

FRANCHISE DISCLOSURE DOCUMENT

Network Lead Exchange, LLC
A Florida Limited Liability Company
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West Palm Beach, Florida 33411
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www.NetworkLeadExchange.com



We sell franchises that allow the purchaser to operate a franchise containing multiple chapters within an online and/or in-person business referral network. A franchisee will offer and sell memberships to business owners and tradespeople, through which members receive access to the online network. Members send and receive quality referrals to one another and will pay and receive percentage commission on referrals which result in business revenue.

The total investment necessary to begin operation of a NLX Business is \$12,450 to \$24,950 dependent on the size of the franchise territory. This includes \$12,450 that must be paid to the franchisor or 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, please contact a Franchise Development Specialist at 2121 Vista Parkway, West Palm Beach, Florida 33411 and (888) 816-6749.

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.

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How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit F.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D 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 NLX 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 an NLX franchisee?	Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Florida. 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 Florida than in your own state.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.
5. **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.

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

**(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)**

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

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.

- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48933
Telephone Number: (517) 373-7117

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EXHIBITS

- A. State Administrators and Agents for Service of Process
- B. Franchise Agreement
- C. Form of General Release
- D. Financial Statements
- E. Operating Manual Table of Contents
- F. Current and Former Franchisees
- G. Deposit Receipt
- H. State Addenda to Disclosure Document
- I. State Addenda to Franchise Agreement
- J. Copy of Surety Bond
- K. State Effective Dates
- L. Disclosure Document Receipt (2 Copies)

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

In this disclosure document, “we”, “us,” “our” or “the Company” refers to the franchisor, Network Lead Exchange, LLC. “You” means the person, including any owner or entity, to whom we grant a franchise.

Our name is Network Lead Exchange, LLC. Our principal business address is 2121 Vista Parkway, West Palm Beach, Florida 33411. We use the names “Network Lead Exchange, LLC”, “Network LEX”, and “Network Lead Exchange”. We do not intend to use any other names to conduct business.

Our agent for service of process in Florida is Mark D. Nichols, General Counsel, whose business address is 2121 Vista Parkway, West Palm Beach, Florida 33411. Our agents for service of process in other states are disclosed in Exhibit A.

We are a Florida limited liability company. We were formed on July 23, 2018. Our parent company is UFG Holdings Group, LLC, a Florida limited liability company whose business address is the same as ours.

We have no predecessors.

Information About Our Business and the Franchises Offered

We have offered franchises since January 2019. We do not operate businesses of the type being franchised. We do not have any other business activities. We have not offered franchises in other lines of business.

If you sign a franchise agreement with us, you will be authorized to develop and operate a Network LEX franchise (a “NLX Business”) using our distinctive business format and methods (the “System”) and our trademark “Network LEX” and other trademarks, trade names, service marks, logos, emblems and trade dress that we designate for use in connection with the System (the “Marks”). Except for the initial Chapter (which is included in the initial franchise fee), you shall pay \$4,500 for each additional Chapter in a territory. The maximum number of additional NLX Chapters per territory shall be 3. Additionally, NLX Chapters require prior approval from NLX before opening. Each Chapter will have a Chapter President and Chapter Members. The businesses who join your NLX Business Chapters as members (“Members”) will send and receive quality leads to one another through the Network LEX website or online portal. If the Member receiving a lead, performs work for the lead, the Member which performed the work will pay a 10% commission (of which 9% goes to the referring Member and 1% goes to you). Each Member will maintain a “wallet” in the Network LEX website for paying fees and for paying and receiving commissions.

You will be responsible for recruiting Members to your NLX Business’s Chapters, including a Chapter President for each. and for the administration of your Chapter. Each Chapter can only have one Member from a particular profession. You will receive an protected franchise territory comprised of 2,000 to 3,000 registered businesses and your Members may be located anywhere.

You will have two sources of revenue. First, each Member of an NLX Chapter within your NLX Business will pay an annual membership fee to join. Second, when a Member pays a commission on revenue resulting from referrals through the Network LEX website (the “Transaction”), you will receive 1% of the 10% commission.

The general market for this business is broad and would include any business that would like leads to sell or market their services or products to other businesses. This market is mature and developed, although the particular business System incorporated into the franchise is differentiated from others in the market. Our customers are primarily small businesses. Sales are not seasonal.

Laws and Regulations

Certain professions have legal, regulatory, or ethical prohibitions against paying referral fees. These prohibitions do not apply directly to your Network LEX business, but since your Network LEX business will collect payments based on revenues resulting from referrals through the Network LEX website, such professionals will not be able to join your network. Professions which may ban referral fees include lawyers, doctors, certified public accountants, dentists, chiropractors, psychologists, engineers, architects, real estate agents and other similar professions. The prohibition would apply to any business run by such a professional, such as an outpatient surgery center or law firm.

We are not aware of any other laws or regulations specific to our industry. You are responsible for investigating and complying with all applicable laws and regulations. You should consult with a legal advisor about legal requirements that may apply to your business.

As an NLX Chapter owner you will compete with other referral and leads businesses such as Business Networking International, Networking Referral Group, LeTip, and local Chamber of Commerce chapters.

Affiliates

None of our affiliates provides products or services to our franchisees.

We are a member of United Franchise Group, an affiliated group of companies located at 2121 Vista Parkway, West Palm Beach, Florida 33411 whose franchising companies are:

1. **Sign*A*Rama Inc.** (“Signarama”), the world’s largest franchisor of retail sign shops, that has been in franchising since April 1987 and has 703 locations in 36 countries;
2. **EmbroidMe.com, Inc.** d/b/a Fully Promoted (“Fully Promoted”), a franchisor of retail stores for online marketing services, print marketing and branded products including, embroidered logoed apparel, that has been in franchising since September 2000 and has 269 locations in 11 countries. In January 2017, our affiliate Fully Promoted modified the principal trademark for the retail stores from “EmbroidMe” to “Fully Promoted” and currently has franchises operating as EmbroidMe stores, franchises operating as Fully Promoted stores and franchises in the process of transitioning their operation from EmbroidMe stores to Fully Promoted stores;
3. **Transworld Business Advisors, LLC** (“TBA”), a franchisor of business brokerage agencies that also provide franchise referral lead services that has been franchising since December 2010 and has agencies operating in 341 territories and licensees in 9 countries;
4. **Venture X Franchising, LLC** (“VTX”), a franchisor of co-working, collaborative office facilities, that has been franchising since March 2016 and currently has 44 locations in 6 countries;
5. **Great Greek Franchising, LLC** (“TGG”), a franchisor of restaurants offering Greek cuisine that has been franchising since January 2018 and currently has 10 locations;

6. **Graze Craze Franchising, LLC** (“GCZ”), a franchisor of businesses offering grazing and charcuterie style cuisine that has been franchising since June 2021 and currently has 8 franchise locations and 4 affiliated locations; and
7. **OE Franchising, LLC** (“OE”), a franchisor of businesses providing shared office services, including live answering service and telephone call management, executive suites, temporary office use, conference and training room use, and co-working/drop in workspace. It has been franchising since May 2022 and currently has 74 locations.

Please note that United Franchise Group is simply a collection of affiliated distinct franchising-related brands. United Franchise Group is not an owner or parent company of any kind. United Franchise Group is simply a tradename for a group of franchising brands affiliated with one another but separate and distinct business entities

The principal business address for our affiliates is 2121 Vista Parkway, West Palm Beach, Florida 33411. The location and territory information disclosed above for our affiliates Signarama, Fully Promoted, TBA, OE, and VTX are as of December 31, 2021. The location and territory information for TGG is as of June 30, 2022. The location and territory information for GCZ is as of June 30, 2022.

Except as described above, none of our affiliates offer, and we have not offered, franchises in any other line of business. None of our affiliates operates a business that is similar to Network LEX.

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Item 2

BUSINESS EXPERIENCE

Ray Titus – Chief Executive Officer – West Palm Beach, FL

- Chief Executive Officer of OE since April 2022; GCZ since March 2021; Resource Operations International LLC d/b/a Preveer (“ROI”), a franchisor of businesses offering to contract out various services in West Palm Beach, FL from August 2019 to July 2022; NLX since July 2018; TGG since November 2017; Paramount Franchising, LLC (“PTA”), a franchisor of tax preparation businesses in West Palm Beach, FL, from June 2017 to March 2018; J.S. Subs, LLC (“JSS”), a franchisor of restaurants in West Palm Beach, FL from April 2015 to June 2022; Experimax Franchising, LLC (“EXM”), a franchisor of retail computer stores that buy, sell, repair and refurbish pre-owned electronics in West Palm Beach, FL from June 2013 to August 2021; Greener Energy, LLC (“SuperGreen”), a franchisor of businesses offering sustainability advisory services, energy auditing, sustainability planning, and energy efficient products and services in West Palm Beach, FL from October 2010 to December 2020; and Signarama since January 2008.
- Managing Member of VTX since September 2015.
- Manager of TBA since November 2010.
- Chairman of the Board of Fully Promoted since January 2008.

Brady Lee – Chief Operating Officer – West Palm Beach, FL

- Chief Operating Officer of OE since April 2022; GCZ since March 2021; NLX, TGG, VTX, TBA, Fully Promoted and Signarama since June 2020; ROI from June 2020 to July 2022; JSS from June 2020 to June 2022; EXM from June 2020 to August 2021; and SuperGreen from June 2020 to December 2020.
- President of EXM from November 2020 to May 2021 and Accurate Franchising, Inc., a consulting business in West Palm Beach, FL from January 2019 to June 2020.
- Director of Sales in Sydney, Australia for NLX, TGG, JSS, VTX, EXM, SuperGreen, TBA, Fully Promoted and Signarama from March 2018 to January 2019.
- Vice President of Franchise Development for EXM, SuperGreen, TBA, Fully Promoted and Signarama from October 2016 to March 2018.

Todd Newton – Chief Financial Officer – West Palm Beach, FL

- Chief Financial Officer of OE since May 2022; GCZ since March 2021; ROI from August 2019 to July 2022; NLX since July 2018; TGG since November 2017; PTA from June 2017 to March 2018; VTX since September 2015; JSS from April 2015 to June 2022; EXM from June 2013 to August 2021; TBA since October 2010; SuperGreen from October 2010 to December 2020 and Fully Promoted and Signarama since January 2007.

