1,918,127	1,829,677	1,969,930
Gross profit	3,240,037	3,509,227	3,878,659
Operating expenses			
General and administrative	3,000,022	3,015,901	3,185,703
Depreciation and amortization	54,782	60,921	64,954
Total operating expenses	3,054,804	3,076,822	3,250,657
Income from operations	185,233	432,405	628,002
Other income (expense)			
Interest income	2,209	19,396	8,662
Interest expense	(987,110)	(997,461)	(952,263)
Foreign taxes	(59,608)	(80,205)	(113,227)
Other income (expense)	249	-	99,016
Total other income (expense)	(1,044,260)	(1,058,270)	(957,812)
Net income (loss)	$ (859,027)	$ (625,865)	$ (329,810)

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

CRESTCOM INTERNATIONAL, LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY

December 31, 2022	$ 4,702,545
Net loss	(329,810)
December 31, 2023	4,372,735
Net loss	(625,865)
December 31, 2024	3,746,870
Net loss	(859,027)
December 31, 2025	$ 2,887,843

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

CRESTCOM INTERNATIONAL, LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31,	2025	2024	2023
Cash flows from operating activities			
Net income (loss)	$ (859,027)	$ (625,865)	$ (329,810)
Adjustment to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	317,109	378,679	471,419
Noncash lease expense	17,908	-	3,013
Accrued interest expense capitalized to debt	758,281	271,009	146,089
Provision for credit losses	(1,078)	(287,780)	(551,383)
Effects of changes in operating assets and liabilities:			
Accounts receivable, net	(349,792)	385,703	769,542
Prepaid expenses	3,774	163,707	(107,463)
Deferred expenses	194,368	(168,913)	(52,443)
Due to/from Crestcom Holdings	(75,000)	-	-
Accounts payable	253,828	(101,892)	113,695
Accrued liabilities	40,386	246,875	(240,238)
Deferred revenue	(51,317)	341,667	(5,000)
Net cash provided by operating activities	249,440	603,190	217,421
Cash flows from investing activities			
Additions to intangible assets	(276,905)	(252,067)	(274,314)
Purchases of property and equipment	(14,829)	(58,871)	(64,798)
Net cash used by investing activities	(291,734)	(310,938)	(339,112)
Cash flows from financing activities			
Repayment of long-term debt	-	(259,445)	(333,332)
Net change in cash and cash equivalents	(42,294)	32,807	(455,023)
Cash and cash equivalents - beginning of year	337,479	304,672	759,695
Cash and cash equivalents - end of year	$ 295,185	$ 337,479	$ 304,672
Supplemental cash flow information:			
Cash paid for interest	$ 214,136	$ 726,452	$ 952,263
Cash paid for foreign taxes	$ 59,608	$ 80,205	$ 113,227
Right-of-use asset obtained in exchange for lease liability	$ 327,002	$ -	$ -

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Crestcom International, LLC (Crestcom) is located in Greenwood Village, Colorado. Crestcom produces and distributes a blended, live-facilitated leadership development experience including videos featuring subject matter experts. The program is delivered to end-users by appointed franchisees located in numerous countries including the United States. Franchisees pay for the right to acquire franchises. In addition, Crestcom receives distribution fees and royalties as a percentage of revenues derived by franchisees from the sale or use of the materials.

Crestcom South Africa, Limited (Crestcom SA), a company formed under the laws of South Africa, is a wholly owned subsidiary of Crestcom. Crestcom SA was formed to collect franchise fees and royalties from franchisees in South Africa. The accompanying consolidated financial statements include the accounts of Crestcom and Crestcom SA (collectively referred to as the Company). Crestcom SA is included in these consolidated financial statements under accounting principles generally accepted in the United States of America (U.S. GAAP). Intercompany transactions have been eliminated in consolidation.

The Company is owned by Crestcom International Holdings, LLC (Crestcom Holdings).

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The more significant areas requiring the use of management estimates and assumptions relate to the valuation allowance for credit losses, useful lives and recoverability of long-lived assets, and the valuation of intangible assets and goodwill. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results may differ significantly from these estimates under different assumptions or conditions.

Cash and Cash Equivalents

The Company considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Company maintains its cash and cash equivalents in accounts with various financial institutions. These accounts at times may exceed federally insured limits. The Company has not experienced any losses in these accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable and Allowance for Credit Losses

Accounts receivable reflect amounts billed to franchisees, net of an allowance for credit losses. The Company establishes an allowance for credit losses to present the net amount of accounts receivable expected to be collected. The allowance represents the estimate of expected credit losses based on historical experience, current economic conditions, and certain forward-looking information. The Company also considers any specific customer collection issues. Since the Company's trade receivables are largely similar, the Company evaluates its allowance for credit losses as one portfolio segment. At origination, the Company evaluates credit risk based on a variety of credit quality factors including prior payment experience, customer financial information, credit ratings, probabilities of default, industry trends and other internal metrics. On a continuing basis, data for each major customer is regularly reviewed based on past-due status to evaluate the adequacy of the allowance for credit losses; actual write-offs are charged against the allowance. Management writes off uncollectible receivables when all attempts to collect have failed; collection efforts, however, may continue. The allowance for credit losses was $785,750, $1,162,617, and $1,074,608 at December 31, 2025, 2024 and 2023.

The Company charges interest on past due amounts in accordance with franchise agreement terms. The Company may grant promissory notes to franchisees for the purchase of licenses. Payment terms on the notes receivable are generally 60 days or less.

Deferred Expenses

Deferred expenses represent the commission cost associated with obtaining initial franchise agreements. Commissions from initial franchise agreements are recognized when paid and amortized over a period 7 years.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Office furniture and equipment are depreciated over 3 to 7 years. Leasehold improvements are amortized over the shorter of their useful lives or the lease term. Expenditures for major renewals and betterments, which extend the useful lives of property and equipment, are capitalized; expenditures for maintenance and repairs are charged to expense as incurred.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Impairment is recognized when the estimated undiscounted cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount. Impairment is measured as the amount an asset's net book value exceeds its estimated fair value. The Company continually evaluates the carrying value and the remaining economic useful life of all long-lived assets and will adjust the carrying value and the related depreciation and amortization period if and when appropriate. The Company determined that no impairment loss needed to be recognized at December 31, 2025, 2024 and 2023.

Intangible Assets

Intangible assets are recorded at cost. Product development costs consist primarily of costs to produce and translate audio and video training programs, including related training materials. Amortization of capitalized product development costs begins when the product is available for general release and marketing. Unamortized product development costs determined to be in excess of net realizable value of the product is expensed immediately.

Amortization of intangible assets is provided using the straight-line method over the following estimated useful lives:

Franchise Agreements	5 Years
Trademarks and Product Development Costs	5 Years
Copyrights	5 Years

Research and development costs for new products are charged to expense as incurred. However, the costs incurred for the development or translation of new audio and video training programs, including related training materials, that will be sold, leased, or otherwise marketed are capitalized when technological feasibility has been established. These capitalized costs are subject to an ongoing assessment of recoverability based on anticipated future revenues.

Intangible assets with estimable useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss is recognized when the estimated future undiscounted cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible Assets (Continued)
The Company continually evaluates the carrying value and the remaining economic useful life of all intangible assets and will adjust the carrying value and the related amortization period if and when appropriate. The Company would also vigorously defend any copyright infringement. The Company determined that no impairment loss needed to be recognized for intangible assets at December 31, 2025, 2024 and 2023.

Goodwill
Goodwill represents the excess of the purchase price over the fair value of assets acquired and liabilities assumed. Goodwill is not amortized, but instead tested for impairment at least annually. Measurement of goodwill impairment is based on the excess of the carrying amount of the asset over the fair value calculated using discounted expected future cash flows and a market analysis of other training companies. As a result of the annual impairment analysis, the Company concluded goodwill was not impaired as of December 31, 2025, 2024 and 2023.