Austin Titus – President – West Palm Beach, FL

- President of NLX since January 2020.
- Brand Leader of NLX from August 2019 to December 2019.
- Sales Coordinator of ROI from July 2020 to July 2022.
- Brand Leader of ROI from August 2019 to June 2020 and SuperGreen from August 2019 to December 2019.
- Director of Franchise Development of TGG from November 2017 to September 2019; Signarama, Fully Promoted, TBA, SuperGreen, EXM and JSS from September 2017 to September 2019.
- Broker Liaison of Signarama, Fully Promoted, TBA, SuperGreen and EXM from June 2017 to September 2017.

Jeffrey Thompson – *International Director – Newport Beach, CA*

- International Director of OE since May 2022, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since January 2022; ROI from January 2022 to July 2022; and JSS from January 2022 to June 2022.
- Regional Vice President of GCZ since May 2021; ROI from January 2020 to July 2022; NLX since January 2019; TGG since November 2017; PTA from June 2017 to March 2018; JSS, VTX, TBA, Fully Promoted and Signarama since January 2016; EXM from January 2016 to August 2021; and SuperGreen from January 2016 to December 2020.

Walter Seltzer – *Senior Executive – West Palm Beach, FL*

- Executive Vice President of OE since May 2022; GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since January 2022; ROI from January 2022 to July 2022; and JSS from January 2022 to June 2022
- International Director of GCZ from May 2021 to December 2021; and ROI, NLX, TGG, VTX, JSS, EXM, TBA, Fully Promoted and Signarama from November 2020 to December 2021.
- Senior Executive of ROI from August 2019 to November 2020; NLX from January 2019 to November 2020; TGG from November 2017 to November 2020; PTA in West Palm Beach, FL from June 2017 to March 2018; and JSS, EXM, SuperGreen, TBA, Fully Promoted and Signarama, from January 2017 to November 2020.

Tipton Shonkwiler – *Senior Executive – West Palm Beach, FL*

- Senior Executive of OE since May 2022; GCZ since May 2021, NLX since November 2020; ROI from November 2020 to July 2022; TGG, VTX, TBA, Fully Promoted and Signarama since January 2020; JSS from January 2020 to June 2022; EXM from January 2020 to August 2021; and SuperGreen from January 2020 to December 2020.
- Director of Global Sales of EXM and Fully Promoted from January 2020 to November 2020.
- International Director of NLX from January 2019 to December 2019; TGG from November 2017 to December 2019; PTA in West Palm Beach, FL from June 2017 to March 2018; and VTX, JSS, EXM, SuperGreen, TBA, Fully Promoted and Signarama from December 2015 to December 2019.

A.J. Titus – *Senior Executive – West Palm Beach, FL*

- Senior Executive of OE since May 2022; GCZ since May 2021; NLX, TGG, VTX, TBA and Fully Promoted since November 2020; ROI from November 2020 to July 2022; JSS from November 2020 to June 2022; and EXM from November 2020 to August 2021.
- President of Signarama since March 2018.
- Executive Vice President of Signarama from July 2017 to February 2018.

Nick Bruckner – *Senior Vice President of Sales – West Palm Beach, FL*

- Senior Vice President of Sales of OE since May 2022, GCZ since May 2021; ROI from January 2020 to July 2022; NLX since January 2019; TGG since November 2017; VTX since December 2015; TBA since February 2015; SuperGreen from February 2015 to December 2020; EXM from July 2014 to August 2021; Fully Promoted since October 2004; and Signarama since January 2000.

Michael White – *Director of Sales and Chief Development Officer – Durham, NC*

- Chief Development Officer (formerly known as Chief Revenue Officer) of OE since May 2022, GCZ since May 2021; NLX, TGG, VTX, TBA, Fully Promoted and Signarama since November 2020;

ROI from November 2020 to July 2022; JSS from November 2020 to June 2022; and EXM from May 2021 to August 2021.

- Director of Sales of GCZ since May 2021; ROI from January 2020 to July 2022; NLX since January 2019; TGG, VTX, TBA, Fully Promoted and Signarama since September 2018; JSS from January 2020 to June 2022; EXM from January 2020 to August 2021; and SuperGreen from September 2018 to December 2020.
- Senior Executive Vice President of TGG, VTX, JSS, EXM, SuperGreen TBA, Fully Promoted and Signarama from December 2017 to August 2018; and of PTA from December 2017 to March 2018.
- Executive Vice President of TGG from November 2017 to December 2017; PTA from June 2017 to December 2017; and VTX, JSS, EXM, SuperGreen, TBA, Fully Promoted and Signarama from December 2015 to December 2017.

Andrew Titus – Executive Vice President – West Palm Beach, FL – South Florida Region

- Executive Vice President of OE since May 2022; GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since January 2022; ROI from January 2022 to July 2022; and JSS from January 2022 to June 2022.
- Regional Vice President of GCZ from May 2021 to December 2021; ROI, NLX, TGG, JSS, VTX, TBA Fully Promoted, and Signarama from March 2020 to December 2021; EXM from March 2020 to August 2021; and SuperGreen from March 2020 to December 2020.
- Regional Manager of ROI, NLX, TGG, JSS, VTX, EXM, SuperGreen, TBA, Fully Promoted and Signarama from August 2019 to March 2020.
- Full-time college student from August 2015 to May 2019.

Carrie Dresner – Regional Vice President – Allen, TX – Midwest Region

- Regional Vice President of OE since May 2022, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since April 2022; ROI from April 2022 to July 2022; and JSS from April 2022 to June 2022.
- Region Director of Camp Gladiator, a fitness franchise in Allen, TX from January 2019 to June 2022 and Partner/Trainer since September 2012.
- Area Director of Camp Gladiator from April 2016 to April 2022.

Lowell S. Dunn III – Regional Vice President – Hopatcong, NJ – Northeastern Region

- Regional Vice President of OE since May 2022, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since January 2022; ROI from January 2022 to July 2022; and JSS from January 2022 to June 2022.
- Regional Manager of GCZ, ROI, NLX, TGG, JSS, VTX, TBA, Fully Promoted and Signarama from June 2021 to December 2021; and EXM from June 2021 to August 2021.
- Vice President of Sales of SndRight LLC, a digital communication company in Lynchburg, VA from February 2020 to May 2021.
- Vice President of TxtRed LLC, a digital communication company in Lynchburg, VA from August 2018 to May 2021.
- Full-time college student from August 2015 to August 2020.

John Fleming – Regional Vice President – Monroe, WA – Western Region

- Regional Vice President of OE since May 2022; GCZ since May 2021 ROI from January 2020 to July 2022; TGG, VTX, NLX, TBA, Fully Promoted and Signarama since April 2019; JSS from April 2019

to June 2022; EXM from April 2019 to August 2021; and SuperGreen in from April 2019 to December 2020.

- Director of Business Development of RGP Resource Global Professionals, a consulting business in Seattle, WA from April 2017 to April 2018.

Dan Nemunaitis – Regional Vice President – Crystal Lake, IL – Midwest and Chicago Region

- Regional Vice President of OE since May 2022; GCZ since May 2021; ROI from January 2020 to July 2022; NLX since January 2019; TGG since November 2017; VTX since December 2015; TBA since February 2015; EXM from February 2015 to August 2021; SuperGreen from January 2014 to December 2020; Fully Promoted since December 2013; and Signarama since November 2011.

Sean Palmer– Regional Vice President – Phoenix, AZ – West Coast Region

- Regional Vice President of OE since May 2022; GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since March 2022; ROI from March 2022 to July 2022; and JSS from March 2022 to June 2022.
- Managing Partner of Platinum North, a mergers and acquisitions firm in Sarasota, FL from September 2022 to March 2022.
- Vice President of Acquisitions of Onward for Business, a mergers and acquisitions firm in Sarasota, FL from November 2019 to September 2022.
- International Director of Anytime Fitness Asia, a fitness franchise in Singapore from November 2018 to November 2019.
- Regional Vice President of VTX, EXM, SGS, TBA, Fully Promoted and Signarama from January 2018 to October 2018.
- International Director of VTX, EXM, SGS, TBA, Fully Promoted and Signarama in Sydney, Australia from February 2016 to December 2017.

Eileen Proctor – Regional Vice President – Northeast, Midwest and West Region

- Regional Vice President of OE, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since May 2022.
- Chief Operating Officer of The Abernathy Group a Franchise company comprised of Office Evolution in Raleigh and Cary, NC and Kids R Kids Learning Academy in Clayton, NC from November 2020 to May 2022.
- Director of Franchise Development of FranDev Co, a franchise sales organization in Boynton Beach, FL from April 2020 to November 2020.
- Vice President of Franchising of Scenthound, a franchisor in Jupiter, FL from October 2019 to April 2020.
- Director of Franchise Development of Franchise Fastlane a franchise sales organization in Delray Beach, FL from December 2018 to October 2019.
- Vice President of Franchising of Jewelry Repair Enterprises, a franchisor in Boca Raton, FL from March 2018 to November 2018.
- Vice President and other roles at Office Evolution a franchisor in Louisville, CO from June 2014 to March 2018.

Gregg Quisito – Regional Vice President – Atlanta, GA – Southeast Region

- Regional Vice President of OE, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since August 2022.

- Vice President of Sales for Celebration Marketing, LLC, a marketing company in Atlanta, GA from February 2021 to July 2022.
- Vice President of Franchise Development for LYNX Franchising, a Franchisor in Atlanta, GA from August 2017 to January 2021.

Eric Redden – Regional Vice President – Charlotte, NC – Carolinas Region

- Regional Vice President of OE since May 2022; GCZ since May 2021; NLX, TGG, VTX, TBA, Fully Promoted and Signarama since March 2020; ROI from March 2022 to July 2022; JSS from March 2020 to June 2022; and SuperGreen from March 2020 to December 2020.
- Regional Manager of ROI from January 2020 to March 2020, and NLX, TGG, JSS, VTX, EXM, SuperGreen, TBA, Fully Promoted and Signarama from January 2019 to March 2020.
- Franchise Development Representative of TGG, VTX, JSS, EXM, SuperGreen, TBA, Fully Promoted and Signarama from February 2018 to December 2018.
- Lifestyle Director of First Service Residential, a property management business in Dania Beach, FL from June 2015 to February 2018.