Deferred Financing Costs
Debt issuance costs are presented in the consolidated balance sheets as a deduction from the carrying amount of the related liability, rather than as a deferred asset. As of December 31, 2025, 2024 and 2023, the gross amount of debt issuance costs was $437,807, $437,807, and $427,775, respectively, which is related to financing fees associated with the Company's long-term debt (see Note 5).

Amortization related to the deferred financing costs was $14,693, $55,319, and $83,731, and is included in interest expense for the years ended December 31, 2025, 2024 and 2023, respectively. Accumulated amortization was $434,953, $420,260, and $364,942, respectively, at December 31, 2025, 2024 and 2023.

Revenue Recognition
The Company recognizes revenue when its franchisees obtains control of promised goods or services in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. To determine revenue recognition for the arrangements that are within the scope of ASC 606, the Company performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the Company satisfies a performance obligation.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Under ASC 606, initial franchise and area franchise fees have been recognized as the Company satisfies the performance obligation over the franchise term on a straight-line basis, which is generally seven years. The unrecognized portion of the initial franchising and area franchise fees are recorded as deferred revenue. Similarly, commissions are an incremental cost of obtaining a contract under ASC 606, which are capitalized as deferred expenses and amortized over the term of the franchise agreement.

In 2022, the Company adopted FASB issued Accounting Standards Update (ASU) 2021-02 *Franchisors – Revenue from Contracts with Customers (Subtopic 952-606)*. ASU 2021-02 provides a practical expedient for franchisors to account for certain pre-opening services as distinct from the franchise license when identifying performance obligations under ASC 606. The Company has elected to treat the pre-opening services as a single performance obligation. Upon the sale of initial franchise, the Company is obligated to provide franchisees the right to proprietary programs, copyrighted materials and trademarks, tools, and support associated with their franchise business. These pre-opening services provided by the Company are a single performance obligation and the franchise fee is recognized upon satisfaction and completion of the pre-opening services by the Company.

Generally pre-opening services are complete upon the opening of the franchisee's location. If the pre-opening services are not complete or are in process, the Company records the franchise fee received as a contract liability.

Upon the sale of an area franchise, the Company is obligated to provide the area franchise representative the right to proprietary programs, copyrighted materials and trademarks, tools, and support associated with the area purchased. These services provided by the Company are a single performance obligation and a portion of the fees is recognized upon satisfaction and completion of these services by the Company. Any remaining area franchise fees allocable to the license is reported as deferred revenue, with revenue being recognized on a straight line basis over the term of the area franchise agreement.

The Company recognizes distribution fees and royalties as earned when the franchises report the associated revenue to the Company. The Company recognizes revenue associated with product sales when the product is shipped to the franchisees.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

In 2016, the Company implemented its new product development strategy of releasing new modules of Crestcom LEADER (previously called Bullet Proof Manager) periodically. Concurrently, using the updated modules, the Company launched the Crestcom continuing education program, Crestcom LEADER+, which enabled franchisees to offer the new content as continuing education subscriptions to those participants who had already completed the Crestcom LEADER training. Franchisees are required to pay a material surcharge in order to access each new module. Revenue related to surcharge fees is recognized once access to a new module is granted. For the years ended December 31, 2025, 2024 and 2023, the Company recognized revenue of $202,950, $75,850, and $168,000 in product surcharge fees, respectively, which is included in product sales.

Grant Revenue

The Company recognizes revenue from grants in accordance with ASC 958, *Not-for-Profit Entities*. Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. Revenue is recognized as the related expenses are incurred or as the grant funds are received, depending on the terms of the grant agreement. Any unearned revenue is recorded as deferred revenue until the related expenses are incurred or the funds are used for the specified purpose.

Income Taxes

The Company is a single member limited liability company and is considered a disregarded entity for tax purposes. As a result, the Company does not file a federal or Colorado income tax return. The Company is a pass-through entity for income tax purposes whereby any income tax liabilities or benefits are attributable to the Company's owner. Therefore, no provision or liability for income taxes has been included in the accompanying consolidated financial statements. Instead, the members are liable for income taxes on their pro rata share of the Company's income, deductions, losses, and credits. The Company is required to remit foreign taxes to certain countries based upon amounts received from its franchises in those countries.