Paul Scales – Regional Vice President – Powell, OH – Columbus Region

- Regional Vice President of OE since May 2022, GCZ since May 2021; NLX, TGG, VTX, TBA, Fully Promoted and Signarama since February 2020; ROI from February 2020 to July 2022; JSS from February 2020 to June 2022; EXM from February 2020 to August 2021; and SuperGreen from February 2020 to December 2020.
- Regional Vice President of Atalian Global Services, a facility services company in Columbus, OH from April 2019 to October 2019.
- President and founder of The Cleaning Pros, a facility services company in Cleveland, OH from October 2017 to April 2019.
- Vice President of System4 LLC, a facility services and franchise sales company in Independence, OH from January 2006 to September 2017.

Andrew Bates – Development Manager – West Palm Beach, FL

- Development Manager of OE, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since June 2022.
- Sales Representative for Definitive Healthcare, a software sales company in Framingham, MA from June 2019 to June 2022.
- Owner of Next Up, a hockey company in West Palm Beach, FL since April 2016.
- Manager of Development and Retention for Florida Panthers, a pro sports team in Sunrise, Florida from May 2016 to May 2018.

Daniel Gittere – Area Representative – Palm Beach County, FL

- Area representative of NLX for Palm Beach County, FL, Saint Lucie County, FL and Martin County, FL since February 2022.
- Owner and chief executive officer of VSP Marketing Group, LLC, a marketing company in West Palm Beach, FL since September 2013.

April O'Connor – Area Representative – Palm Beach County, FL

- Area representative of NLX for Palm Beach County, FL, Saint Lucie County, FL and Martin County, FL since February 2022.

- Vice President of Sales for Experience EPIC Events, an event planning company in West Palm Beach, FL since January 2022.
- Membership Director for NLX from January 2019 to December 2021.
- Director of Business Development for HGI Technologies, a copier and software company in West Palm Beach, FL from September 2017 to December 2018.

R. Scott Schoner – Area Representative – Fords, NJ

- Area representative of NLX for the state of New Jersey since May 2021.
- Co-Owner of Paradigm Network, LLC, a networking business in Fords, NJ since April 2021.
- Member of NJ Franchise Development, LLC, a franchise development company in Fords, NJ since February 2007.

Andrew Wolf – Regional Vice President – Holmdel, NJ

- Area representative of NLX for the state of New Jersey since May 2021.
- Co-Owner of Paradigm Network, LLC, a networking business in Fords, NJ since April 2021.
- Vice President of Diversified Display Products a distributor/reseller in Hillside, NJ since January 1995.

Item 3 LITIGATION

A. Pending Litigation: None

B. Litigation Against Franchisees Commenced in the Past Fiscal Year: None

C. Completed Litigation: None

D. Restrictive Orders:

The following injunctive order relates to Signarama, an affiliate of ours and covers certain directors, officers and employees of Signarama.

Federal Trade Commission, Plaintiff v. Minuteman Press International, Inc., Speedy Sign-A-Rama, USA, Inc., Roy W. Titus and Jeffrey Haber, Defendants (CV 93-2496) Filed on June 4, 1993, in the United States District Court, Eastern District of New York. The Federal Trade Commission complaint alleged that the Defendants violated Section 5(a) of the Federal Trade Commission Act and the Commission's Franchise Rule (16 CFR Part 436) by falsely representing to prospective franchisees potential gross sales levels and profitability of their franchise units, failing to disclose the obligation to pay a substantial transfer fee upon the resale of the franchise, and by making earnings claims without proper documentation and in contradiction of statements in their disclosure documents. On December 18, 1998, an injunction was filed prohibiting the Defendants excluding Haber from doing the following: A. Making, or assisting in the making of, expressly or by implication, orally or in writing, to any prospective franchisee any statement or representation of past, present or future sales, income, or gross or net profits of any existing or prospective franchisee or group of franchisees, unless at the time of making such representation the defendant possesses written material that provides a reasonable basis for the representation. B. Violating any provision of the Franchise Rule 16 C.F.R. Part 436 or the Rule as it may later be amended and the disclosure requirements of the UFOC in effect at the time. C. Assessing or collecting a transfer/training fee from any franchisee who sells or assigns its franchise unless the selling franchisee received a copy of a disclosure statement indicating that such fee would be charged.

D. Failing to monitor and investigate any complaints about compliance with the rule or the injunction. E. To cooperate with the Commission in the enforcement of this injunction.

The following order relates solely to Signarama.

Signarama entered into a consent order with the Securities Commissioner of Maryland in January 1996. The matter is captioned In the Matter of Speedy Sign-A-Rama, USA, Inc. and is Case No. S-95-112. It is alleged in the consent order that Speedy sold 4 franchises in the State of Maryland after its registration under the Maryland Franchise Law had lapsed, and before it was renewed. In settlement of the matter, and while neither admitting nor denying the findings in the order, Speedy agreed to offer rescission to the 4 franchisees, adopt a compliance program intended to avoid unregistered sales and disclose the existence of the order in its franchise disclosure document under the Maryland Franchises Law. All 4 franchisees stayed with Signarama.

The following order relates solely to TGG:

TGG entered into a consent order with the Department of Financial Protection and Innovation of the State of California in July 2021. The matter is captioned In the Matter of: The Commissioner of Financial Protection and Innovation v. Great Greek Franchising, LLC. The Commissioner found that TGG removed a condition of registration that was previously imposed on the franchisor, which required franchisor to defer collection of initial franchise fees until all of its pre-opening obligations were completed and franchisees commenced doing business, without express authorization from the Department, and also failed to indicate the change in the marked copy of the FDD submitted to the Department, in violation of 10 C.C.R. § 310.122.1 and Corporations Code § 31200. Franchisor also collected franchise fees prior to completing its pre-opening obligations and franchisees opening for business, in violation of Corporations Code § 31203. In settlement of the matter, TGG agreed to desist and refrain from the violations of Corporations Code section(s) 31200, 31203, and Rule 310.122.1, pay an administrative penalty, offer rescission to each of the franchisees who were offered and sold a franchise from October 18, 2018, to August 20, 2020, and attend continuing education. As of today, TGG has mailed the rescission offers to the franchisees, paid the administrative penalty, completed the continuing education, and made all payments required under the rescission offer.

The following orders relates solely to TGG, GCZ and UFG:

In February 2022, TGG, GCZ, and UFG entered into consent orders with the State of California, and its Department of Financial Protection and Innovation, as it relates to alleged violations which occurred at a trade show in California. It is alleged in the consent orders that, in October 2021, TGG and GCZ, holding themselves out as members of the UFG affiliated family of brands in a booth during a trade show within the state of California, provided information regarding the franchise offerings without a valid registration or exemption to offer or sell franchises in California. More specifically, a single representative of TGG, GCZ and UFG showed an individual the Graze Craze website and that the same representative made financial performance representations regarding The Great Greek Mediterranean Grill franchise system. Further, the Department concluded that the employee's actions constituted a response to an inquiry regarding GCZ franchise offering, and a later representation by a GCZ representative that all inquiries had been declined was concluded to be untruthful. As required by the consent orders, TGG, GCZ, and UFG agreed to desist and refrain from the violations of Corporations Code section(s) 31110, 31201, and 31204, pay an administrative penalty, send a Notice of Consent Order to TGG franchisees, and contract with an independent monitor for up to three years to assist with developing, implementing, and reviewing policies and procedures of its franchise sale.

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

Item 4 BANKRUPTCY

On April 21, 2015, Sean Joseph Palmer, a Regional Vice President of the Company with an address and principal business address of 2929 Hwy 77, Columbiana, AL 35051 filed a bankruptcy petition under Chapter 7 of the United States Bankruptcy Code (United Bankruptcy Court for the Northern District of Alabama, Case No. 15-01601-TOM7). He was granted a discharge on July 20, 2015.

Item 5 INITIAL FEES

FRANCHISE AGREEMENT

When you sign your franchise agreement, you must pay Us an initial franchise fee of \$9,500. At least 14 days prior to signing the franchise agreement or paying the franchise fee, we will provide you with a copy of the franchise disclosure document, together with a copy of all proposed agreements relating to the sale. At least 14 days after we provide you with a copy of this disclosure document, but prior to signing the Franchise Agreement, you will be required to pay a \$2,500 deposit. This deposit is fully refundable if you do not purchase an NLX Business. On the date you enter into your Franchise Agreement, the deposit is applied against the initial franchise fee leaving the remainder of \$7,000 which must be paid at the time of signing the Franchise Agreement.

Eligible United States military veterans will receive a discount of 10% off the standard franchise fee or if purchasing an existing NLX Business from another franchisee (a “resale”) will receive a discount of 5% off the standard transfer fee. An eligible veteran is a veteran who has received an honorable discharge.

You must purchase the software and supplies package from us described in Items 7 and 8. The cost of this package including shipping is \$2,950, plus taxes, which is non-refundable, and due at the time of signing the Franchise Agreement.

Except as described above, generally, the fees are uniformly charged, however, in certain unique circumstances in the past fiscal year, we have reduced the franchise establishment fee for particular franchisees, in one such case to as low as \$4,550.

**Item 6
OTHER FEES**

Type of Fee	Amount	Due Date	Remarks
Royalty	15% of your gross revenues ^{1, 2} or a minimum royalty amount of \$100 per month (first year), \$150 per month (second year), and \$200 per month (third year and every year thereafter) (whichever is greater).	Upon receipt	See Endnote 1 for definition of Gross Revenues.
Marketing Fee	1% of gross revenues or \$100 per month (whichever is greater)	Upon receipt	We reserve the right to increase the Marketing Fee to 4% in the future.
Technology fee	Either \$45 per month or \$5 per Member (whichever is greater)	Monthly	The technology fee is for development, maintenance, and administration of our custom Network LEX internet portal. The technology fee is payable commencing in the first month after you open for business. We may increase the technology fee to reasonably reflect our internal and external costs.
New Chapter Fee	\$4,500 Per New Chapter	Within one week prior to the training date.	The new chapter fee is for opening a new chapter within the territory (including the training of new chapter presidents regarding the administration and management of NLX chapters).
Additional Training Fee	\$2,500 or then current fee for each person who attends additional training where the fees are not covered by the initial franchise fee	Prior to attending training	The initial franchise fee covers your attendance of the initial training prior to opening your chapter. The fee shown here is an attendance charge for an optional additional training. The fee is payable to Us.
Non-compliance fee	\$500	On demand	We may charge you \$500 if your business is not in compliance with our System specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you \$250 per week until you correct such non-compliance.
Reimbursement	Amount that we spend on your behalf, plus 10%	Within 15 days of invoice	If we pay any amount that you owe or are required to pay to a third party, you must reimburse us.