Advertising and Selling Costs

Advertising costs are expensed as incurred. The Company incurred approximately $63,000, $75,000, and $122,000 in advertising costs for the years ended December 31, 2025, 2024 and 2023, respectively.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-02, *Leases (ASC 842)*. The standard increased transparency and comparability among organizations by requiring the recognition by lessees of right-of-use assets (ROU) and lease liabilities on the balance sheet.

The Company adopted the requirements of the standard effective January 1, 2022, including electing to adopt the package of practical expedients available for the year of adoption.

In evaluating contracts to determine if they qualify as a lease, the Company considers factors such as if the Company has obtained substantially all of the rights to the underlying asset through exclusivity, if the Company can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

In determining the discount rate used to measure the ROU Assets and lease liabilities, the Company uses rates implicit in the lease, or if not readily available, the Company elects by class of underlying assets to use either the incremental borrowing rate or the risk-free interest rate. The interest rate used to determine the present value of the lease payments is based on the information available at commencement date.

The Company's incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment and is based on an estimated secured rate comprised of a risk-free rate plus a credit spread as secured by Company assets. Determining a credit spread secured by Company assets may require significant judgment.

The Company has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the accompanying balance sheets.

The Company has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

Subsequent Events

In preparing these consolidated financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through March 16, 2026, the date the consolidated financial statements were available to be issued.

NOTE 2 - CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets represent amounts related to the contractual right to consideration for completed performance obligations. Contract liabilities include payments received in advance of performance under the contract. The following table presents the Company's contract assets and liabilities as of December 31:

	2025	2024	2023	2022
Accounts receivable, net	$ 907,504	$ 556,634	$ 654,557	$ 872,716
Deferred revenue	290,350	341,667	-	5,000

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2025	2024	2023
Office equipment	$ 435,723	$ 630,180	$ 571,309
Accumulated depreciation	(342,382)	(519,733)	(481,232)
Property and equipment, net	$ 93,341	$ 110,447	$ 90,077

Depreciation expense for the years ended December 31, 2025, 2024 and 2023 totaled $31,935, $38,502 and $39,172, respectively.

NOTE 4 - INTANGIBLE ASSETS

Intangible assets consist of the following at December 31:

	2025	2024	2023
Franchise agreements	$ 4,606,000	$ 4,606,000	$ 4,606,000
Trademarks and product development costs	4,173,370	3,920,240	3,848,341
Copyrights	431,680	407,904	377,733
	9,211,050	8,934,144	8,832,074
Accumulated amortization	(8,542,581)	(8,272,099)	(8,127,205)
Intangible assets, net	$ 668,469	$ 662,045	$ 704,869

NOTE 4 - INTANGIBLE ASSETS (CONTINUED)

Amortization expense for the years ended December 31, 2025, 2024 and 2023 was $270,481, $294,891 and $348,516, respectively. Future amortization expense is as follows for the years ended December 31:

2026	$ 243,938
2027	190,680
2028	131,724
2029	79,234
2030	22,893
Total	$ 668,469

NOTE 5 - LONG-TERM DEBT

Long-term debt consists of the following at December 31:

	2025	2024	2023
Senior subordinated loan	$ 7,604,924	$ 6,846,643	$ 6,575,635
Term loan	-	-	259,444
	7,604,924	6,846,643	6,835,079
Less: current portion	-	-	(259,444)
Less: financing costs	(2,854)	(17,547)	(62,833)
Long-term Debt	$ 7,602,070	$ 6,829,096	$ 6,512,802

Term Loan

The Company and Crestcom Holdings (Parent) entered into a $2,000,000 term loan agreement with a financial institution on March 29, 2019. Interest on the term loan is equal to the bank's prime rate plus 1.00% and is due monthly. At December 31, 2024 and 2023, the interest in effect per annum was 4.25%. The note was paid in full on March 29, 2024, the maturity date of the term loan.

The Company entered into a $400,000 term loan agreement in January 2026. Interest on the term loan is equal to 6.00% and is due monthly. Unpaid interest is added to the outstanding principal of the loan as payment-in-kind ("PIK") interest and compounds monthly thereafter. Outstanding principal and any accrued PIK is payable upon maturity on April 1, 2027.

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Senior Subordinated Loan

The Company and Crestcom Holdings entered into a $5,400,000 senior subordinated loan agreement with a financial institution on March 29, 2019. Interest is accrued on the loan at the rate of 12.5% per annum plus PIK interest at the rate of 1% per annum when total debt leverage ratio exceeds 3.50 to 1.00. The loan is collateralized by substantially all assets of the Company. In addition, this lender acquired $400,000 of convertible preferred units in Crestcom Holdings.

Outstanding principal and accrued PIK is due upon maturity. In January 2026, the loan's maturity was extended to May 1, 2027.

As of December 31, 2025, future maturities of long-term debt are as follows for the years ending December 31:

2027	$ 7,604,924
Total outstanding principal and accrued PIK	$ 7,604,924

Loan Covenants

The senior subordinated loan agreements include affirmative and negative covenants, including certain minimum financial convents. As of December 31, 2025, the Company believes it was in compliance or had obtained waivers for all applicable covenants.

NOTE 6 - EMPLOYEE RETENTION CREDIT

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. During the year ended December 31, 2023, the Company complied with the conditions of Employee Retention Credit (ERC) and recognized the refund received in the amount of $103,980 in connection with the program. The credit received is included in other income in the accompanying consolidated statement of operations. The IRS has the right to review grant eligibility for up to three years from the date amended returns were filed. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Company's financial position.

NOTE 7 - CONCENTRATIONS OF CREDIT RISK

At December 31, 2025, 2024 and 2023, one franchisee comprised 25%, 49% and 21%, respectively, of net accounts receivable.

For the years ended December 31, 2025, 2024 and 2023, foreign franchisees comprised 52%, 49%, and 54% of total sales.

NOTE 8 - RETIREMENT PLAN

Employees who complete service requirements are eligible to participate in the Crestcom 401(k) Plan (the Plan). The Plan is a defined contribution plan in which eligible employees may elect to defer a portion of their salary. The Plan is a safe harbor plan in which employees vest in the employer contributions they receive over the period of 3 years. Total contributions charged to expense for the years ended December 31, 2025, 2024 and 2023 were approximately $35,000, $39,000, and $48,000, respectively.

NOTE 9 - FRANCHISE INFORMATION

The Company sells executive franchises for $75,000 in the United States. Prices in foreign countries vary depending on location. There were 168, 170, and 163 franchises, of which 55, 58, and 51 are in the United States, as of December 31, 2025, 2024, and 2023, respectively. Changes in the number of franchises during the years ended December 31 are as follows:

	2025	2024	2023
Franchises open January 1	170	163	160
Opened during the year:			
Domestic	9	14	9
Foreign	8	8	13
Closed during the year			
Domestic	(12)	(7)	(5)
Foreign	(7)	(8)	(14)
Franchises open December 31	168	170	163

NOTE 10 - COMMITMENTS

The Company leases office space for its headquarters in Greenwood Village, Colorado, under long-term, noncancelable lease agreements expiring in December 2028. The lease is considered as an operating lease. The lease provides for increases in future minimum annual rental payments based on monthly rates per the agreements.

ROU assets and lease expense are summarized as follows for the years ended December 31:

	2025	2024	2023
Right-of-use assets	$ 327,002	$ 342,975	$ 342,975
Accumulated amortization	(57,077)	(234,147)	(119,930)
Right-of-use assets, net	269,925	108,828	223,045
Lease component expense	104,847	121,169	121,169
Variable lease expenses	5,737	-	-
Total lease expense	$ 110,584	$ 121,169	$ 121,169

Future maturities of lease payments are as follows for the year ended December 31:

Future payments:	
2026	$ 81,279
2027	112,407
2028	117,595
Total lease payments	311,281
Less: amount representing interest	(20,132)
Present value of lease liabilities	$ 291,149

As of December 31, 2025, the discount rate used to calculate the present value of lease liabilities was 3.98% and weighted average remaining maturity was 2.92 years.