Type of Fee	Amount	Due Date	Remarks
Interest on late payment	18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	On demand	We charge interest if your account in our online portal does not have sufficient funds to pay a fee when due, or you otherwise fail to make a required payment when due.
Costs of collection	Our actual costs	As incurred	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us.
Customer complaint resolution	Our expenses	On demand	We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint caused by you, we may require you to reimburse us for our expenses.
Non-compliance cure costs and fee	Our out-of-pocket costs and internal cost allocation, plus 10%	When billed	We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs plus a 10% administrative fee.
Renewal fee	\$2,500	Upon renewal	Payable if you enter into a successor franchise agreement at the end of your agreement term.
Transfer fee	\$2,500 or the then current transfer fee (whichever is greater).	Prior to consummation of transfer	Payable if you sell your business.
Indemnity	Our costs and losses from any legal action related to the operation of your franchise	On demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our willful misconduct or gross negligence).
Prevailing party's legal costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any legal proceeding, the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

All fees are payable only to us (other than your local marketing). All fees are imposed by us and collected by us (other than your local marketing). Fees payable to us are non-refundable. Fees payable to third parties may be refundable depending on your agreement with third parties. All fees are uniform for all franchisees, although we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate.

There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

Item 6 Notes

1. “Gross Revenues” is defined in our franchise agreement as the entire amount of all of your revenues arising out of the ownership or operation of your franchise. The revenues are determined regardless of whether they are evidenced by cash, credit, checks, services, property or other means of exchange, excepting only the amount of any sales taxes that are collected and paid to the taxing authority. Cash refunded or credit given to customers is to be deducted in computing gross revenue to the extent that such cash or credit represent amounts previously included in gross revenue on which royalty and marketing fees were paid. You are prohibited from offsetting or deducting this required royalty payment in any form or fashion. We may charge you interest and/or late fees if your royalty fees and other amounts due to us are not paid in a timely manner. We have the right to inspect your financial records to verify the accuracy of these reports. The minimum amounts stated are “per Territory.” For example, if you operate two Territories, the minimum amount you would pay during months 1-12 of operations is \$100 per Territory Area = \$2,400 total.

We have a unique royalty incentive program for eligible franchisees. If eligible, you are not required to pay minimum monthly royalties and only pay 15% after your monthly royalty payments exceed certain “caps”:

i. Months 1-12 of operation	\$1,200
ii. Months 13-24 of operation	\$1,800
iii. Months 24 until the end of the following calendar year.	\$2,400
iv. Each Subsequent 12-month period of operation	\$2,400

The incentive program is not applicable until the month after the month in which your royalties exceed the cap. For example:

Month 1 You Pay 15% of Gross Revenue of \$2,300	Total for period: \$2,300
Month 2 You Pay the Minimum of \$100	Total for period: \$2,400
Month 3 You Pay the Minimum of \$100	Total for period: \$2,500

In Month 3, you pay \$100, and in months 4-12 you pay no minimums and only pay 15% of Gross Revenue.

2. You will have two sources of revenue. First, each Member of your Chapter will pay an annual membership fee to join. Second, when a Member pays a commission on revenue resulting from a referral through the Network LEX website (the “Transaction”), you will receive 1% of the 10% commission. We will collect all revenues through the Network LEX website. We will deduct the royalty, marketing fee, technology fee, administration fee, annual fee, and other fees and amounts owed to us, and forward the balance to you.

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Item 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT
FRANCHISE AGREEMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee ¹	\$9,500 - \$9,500	Check or wire transfer	Upon signing the franchise agreement	Us
Software and Supplies Package ²	\$2,950 - \$2,950	Check or wire transfer	Upon signing the franchise agreement	Us
Travel and Living Expenses (While Attending Initial Training) ³	\$0 - \$700	As incurred	As incurred	Restaurants, Hotels, Airlines, Ground Transportation
Market Introduction Program	\$0 - \$2,000	Check, debit, and/or credit	As incurred or when billed	Vendors and suppliers
Computer Systems	\$0 - \$1,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Office Expenses	\$0 - \$300	Check, debit, and/or credit	As incurred	Vendors
Marketing Materials	\$0 - \$5,000	Check, debit, and/or credit	Upon ordering	Vendors
Licenses and Permits	\$0 - \$500	Check	Upon application	Government
Dues and Subscriptions	\$0 - \$500	Check, debit, and/or credit	As incurred	Vendors, trade organizations
Professional Fees (lawyer, accountant, etc.)	\$0 - \$2,000	Check, debit, and/or credit	As incurred or when billed	Professional service firms
Additional funds (for first 3 months) ⁴	\$0 - \$500	Varies	Varies	Employees, suppliers
Total ⁵	\$12,450 - \$24,950			

Item 7 Notes

1. The initial franchise fee is refundable only as described in Item 5
2. You will need to purchase a Software and Supplies Package from us. This package is discussed in Items 5 and 11 and the contents are listed in Schedule A to the Franchise Agreement.
3. Training is provided either virtually or in-person. Our initial training program is 3 hours. You or Your Operator Principal, must attend the initial training program. Should you choose to attend the optional additional training in-person, you must pay all travel, accommodation, and living expenses for Yourself and any additional individuals that attend the initial training program.
4. This includes any other required expenses you will incur before operations begin and during the initial period of operations, such as marketing and other operating expenses in excess of income generated by the business. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: our research and general knowledge of the industry.
5. We estimate real property, leasehold improvements, and utilities at zero because we expect you will open as a home-based business.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us, our designee, or from suppliers approved by us; or (2) according to our specifications. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together a reasonable markup or charge for administering the payment program

Specific Obligations

The following are our current specific obligations for purchases and leases:

A. In order to ensure a uniform image and uniform quality services in all NLX Chapters, you must maintain and comply with our quality standards. As noted in Items 5 and 7, you are required to purchase from us the Software and Supplies Package, which includes startup cost and other items. Schedule A to the Franchise Agreement contains a list of the contents of the Software and Supplies Package. For the year ended June 30, 2022, our gross revenue from the sale of the Software and Supplies Package was \$0 or 0% of our total revenue of \$309,774.

B. Insurance. You must obtain insurance as described in the franchise agreement and in our operating manual (the “Manual”). Our current requirements are: comprehensive general liability policy, a policy covering “all risk” of physical loss, and additional policies as may be required under your local laws or ordinances. We also recommend that you obtain cyber liability, data security and technology errors and omissions insurance. The insurance requirements are minimum requirements. Per the Franchise Agreement, Network LEX does not require a minimum amount of insurance but recommends \$100,000 per-occurrence limit and a \$250,000 aggregate limit. You should consult with your local insurance agent and legal counsel

to ensure your franchise business is adequately insured, and that you have all insurance required by law and under the terms of any agreement to which you are a party.

Neither we nor any affiliate is currently a supplier of any good or service that you must purchase, although we reserve to the right to be a supplier (or the sole supplier) of a good or service in the future. No franchisor officer owns an interest in any supplier.

Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers, you must request our approval in writing. We will grant or revoke approvals of suppliers based on criteria appropriate to the situation, which may include evaluations of the supplier's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our approval in writing, and we grant approval. There is no fee for us to review or approve an alternate supplier. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our System, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose).

Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are 50% to 80% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases of goods and services to operate your business are 50% to 80% of your total purchases and leases of goods and services to operate your business.

Payments by Designated Suppliers to Us

We do not currently receive payments from any designated suppliers based on purchases by you or other franchisees. However, the franchise agreement does not prohibit us from doing so.

Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

Negotiated Arrangements

We have not negotiated purchase arrangements with suppliers, including price terms, for the benefit of franchisees.

Benefits Provided to You for Purchases

We do not provide any material benefit to you based on your purchase of particular goods or services, or your use of particular suppliers.

Item 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	Not applicable	Item 11
b. Pre-opening purchase/leases	§ 8.1	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	Article 6	Items 5, 7, 8 and 11
d. Initial and ongoing training	§§ 5.1, 6.1, 7.6	Items 6, 7, 8 and 11
e. Opening	§ 6.2	Items 7 and 11
f. Fees	Article 4, §§ 3.2(e), 7.3(d), 11.2, 15.2, 16.1, 17.1, 17.3, 17.6	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	§§ 7.1, 7.3, 7.6, 7.9 – 7.11, 7.17, 7.18, 8.1, 10.1, 10.4, 11.1	Items 8, 11 and 14
h. Trademarks and proprietary information	Article 12, § 13.1	Items 13 and 14
i. Restrictions on products/services offered	§ 7.3	Items 8 and 16
j. Warranty and customer service requirements	§§ 7.4, 7.8, 7.9	Item 8
k. Territorial development and sales quotas	§ 2.1	Item 12
l. Ongoing product/service purchases	Article 8	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	Not applicable	Not applicable
n. Insurance	§ 7.11	Item 8
o. Advertising	Article 9	Items 6, 7, 8 and 11
p. Indemnification	Article 16	Items 6 and 8
q. Owner's participation/management/staffing	§ 2.2	Item 15
r. Records and reports	Article 10	Item 11
s. Inspections and audits	§ 10.5	Item 11
t. Transfer	Article 15	Items 6 and 17
u. Renewal	§ 3.2	Items 6 and Item 17
v. Post-termination obligations	§§13.1, 13.2(b), 14.2 - 14.5	Item 17
w. Non-competition covenants	§ 13.2	Item 17
x. Dispute resolution	Article 17	Items 6 and 17

Obligation	Section in agreement	Disclosure document item
y. Monthly Meetings	§ 7.3	Not applicable

Item 10 FINANCING

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

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

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

Our Pre-Opening Obligations

Before you open your business (Section 5.1):

A. We do not assist you in (i) locating your site and negotiating the purchase or lease of the site, (ii) conforming the premises to local ordinances and building codes and obtaining any required permits, or (iii) constructing, remodeling, or decorating the premises. We do not provide any assistance in hiring or training employees.