NOTE 10 - COMMITMENTS (CONTINUED)

Management Fees

The Company has a management service agreement with an entity that is under common ownership and control with the members of Crestcom Holdings. In connection with the debt restructuring, the related entity amended the management service agreement requiring quarterly payments equal to the greater of $25,000 or a percentage of a defined operating measure to be paid in advance for the quarter. In addition to the management fee, the Company pays a monthly corporate overhead rate of $5,000. The agreement expires on March 29, 2029, but may be terminated earlier according to the terms of the agreement. For the years ended December 31, 2025, 2024 and 2023, the Company incurred $160,000 annually in management fees and overhead allocations. At December 31, 2025, 2024 and 2023, the Company had a payable of $375,000, $275,000, and $150,000, respectively, due under the management service agreement and is included with other accrued liabilities on the accompanying consolidated financial statements.

NOTE 11 - RELATED PARTY TRANSACTIONS

The Company has related party balances with their parent company, disclosed in the consolidated balance sheets as of December 31, 2025, 2024 and 2023 as "Due from/to Crestcom Holdings."

The Company has a management service agreement with an entity that is under common ownership and control with the members of Crestcom Holdings as disclosed in Note 10. In addition, at December 31, 2025, 2024 and 2023, the Company had a payable due the entity of $88,629, $0, and $0, which is included in "Accounts Payable" in the accompanying consolidated balance sheets.

ATTACHMENT J

LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

LIST OF STATE AGENCIES AND
AGENTS FOR SERVICE OF PROCESS

STATE	STATE AGENCY	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 One Sansome Street, Suite 600 San Francisco, California 94104-4448 (415) 972-8565 651 Bannon Street, Suite 300 Sacramento, California 95811 (916) 327-7585 (866) 275-2677 (toll free) www.dfpi.ca.gov ask.dfpi@dfpi.ca.gov	Commissioner Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 (866) 275-2677 (toll free)
FLORIDA	Florida Department of Agriculture and Consumer Services Division of Consumer Services Attn: Finance & Accounting 407 South Calhoun Street Tallahassee, Florida 32399-0800 (850) 410-3800	None
HAWAII	Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Hawaii Commissioner of Securities Same Address
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62701 (217) 782-4465	Illinois Attorney General Same Address
INDIANA	Indiana Secretary of State Division of Securities 302 West Washington Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531

STATE	STATE AGENCY	AGENT FOR SERVICE OF PROCESS
IOWA	Iowa Secretary of State 321 E. 12th Street Des Moines, Iowa 50319 (515) 281-5204	Same
MARYLAND	Office of Attorney General Maryland Division of Securities 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Attorney General Franchise Section - Consumer Protection Division G. Mennen Williams Building, 1st Floor 525 W. Ottawa Street Lansing, Michigan 48933 P.O. Box 30213 Lansing, Michigan 48909 (517) 373-7117	Michigan Department of Commerce Same Address
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance 1526 K Street, Suite 300 Lincoln, Nebraska 68508-2732 P.O. Box 95006 Lincoln, Nebraska 68509-5006 (402) 471-3445	None
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8222	Secretary of State 99 Washington Avenue Albany, New York 12231
NORTH DAKOTA	North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505 (701) 328-2910	North Dakota Insurance Commissioner Same Address
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building 350 Winter Street NE, Room 410 Salem, Oregon 97301-3881 (503) 378-4140	Director of Oregon Department of Consumer and Business Services Division of Finance and Corporate Securities Same Address

STATE	STATE AGENCY	AGENT FOR SERVICE OF PROCESS
RHODE ISLAND	State of Rhode Island and Providence Plantations Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex - Building 69-1 Cranston, Rhode Island 02920 (401) 462-9500	Director of Rhode Island Department of Business Regulation Same Address
SOUTH DAKOTA	South Dakota Division of Insurance, Securities Regulation 124 S Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	Director of South Dakota Division of Insurance Same Address
TEXAS	Secretary of State Statutory Documents Section James E. Rudder Building 1019 Brazos Street Austin, Texas 78701 P.O. Box 13550 Austin, Texas 78711 (512) 463-5705	None
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South, 2nd Floor Salt Lake City, UT 84114 801-530-6601	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051	Clerk of the State Corporation Commission State Corporation Commission 1300 E. Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8760	Director of Financial Institutions 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760
WISCONSIN	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 P.O. Box 1768 Madison, Wisconsin 53701-1768 (608) 266-8557	Administrator, Division of Securities Same Address

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process.