B. We will provide advice in regard to establishing your business.

C. We will make available to you our standard initial training.

D. We will loan you our Manual, which includes statements of policies and procedures, together with instruction and advice in the operation of a Network LEX business.

E. We will provide you with other relevant manuals and written material which we deem necessary.

Length of Time to Open

The typical length of time between signing the franchise agreement and the opening of your business is one month. Factors that may affect the time period include your ability to complete our initial training.

Our Post-Opening Obligations

After you open your business (Section 5.2):

A. We will provide you with details of any alterations and/or improvements in or to the System.

B. We will, from time to time, free of charge, send you bulletins on sales and service methods, marketing development and techniques, and/or business and operating procedures.

- C. We will offer advice regarding your business by telephone and electronic communication.
- D. We will determine prices charged for membership in a Chapter and commission charged to Members.
- E. We will determine the rules for operation of a Chapter.
- F. We will collect Member dues and referral fees through the portal. We have the sole discretion to refund a Member's payment for any reason. If a Member fails to pay an amount owed, we have the sole discretion to determine collection efforts, if any.
- G. We will pay you the membership dues plus 10% of the commissions that we collect on your behalf through the portal, after deducting royalty fees and other amounts you owe to us.
- H. We will operate and maintain the Network LEX online portal.

Advertising

Our obligation. Marketing fees you and other franchisees pay will be deposited into a separate fund (the "Advertising Fund"). We will use the Advertising Fund only for marketing and related purposes and costs. Media coverage is primarily local. We use outside vendors and consultants to produce advertising. We are not required to spend any amount of advertising in the area or territory where any particular franchisee is located. We will maintain the brand website (which may be paid for by the Advertising Fund). We shall have marketing materials available to you for purchase, to use and distribute. We have no other obligation to conduct advertising.

Your own advertising material. You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 14 days prior to use. If we do not respond, the material is deemed rejected. If you develop any advertising or marketing materials, we may use those materials for any purpose, without any payment to you.

Advertising Council. We do not have an Advertising Council comprised of franchisees that advises us on advertising policies, although we reserve the right to form one in the future.

Local or Regional Advertising Cooperatives. We do not have any local or regional advertising cooperatives, and we do not have the right to require you to participate in a local or regional advertising cooperative.

Advertising Fund. You and all other franchisees must contribute to our Advertising Fund. Your contribution is 1% of gross revenues per month, but we reserve the right to increase the contribution to 4%. We intend that all franchisees contribute the same percentage, but we reserve the right to have other franchisees contribute a different amount or at a different rate. Outlets that we own are not obligated to contribute to the Advertising Fund. We administer the Advertising Fund. The Advertising Fund is not audited. We will make unaudited annual financial statements available to you upon request.

During calendar year 2021, expenditures by the Advertising Fund by category on a percentage basis were as follows: 91.2% for retained earnings and 8.8% for administrative fees. If less than all contributions to the Advertising Fund are spent in the fiscal year in which they accrue, the money will remain in the Advertising Fund to be spent in the next year.

No more than 25% of the Advertising Fund in any year will be used for the solicitation of new franchisees.

Required spending. After you open, you must spend at least 5% of gross revenues each year on marketing your business.

Computer Systems

Our proprietary Network LEX website or online portal is the primary management system for your business. It will manage memberships and referrals; maintain a “wallet” for each of your Members to pay fees and receive and pay commissions; track your revenue; and generate reports related to the business. We may alter the functionality of the portal in our discretion. You will pay a technology fee which is currently \$45 per month or \$5 per Member, whichever is greater.

You will need a computer with internet access and typical office software. You are not required to buy or use any particular computer system or software. We estimate your computer will cost \$0 to \$1,000 (with the low end assuming you already own a computer suitable for the business).

We will maintain the online portal. We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates to your computer or software. Although we do not currently require you have any particular software system, we have the right to require you to acquire and use software in the future and to upgrade or update any system during the term of the franchise. There is no contractual limitation on the frequency and cost of this obligation.

We will have independent access to all information that will be generated or stored in or through the online portal.

Operating Manual

See “Exhibit E” for the Table of Contents of our Franchise Operations Manual as of the date this disclosure document, with the number of pages devoted to each subject and the total number of pages in the Manual.

Training Program

Prior to opening your NLX Business, you must attend and complete to NLX’s satisfaction, our initial training program via virtual means. It is expected that our training program will be offered dependent upon the needs of the franchisees. Our training program consists of the following:

INITIAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Local and Digital Marketing	1 Hour	N/A	Virtual
Technologies	1 Hour	N/A	Virtual
Hosting a Meeting	1 Hours	N/A	Virtual
TOTALS:	3 Hours	N/A	

At your option, you may choose to attend, an additional training program held at are national headquarters in West Palm Beach, Florida. It is expected that our additional training program will be offered dependent upon the needs of the franchisees. The cost of the additional training program is \$2,500.00. You will have to pay for your travel, lodging, and meals per person. Our additional training program consists of the following:

ADDITIONAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Introduction to Training Overview	1 Hours	N/A	In-person
Business Model	1 Hour	N/A	In-person
Technologies	1-2 Hours	N/A	In-person
Local and Digital Marketing	1-2 Hours	N/A	In-person
Sales Process & New Memberships	0.5-1 Hour	N/A	In-person
Operations	1-2 Hours	N/A	In-person
Hosting a Meeting	0.5-1 Hours	N/A	In-person
Support	1 Hours	N/A	In-person
Goal Setting & Projections	1 Hours	N/A	In-person
TOTALS:	8 – 12 Hours	N/A	

Training classes will be led by Michael Miller. He has been in our industry for five years, and has been with us or our affiliates for five years.

You must attend our initial training course via virtual means and complete it to our satisfaction before opening your business.

We do not currently require additional training programs or refresher courses, but we have the right to do so.

Item 12 TERRITORY

Your Location

We anticipate that you will manage your Network LEX business from your existing business or home. You may relocate your business headquarters any time, subject to our approval.

Grant of Territory

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 are

granted the right to operate an NLX Business solely within a “Protected Franchise Territory”, which will be a geographic area defined and named by us, and which contains between 2,000 to 3,000 registered businesses dependent upon the Franchise Fee.

You must confine your business activities to your Protected Franchise Territory including, but not limited to meetings, conferences, community service, and educational programs. While you are not restricted from accepting unsolicited members from outside your Protected Franchise Territory, you must restrict the targeting of public relations, promotional, sales and marketing activities to within your Protected Franchise Territory and shall not actively market areas outside of your Protected Franchise Territory using the Internet, telemarketing or other forms of direct marketing.

In your Protected Franchise Territory we will not open or operate company-owned NLX Businesses and/or grant additional NLX franchises selling the same or similar goods or services under the same or similar trademarks or service marks as an NLX Business within your Protected Franchise Territory. The continuation of your protected area is dependent on your yearly gross revenue beginning in the calendar year following your first 12 months of operation. (For example, if you begin operating your Franchise in September 2022, then you will be required to maintain a minimum yearly gross revenue beginning on January 1, 2024.) You will be required to maintain or exceed the minimum gross revenue amount of \$10,000 per year of operation. If you fail to achieve the minimum required gross revenue, you may lose your rights to your Protected Franchise Territory. If you operate in more than one Protected Franchise Territory, the \$10,000 minimum applies separately to each Protected Franchise Territory. If you meet the minimum, then your Protected Franchise Territory can only be altered or modified with your written consent.

We have the right and, through the Advertising Fund, may promote the services offered by NLX Businesses and Chapters in your Protected Franchise Territory using our trademarks through the Internet, telemarketing, and direct marketing. Any potential clients received through such promotional efforts will be forwarded to the franchisee located in the Protected Franchise Territory in which the potential client resides or operates a business. No compensation will be paid to franchisees as the franchisor will not realize revenues from these promotional activities, and the referrals resulting from this marketing will be passed to the affected franchisee.

The Company reserves the right to (without compensation to any franchisee):

1. open and operate Network LEX chapters or franchise others to open and operate Network LEX chapters at all universities, colleges, hospitals, municipal facilities, public transportation facilities, shopping malls, stadiums, amusement parks and similar locations of a “non-standard” nature, regardless of location within the Territory;
2. open and operate or franchise others to open and operate non-standard Network LEX chapters within the Territory under the System and Marks or different trademarks (e.g., within drug stores, supermarkets, department stores, truck stops, hotel or motel chains, or other channels of distribution such as the Internet or direct marketing);
3. develop and operate and to franchise or license others to develop and operate Network LEX chapters at any location outside your Territory subject to the territorial protection granted to you under the Franchise Agreements.

Relocation of Franchise Business

You may relocate your NLX Business under the following conditions:

1. Prior to relocation, you submit your request in writing to us to us for our approval and the approval is granted.
2. You must not be in default of the terms of your Franchise Agreement.
3. We will evaluate your request with respect to the suitability of your proposed location and proximity of your proposed location to other chapters (both Network LEX chapter and competitors) as well as demographic information.

The relocation of your business will not change your Designated Marketing Area.

Additional Franchises

You do not have the right to establish additional franchised outlets. Furthermore, you do not receive any options, rights of first refusal, or similar rights to acquire additional franchises. If you desire to do so, you must (1) meet our then-current criteria for new franchisees, (2) be in compliance with your franchise agreement at all times since opening your business, (3) be capable of operating multiple Network LEX chapters successfully, and (4) obtain our approval based on your financial history, the financial stability of your existing business, and your experience managing your existing business.

Item 13 TRADEMARKS

Principal Trademarks

The following are the principal trademarks that we license to you (the “Marks”):

Word Marks	Logo Marks
NETWORK LEX	
NETWORK LEAD EXCHANGE*	

These Marks are owned by us. We do not have a federal registration for our Marks. Therefore, our Marks do not have as many legal benefits and rights as a federally registered trademark. If our right to use the Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

*We have an active service mark in the state of Georgia for the term “NETWORK LEAD EXCHANGE” which has the Registration Number S-29903 and is classified as Class 2 (advertising and

business). The registration date of the mark is November 4, 2019, and an expiration date of November 4, 2029.

Determinations

There are currently no effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings.

Litigation

There is no pending material federal or state court litigation regarding our use or ownership rights in the Marks.

Agreements

There are no currently effective agreements that significantly limit our rights to use or license the use of the Marks listed above in a manner material to the franchise

Protection of Rights

We are not required to protect you against infringement or unfair competition claims arising out of your use of the Marks, or to participate in your defense and/or indemnify you. The franchise agreement obligates you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a Mark licensed to you. The franchise agreement does not require us to take affirmative action when notified of these uses or claims. We have the right to control any administrative proceedings or litigation involving a Mark licensed by us to you. Under the franchise agreement, we may require you to modify or discontinue using a Mark, at your expense.

Superior Prior Rights and Infringing Uses

We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks.

Item 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

We do not own rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications.

Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Network LEX online portal, as well as our Manual and all sales, training, management and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

We do not have any registered copyrights. There are no pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights.

We do not know of any copyright infringement that could materially affect you.

Proprietary Information

We have a proprietary, confidential Manual and related materials that include guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, and all non-public, plans, data, financial information, processes, vendor pricing, marketing systems, formulas, techniques, operating procedures, customer data, information and know-how.

You must protect the confidentiality of our Manual and other proprietary information and use our confidential information only for your franchised business. We may require your managers and key employees to sign confidentiality and non-compete agreements.

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

You must personally devote best efforts to the direct operation of your business. You are not required to sign a personal guarantee; however, you are required to personally sign the franchise agreement, even if you form a corporation, partnership or other business entity for the operation of the franchise. If you form a corporation or other business entity, you will sign the franchise agreement both personally and on behalf of the business entity as an officer or director of the company. If you form a partnership, you and your partners will sign the franchise agreement personally. Your spouse will not be required to guarantee performance. Your business must at all times be under your direct supervision.

Item 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale only goods and services that we have approved.

You must offer for sale all goods and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes.

We do not restrict your access to customers, except that you cannot have more than one Member in a Chapter from the same industry.

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	Franchise Agreement (FA): § 3.1	10 years from date of franchise agreement.
b. Renewal or extension of the term	FA: § 3.2	You may obtain a successor franchise agreement for up to two additional 10-year terms.
c. Requirements for franchisee to renew or extend	FA: § 3.2	For our franchise system, “renewal” means that at the end of your term, you sign our successor franchise agreement for an additional 20-year term. You may be asked to sign a contract with materially different terms and conditions than your original franchise agreement. To renew, you must give advance notice to us; be in compliance; conform your business to then-current standards for new franchisees; pay a renewal fee of \$2,500; sign then-current form of franchise agreement; sign general release (unless prohibited by applicable law).
D. Termination by franchisee	FA: Not applicable	
e. Termination by franchisor without cause	FA: Not applicable	
f. Termination by franchisor with cause	FA: § 14.1	We may terminate your franchise agreement for cause, subject to any applicable notice and cure opportunity.
g. “Cause” defined—curable defaults	FA: §§ 14.1(a) – (b)	Non-payment of amounts due (15 days to cure); violation of System standards (15 days to cure); other violation of the franchise agreement other than non-curable default (30 days to cure).

Provision	Section in franchise or other agreement	Summary
h. “Cause” defined–non-curable defaults	FA: § 14.1I	FA: Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; failure to complete training to our satisfaction; failure to open for business by opening deadline; violation of law; violation of confidentiality; violation of non-compete; violation of transfer restrictions; abandonment; slander or libel of us; three defaults in 12 months; cross-termination; charge or conviction of a felony, or accusation of an act that is reasonably likely to materially and unfavorably affect our brand. .
i. Franchisee’s obligations on termination/non-renewal	FA: §§ 14.2 – 14.5	FA: Pay all amounts due; return Manual and return or turn over proprietary items and all items bearing the Marks; notify phone, internet, and other providers and transfer service; cease doing business; remove identification; cease use of the Marks; purchase option by us.
j. Assignment of agreement by franchisor	§ 15.1	Unlimited
k. “Transfer” by franchise - defined	FA: Article 1	For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business.
l. Franchisor’s approval of transfer by franchisee	FA: § 15.2	No transfers without our approval.
m. Conditions for franchisor’s approval of transfer	FA: § 15.2	Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement and guaranty; you’ve made all payments to us and are in compliance with the franchise agreement; buyer completes training program; you sign a general release; business complies with then-current System specifications.
n. Franchisor’s right of first refusal to acquire franchisee’s business	FA: § 15.4	If you want to transfer your business, we have a right of first refusal.

Provision	Section in franchise or other agreement	Summary
o. Franchisor's option to purchase franchisee's business	FA: Not applicable	
p. Death or disability of franchisee	FA: § 15.3	If you die or become incapacitated, a new principal operator acceptable to us must be designated to operate the business, and your executor must transfer the business to a third party within nine months.
q. Non-competition covenants during the term of the franchise	FA: § 13.2	Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, or be engaged or employed by, any competitor (unless prohibited by applicable state law).
r. Non-competition covenants after the franchise is terminated or expires	FA: § 13.2	For two years, (i) no ownership or employment by a competitor operating within 25 miles of your location, and (ii) you cannot solicit or accept business from any Member of your Chapter on behalf of a competitor (unless prohibited by applicable state law).
s. Modification of the agreement	FA: § 18.4	No modification or amendment of the franchise agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or System specifications.
t. Integration/merger clause	FA: § 18.3	Only the terms of the agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. However, no claim made in any franchise agreement is intended to disclaim the express representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	FA: § 17.1	Either party may initiate mediation before a legal proceeding takes place (subject to applicable state law).
v. Choice of forum	FA: §§ 17.1(a); 17.2	Any legal proceedings must be brought exclusively in an arbitration proceeding in West Palm Beach, Florida (subject to applicable state law). Mediation will occur in your home state.
w. Choice of law	FA: § 18.8	Florida (subject to applicable state law).

For additional disclosures required by certain states, refer to Exhibit H - State Addenda to Disclosure Document

**Item 18
PUBLIC FIGURES**

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

**Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS**

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mark D. Nichols, General Counsel, 2121 Vista Parkway, West Palm Beach, Florida 33411, and (561) 640-5570, the Federal Trade Commission, and the appropriate state regulatory agencies.

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Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For years 2020 to 2022*

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	2020	2	17	+15
	2021	17	26	+9
	2022	26	36	+10
Company-Owned	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Total Outlets	2020	2	17	+15
	2021	17	26	+9
	2022	26	36	+10

* Our fiscal year end is June 30. In this Item 20:

“2020” refers to the period of July 1, 2019 to June 30, 2020

“2021” refers to the period of July 1, 2020 to June 30, 2021

“2022” refers to the period of July 1, 2021 to June 30, 2022

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2020 to 2022

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Not applicable	2020	0
	2021	0
	2022	0
Total	2020	0
	2021	0
	2022	0

Table 3
Status of Franchised Outlets
For years 2020 to 2022

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
Alabama	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Colorado	2020	0	6	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	2	0	0	0	0	8
Florida	2020	1	5	0	0	0	0	6
	2021	6	5	2	0	0	0	9
	2022	9	4	1	0	0	0	12
Georgia	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
Illinois	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Maryland	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
New Jersey	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	2	0	0	0	0	3
South Carolina	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	1	0	0	0	0
Texas	2020	0	1	0	0	0	0	1
	2021	1	3	0	0	0	0	4
	2022	4	0	0	0	0	0	4

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
Utah	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Totals	2020	2	15	0	0	0	0	17
	2021	17	11	2	0	0	0	26
	2022	26	12	2	0	0	0	36

Table 4
Status of Company-Owned Outlets
For years 2020 to 2022

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the 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
Not applicable	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Totals	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0

Table 5
Projected Openings As Of June 30, 2022

Column 1 State	Column 2 Franchise Agreement Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets In The Next Fiscal Year	Column 4 Projected New Company Owned Outlets In Next Fiscal Year
Alabama	0	0	0
Alaska	0	0	0
Arizona	0	0-1	0
Arkansas	0	0-1	0
California	0	0-1	0
Colorado	0	0-1	0
Connecticut	0	0	0
Delaware	0	0	0

Column 1 State	Column 2 Franchise Agreement Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets In The Next Fiscal Year	Column 4 Projected New Company Owned Outlets In Next Fiscal Year
DC	0	0	0
Florida	4	0-3	0
Georgia	0	0-1	0
Hawaii	0	0	0
Idaho	0	0	0
Illinois	0	0-1	0
Indiana	0	0	0
Iowa	0	0	0
Kansas	0	0	0
Kentucky	0	0	0
Louisiana	0	0	0
Maryland	0	0-1	0
Massachusetts	2	0-1	0
Michigan	1	0-1	0
Minnesota	0	0-1	0
Mississippi	0	0	0
Missouri	0	0-1	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	0	0-1	0
New Hampshire	0	0	0
New Jersey	1	0-1	0
New Mexico	0	0	0
New York	0	0-1	0
North Carolina	1	0-1	0
North Dakota	0	0	0
Ohio	0	0-1	0
Oklahoma	0	0	0
Oregon	0	0	0
Pennsylvania	0	0-1	0
Rhode Island	0	0	0
South Carolina	1	0	0
South Dakota	0	0	0
Tennessee	0	0-1	0
Texas	0	0-1	0
Utah	1	0-1	0
Vermont	0	0	0
Virginia	0	0-1	0
Washington	0	0-1	0
Wisconsin	0	0	0
Wyoming	0	0	0
Total	11	0-25	0

Current Franchisees

Exhibit F contains the names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets.

Franchisees Not Yet Opened

Exhibit F contains the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who has signed a franchise agreement and are still in the franchise system but have not yet opened an outlet as of the last fiscal year.