There may also be additional agents appointed in some of the states listed.

ATTACHMENT K

STATE ADDENDA TO DISCLOSURE DOCUMENT

STATE LAW ADDENDA TO THE
CRESTCOM INTERNATIONAL, LLC
DISCLOSURE DOCUMENT

The following modifications are made to the Crestcom International, LLC ("Crestcom") Franchise Disclosure Document for the states noted below.

NEW YORK

1. The following information is added to the Cover Page of the Disclosure Document:

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

2. The following paragraphs are added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade

regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following statement is added at the end of Item 5:

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

4. The following statement is added to the end of the "Summary" sections of Item 17.c, titled "Requirements for you to renew or extend," and Item 17.m, titled "Conditions for our approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued hereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

5. The following language replaces the "Summary" section of Item 17.d, titled "Termination by you":

You may terminate the Franchise Agreement upon any grounds available by law.

6. The following statement is added to the end of the "Summary" section of Item 17.j, titled "Assignment of contract by us":

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

7. The following statement is added to the end of the "Summary" sections of Item 17.v, titled "Choice of forum," and Item 17.w, titled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon either us or you by Article 33 of the General Business Law of the State of New York. (The foregoing language has been included in this Disclosure Document as a condition of registration. We and you do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all choice of law provisions, are fully enforceable. We and you intend to fully enforce all of the provisions of the Franchisee Agreement and all other documents signed by us, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.)

8. Franchise Questionnaires and Acknowledgements -- No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

9. Receipts -- Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, 10 business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

WE REPRESENT THAT THIS DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

State	Effective Date
New York	PENDING

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

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 Crestcom International, LLC ("Crestcom") offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor, or an affiliate, in connection with the proposed franchise sale.

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

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.

Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration, whichever occurs first.

If Crestcom does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Attachment J.

Crestcom authorizes the parties identified on Attachment J to receive service of process for Crestcom in the particular state.

The following Franchise Sellers were involved in the offering of this franchise:

The following employee(s) of Crestcom, having a principal business address and telephone number the same as Crestcom: _____.

The following independent sales agent (Crestcom requests that the prospective franchisee fill in the information if known): _____, having a principal business address at _____, telephone number _____.

Issuance Date: March 31, 2026

I received a Disclosure Document dated March 31, 2026 that included the following Attachments:

Franchise Agreement and Exhibits including State Riders (Attachment A); Confidentiality/Application Agreement (Attachment B); Nondisclosure and Noncompetition Agreement (Attachment C); Form of Promissory Note (Attachment D); Form of Successor Franchise Rider to Franchise Agreement (Attachment E); Current Form of General Release (Attachment F); List of Franchisees (Attachment G); Franchisees Who Have Left the System (Attachment H); Financial Statements (Attachment I); List of State Agencies/Agents for Service of Process (Attachment J); and State Addenda to Disclosure Document (Attachment K).

DATE: _____

_____

Prospective Franchisee

Print Name: _____

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DATE: _____

_____

Prospective Franchisee

Print Name: _____

IMPORTANT: PLEASE IMMEDIATELY SIGN THIS PAGE AND E-MAIL IT TO USMAAN.KHAN@CRESTCOM.COM AND BRITTANY.NIEMER@CRESTCOM.COM, THEN PROMPTLY RETURN THIS PAGE BY MAIL OR COURIER TO CRESTCOM INTERNATIONAL, LLC, 6900 EAST BELLEVIEW AVENUE, SUITE 100, GREENWOOD VILLAGE, COLORADO 80111.