Former Franchisees

Exhibit F contains the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

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

Confidentiality Clauses

In the last three fiscal years, no franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

Item 21 FINANCIAL STATEMENTS

Our audited financial statements prepared in accordance with generally accepted accounting principles for the periods as of June 30, 2020, June 30, 2021, and June 30, 2022 are attached to this Disclosure Document as Exhibit D. Our fiscal year end is June 30.

Item 22 CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

- B. Franchise Agreement
- C. Form of General Release
- G. Deposit Receipt
- I. State Addenda to Franchise Agreement

Item 23
RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.

EXHIBIT A

STATE ADMINSTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

We may register this disclosure document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

State	State Administrator	Agent for Service of Process (if different from State Administrator)
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 1515 K Street Suite 200 Sacramento, CA 95814-4052 866-275-2677	
Connecticut	The Banking Commissioner The Department of Banking Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299	The Banking Commissioner The Department of Banking Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, HI 96810 (808) 586-2722	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, IN 46204 (317) 232-6681	
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Commissioner of Securities 200 St. Paul Place Baltimore, MD 21202-2020

State	State Administrator	Agent for Service of Process (if different from State Administrator)
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500
New York	New York State Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, NY 10005 212-416-8236	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department 600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex-69-1 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563	
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760	

State	State Administrator	Agent for Service of Process (if different from State Administrator)
Wisconsin	Division of Securities Department of Financial Institutions Post Office Box 1768 Madison, WI 53701 (608) 266-2801	Securities and Franchise Registration Wisconsin Securities Commission 201 West Washington Avenue, Suite 300 Madison, WI 53703

EXHIBIT B

FRANCHISE AGREEMENT



NETWORK.
LEAD.
EXCHANGE.

FRANCHISE AGREEMENT

DATED _____ 20__

SUMMARY PAGE

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FRANCHISE AGREEMENT

This Agreement is made between Network Lead Exchange, LLC, a Florida limited liability company (“NLX”), and Franchisee effective as of the date signed by NLX (the “Effective Date”).

Background Statement:

A. NLX owns a system (the “System”) for developing and operating chapters of an online network of businesses for lead referrals under the trade name “Network LEX[®]”.

B. The System includes (1) methods, procedures and standards for developing and operating a Network LEX business; (2) particular services; (3) a proprietary online Portal (4) the Marks; (5) training programs; (6) business knowledge; (7) marketing plans and concepts; and (8) other mandatory or optional elements as determined by NLX from time to time.

C. Franchisee will develop and operate a Network LEX Business and Chapters within. The businesses who join the Chapter will pay membership dues and will send and receive quality leads to each other through the Portal. If a lead received by a Member results in generating revenue, the Member receiving the revenue-generating lead will pay a Commission to the Member who referred the lead. Each member will maintain a “wallet” in the Network LEX website for paying fees and for paying and receiving Commissions.

D. Franchisee will have two sources of revenue. First, each Member of the Chapter will pay an annual membership fee (“Dues”) to Franchisee to join. Second, Franchisee will receive 10% of all Commissions paid by Members.

E. The parties desire that NLX license the Marks and the System to Franchisee for Franchisee to develop and operate a Network LEX business on the terms and conditions of this Agreement.

ARTICLE 1. DEFINITIONS

“**Action**” means any action, suit, proceeding, claim, demand, governmental investigation, governmental inquiry, judgment or appeal thereof, whether formal or informal.

“**Approved Vendor**” means a supplier, vendor, or distributor of Inputs which has been approved by NLX.

“**Business**” means the business owned by Franchisee and operated under this Agreement.

“**Chapter**” means the collection of Members in Franchisee’s Business.

“**Chapter President**” means the Chapter Member in who manages an individual Chapter.

“**Chapter Rules**” means rules and regulations for managing a Chapter, as promulgated by NLX from time to time.

“Commission” means the fee paid by a Member to another Member (the “Referring Member”) in connection with revenue resulting from a business lead that was referred by the Referring Member through the Portal.

“Competitor” means any business engaged in business networking, lead generation, or referrals.

“Confidential Information” means all non-public information of or about the System, NLX, and any Network LEX business, including all methods for developing and operating the Business, and all non-public, plans, data, financial information, processes, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, Member data, information and know-how.

“Dues” means the dues charged by NLX on behalf of Franchisee for Membership in the Chapter.

“Exclusive Franchise Territory” shall mean the geographic area where Franchisee’s Business shall be located, including all Chapters in the Business, as identified in the map attached to this Franchise Agreement.

“Gross Revenues” means the entire amount of all of Franchisee’s revenues arising out of the ownership or operation of the Business. The revenues are determined regardless of whether they are evidenced by cash, credit, checks, services, property or other means of exchange, excepting only the amount of any sales taxes that are collected and paid to the taxing authority. Cash refunded or credit given to Members is to be deducted in computing gross revenue to the extent that such cash or credit represent amounts previously included in gross revenue on which Royalty and Marketing Fees were paid.

“Input” means any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Business.

“Losses” includes (but is not limited to) all losses; damages; fines; charges; expenses; lost profits; reasonable attorneys’ fees; travel expenses, expert witness fees; court costs; settlement amounts; judgments; loss of NLX’s reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

“Manual” means NLX’s confidential Operating Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

“Marketing Fund” means the fund established by NLX into which Marketing Fund Contributions are deposited.

“Marks” means the service mark and logo contained on the Summary Page, and/or all other trade names, trademarks, service marks and logos which may be specified by NLX from time to time for use in a Business.

“**Portal**” means the online portal managed by NLX through which Franchisee manages the Business and through which Members conduct referrals, along with other functions determined by NLX from time to time in its sole discretion.

“**System Standards**” means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by NLX, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, Member service, marketing and public relations, product and service offerings, presentation of Marks, reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, information management systems, security systems, other software, backup and archiving systems, communications systems (including email, audio, and video systems), payment acceptance systems, and internet access, as well as upgrades, supplements, and modifications thereto).

“**Transfer**” means for Franchisee to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the Business, (ii) this Agreement, (iii) any direct or indirect ownership interest in the Business, or (iv) control of the Business.

ARTICLE 2. GRANT OF LICENSE

2.1 Grant. NLX grants to Franchisee the right to operate a Business. Franchisee shall develop, open and operate a Business for the entire term of this Agreement. Franchisee shall receive an Exclusive Franchise Territory.

2.2 Best Efforts. Franchisee shall serve as the day-to-day general manager of the Business and must devote his or her best efforts to the management of the Business.

2.3 Entity Franchisee. Franchisee may, at Franchisee’s option, operate the Business through a limited liability company, corporation or other business entity, provided that: (i) this Agreement shall remain in Franchisee’s name, and the full legal name of the business entity shall be added to this Agreement as an additional Franchisee; (ii) the business entity is newly organized and its activities are confined exclusively to operating the Business; (iii) Franchisee is the owner of all the stock or membership units of the business entity and is the principal executive officer thereof; (iv) Franchisee furnishes NLX with the name, address, telephone number and percentage of ownership of each officer, director, shareholder and member of the business entity; and (v) no part of the Marks shall form part of the business entity’s legal name. In furtherance of this Section 2.3, in the event Franchisee operates the Business through a business entity which is not already named as an additional Franchisee in this Agreement, Franchisee hereby grants an irrevocable power of attorney to NLX and appoints NLX as its attorney-in-fact to add the business entity to this Agreement as an additional Franchisee.

2.4 No Conflict. Franchisee represents to NLX that Franchisee: (i) is not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement; (ii) is not a direct or indirect owner of any Competitor; and (iii) is not listed or “blocked” in connection with, and is not in violation under, any anti-terrorism law, regulation, or executive order.

2.5 Exclusivity. NLX shall not establish, nor license the establishment of, another business within the Exclusive Franchise Territory selling the same or similar goods or services under the same or similar trademarks or service marks as an NLX Business or Chapter, except as more specifically provided herein. NLX has the right and, through the Advertising Fund or otherwise, may promote the services offered by an NLX Business or Chapter in the Exclusive Franchise Territory using NLX trademarks through the Internet, telemarketing, and direct marketing. Any potential members located in the Exclusive Franchise Territory received through such promotional efforts will be forwarded to Franchisee. The continuation of Franchisee's exclusive rights is dependent upon Franchisee paying the required royalty fees as described in Section 4.2. If Franchisee fails to pay the required royalty fees, NLX may by giving notice to Franchisee terminate the exclusivity of Franchisee's rights in the Exclusive Franchise Territory.

ARTICLE 3. TERM

3.1 Term. This Agreement commences on the Effective Date and continues for 10 years.

3.2 Successor Agreement. When the term of this Agreement expires, Franchisee may enter into a successor agreement for up to two additional periods of 10 years each, subject to the following conditions prior to expiration:

- (a) Franchisee notifies NLX of the election to renew between 90 and 180 days prior to the end of the term;
- (b) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with NLX (or any of its affiliates) at the time of election and at the time of renewal;
- (d) Franchisee executes NLX's then-current standard form of franchise agreement, which may be materially different than this form (including, without limitation, higher and/or different fees), except that Franchisee will not pay another initial franchise fee;
- (e) Franchisee pays a renewal fee of \$5,000; and
- (f) Franchisee executes a general release (on NLX's then-standard form) of any and all claims against NLX, its affiliates, and their respective owners, officers, directors, agents and employees.

ARTICLE 4. FEES

4.1 Initial Franchise Fee. Upon signing this Agreement, Franchisee shall pay an initial franchise fee as stated on the Summary Page.

4.2 Royalty Fee. Franchisee shall pay NLX a monthly royalty fee (the "Royalty Fee") equal to the greater of 15% of Gross Revenues or a minimum royalty amount of \$100 per month (first year), \$150 per month (second year), and \$200 per month (third year), but in no event shall Franchisee pay a monthly Royalty Fee less than the following:

- (i) For Franchisee's first year operating the Business, Franchisee's minimum monthly Royalty Fee shall be \$100 per month;
- (ii) For Franchisee's second year operating the Business, Franchisee's minimum monthly Royalty Fee shall be \$150 per month; and
- (iii) For Franchisee's third year operating the Business, and for every calendar year thereafter, Franchisee's minimum monthly Royalty Fee shall be \$200 per month.

The dollar amounts listed above are per Territory.

Royalty Incentive Program. NLX has instituted a Royalty Incentive Program for qualified franchisees. If Franchisee is a qualified franchisee, Franchisee shall not be required to pay the minimum monthly Royalty Fee listed above and shall only pay a monthly Royalty Fee equal to 15% of Gross Revenue for each remaining month in a period listed below if the total amount of Royalty Fees paid in prior months during a period equal or exceed the amount listed for that period:

i.	Months 1-12 of operation	\$1,200
ii.	Months 13-24 of operation	\$1,800
iii.	Months 24 until the end of the Following calendar year.	\$2,400
iv.	Each Subsequent 12-month period of operation	\$2,400

The Royalty Incentive Program is not applicable until the month after the month in which the total amount of Royalty Fees paid in prior months during a period equal or exceed the amount listed for that period.

For example:

Month 1	Franchisee Pay 15% of Gross Revenue of \$2,300	Total for period:	\$2,300
Month 2	Franchisee Pays the Minimum of \$100	Total for period:	\$2,400
Month 3	Franchisee Pays the Minimum of \$100	Total for period:	\$2,500

As Total Royalties as of Month 3 (\$2,500) equal or exceed \$2,400, in the remaining months of the period: Months 4 – 12, Franchisee Pays No Minimums and Only Pays Monthly Royalties of 15% of Your Gross Revenue.

To be deemed a qualified franchisee, Franchisee must be and remain at all times in compliance with the terms and conditions of this Agreement, including without limitation, the monthly payment of all Royalty Fees. If Franchisee fails to pay Franchisee's monthly royalties on a timely basis, or if Franchisee under report Franchisee's monthly Gross Revenues by more than 2% or

commit another material breach of this Agreement which is not cured within fifteen (15) days of written notice of the breach, NLX, in its sole discretion, may suspend Franchisee's qualified franchisee status for the balance of the calendar year and the full calendar year following. If Franchisee is suspended, Franchisee will pay a royalty equal to the greater of 15% of Your Gross Revenue or the minimum monthly Royalty Fee listed above. You acknowledge that NLX reviews the propriety and utility of the Royalty Incentive Program on an annual basis and, in its sole discretion, may discontinue same without prior notice at the end of any period in which it has been in effect.

After 24 months of operation Your minimum monthly Royalty Fee may be raised in NLX's sole discretion by 10% provided that any such increase (a) shall be done no more frequently than once every three (3) years and (b) shall be applicable to all applicable Franchisees.

4.3 Advertising Fund Contribution. Franchisee shall pay NLX a contribution to the Advertising Fund (the "Advertising Fund Contribution") as determined by NLX, not to exceed 4% of Franchisee's Gross Revenues, at the same time as the Royalty Fee. As of the Effective Date of this Agreement, the Advertising Fund Contribution is the greater of \$100 per month or 1% of Franchisee's monthly Gross Revenues.

4.4 Technology Fee. Commencing when Franchisee starts the Business, Franchisee shall pay to NLX a monthly technology fee (the "Technology Fee") for the hosting, support and maintenance of the Portal and other technology matters. NLX may in its sole discretion change the technology services provided to Franchisee. As of the date of this Agreement, the Technology Fee is \$45 per month or \$5 per Member, whichever is greater. NLX may increase the Technology Fee from time to time to reflect its internal and external costs of the Portal and other technology support.

4.5 Third-Party Vendors. If NLX requires Franchisee to use a designated third-party vendor, NLX has the right (but not the obligation) to collect payment on behalf of the vendor and remit the payment to the vendor. If NLX does so, it may impose a reasonable markup or charge for administering the payment program.

4.6 New Chapter Fee. Each time You open a new chapter (after the initial Chapter) in your Territory, you shall pay \$4,500 to NLX (which includes NLX training the new Chapter's president regarding the administration and management of an NLX chapter).

4.7 Non-Compliance Fee. NLX may charge Franchisee \$500 for any instance of non-compliance with the System Standards or this Agreement (other than Franchisee's non-payment of a fee owed to NLX) which Franchisee fails to cure after 30 days' notice. Thereafter, NLX may charge Franchisee \$250 per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of NLX's internal cost of personnel time attributable to addressing the non-compliance and is not a penalty or estimate of all damages arising from Franchisee's breach. The non-compliance fee is in addition to all of NLX's other rights and remedies.

4.8 Optional Additional Training Fee. After completion of their initial training program the Franchisee may choose to attend an optional additional training program, which is to be held from time to time, at any location determined by NLX. The cost of the additional training program is

\$2,500.00. If a training program is held at a location which requires travel by Franchisee, then Franchisee shall pay all travel, living, and other expenses.

4.9 Reimbursement. NLX may (but is never obligated to) pay on Franchisee's behalf any amount that Franchisee owes to a supplier or other third party. If NLX does so or intends to do so, Franchisee shall pay such amount plus a 10% administrative charge to NLX within 15 days after invoice by NLX accompanied by reasonable documentation.

4.10 Payment Terms.

(a) Deduction from Gross Revenues. Franchisee hereby authorizes NLX to collect the Royalty Fee, Marketing Fund Contribution, Technology Fee, and any other amounts owed to NLX by deducting such amounts from Gross Revenues collected by NLX through the Portal.

(b) Other Payments. Upon execution of this Agreement and/or at any other time thereafter at NLX's request, Franchisee shall sign an authorization substantially in the form attached to this Agreement as Schedule B and all other documents necessary to permit NLX to withdraw funds from Franchisee's designated bank account by electronic funds transfer in the amount of the Royalty Fee, the Advertising Fund Contribution and all other fees and amounts described in this Agreement. If the fee statement(s) for the subject month is subsequently received and reflects (i) that the actual amount of the fee(s) due to NLX or the Advertising Fund Contribution was greater than the amount withdrawn, then NLX shall be entitled to withdraw additional funds from Franchisee's bank account for the difference; or (ii) that the actual amount of the fee due was less than the amount of the withdrawal, then NLX shall credit the excess amount to the payment of Franchisee's future obligations or other amounts due to NLX or the Advertising Fund Contribution. Should any electronic funds transfer not be honored by Franchisee's bank for any reason, Franchisee agrees that Franchisee shall be responsible for that payment plus any service charge applied by NLX or its bank. If any payments due to NLX under this Agreement, whether to be paid by electronic funds transfer or otherwise, are not received when due, interest on the amount past due will be charged by NLX at the rate of 18% per annum or the maximum rate of interest permitted by law, whichever is less. Franchisee acknowledges and agrees that Franchisee has no right to withhold payment of the fees due under this Section 4 by right of Franchisee's dissatisfaction with NLX's performance of its obligations under this Agreement and that if Franchisee is so dissatisfied, Franchisee will pursue other remedies at law which may be available. Additionally, in the event of nonpayment by Franchisee of any of Franchisee's obligations under this Agreement and the failure to cure such nonpayment within 15 days of the due date of the payment, NLX, at its option, may withhold services from Franchisee including, but not limited to, Agency support, email access, remote support, website access and Fund sponsored services.

(c) Obligations Independent; No Set-Off. The obligations of Franchisee to pay to NLX any fees or amounts described in this Agreement are not dependent on NLX's performance and are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

ARTICLE 5. ASSISTANCE

5.1 Pre-Opening Assistance. Before Franchisee opens for business, NLX (either directly or through an affiliate or third party) shall:

- (a) Provide advice in regard to establishing the Business.
- (b) Make available its standard initial training.
- (c) Provide Franchisee, on loan, with the Manual, which includes statements of policies and procedures, together with instruction and advice in the operation of the Business.
- (d) Provide Franchisee with other relevant manuals and written material which, in its discretion, NLX deems necessary.
- (e) Sell to You the Software and Supplies Package listed in Schedule A to this Agreement.

5.2 Post-Opening Assistance. After Franchisee opens for business, NLX (either directly or through an affiliate or third party) shall:

- (a) Provide Franchisee with details of any alterations and/or improvements in or to the System.
- (b) From time to time, free of charge, send to Franchisee bulletins on sales and service methods, marketing development and techniques, and/or business and operating procedures.
- (c) Offer advice to Franchisee regarding Franchisee's business by telephone and electronic communication.
- (d) Determine prices charged for membership in a Chapter and commission charged to Members.
- (e) Determine the Chapter Rules.
- (f) Collect Member Dues and Commissions through the Portal. NLX has the sole discretion to refund a Member's payment for any reason. If a Member fails to pay an amount owed, NLX has sole discretion to determine collection efforts, if any.
- (g) Pay to Franchisee the Member Dues plus 10% of the Commissions collected by NLX, less the amounts owed to NLX as set forth in Section 4.10.

5.3 The Portal. NLX shall operate and maintain the Portal. NLX shall have sole discretion to determine and change from time to time all aspects and functions of the Portal. Such aspects and functions may include, without limitation, managing Memberships, managing Referrals; maintaining a "wallet" for Member to pay Dues, and send and receive Commissions; tracking Gross Revenue; and generating reports related to the Business. Franchisee shall comply with all terms of use of the Portal as determined by NLX from time to time.

ARTICLE 6. OPENING

6.1 New Franchisee Training. Franchisee must complete NLX's virtual training program for new franchisees to NLX's satisfaction before beginning to operate the Business.

6.2 Opening Date. Franchisee shall begin to operate the Business and soliciting Members for its NLX Business Chapters within 60 days after the Effective Date. For purposes of this Agreement (including the beginning date of Franchisee's monthly minimum royalties), Franchisee's NLX Business shall be deemed to be open and have commenced operating on the first day of the month following the month in which Franchisee completes the initial training provided under Section 6.1 of this Agreement

ARTICLE 7. OPERATIONS

7.1 Compliance with Manual and System Standards. Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all other System Standards.

7.2 Compliance with Law. Franchisee and the Business shall comply with all laws, ordinances, regulations and requirements of local, state and federal governmental authorities and pay any and all city, county, state and/or federal sales and/or use taxes, excise taxes, occupation taxes, license fees and other taxes, assessments and levies arising out of or in connection with all or any part of this Agreement, pay vendors and other creditors of the Business on a timely basis, and Franchisee shall not misappropriate or infringe on the copyrights, trademarks, patents or other intellectual property rights of third parties.

7.3 Conduct of Business.

(a) Management. Franchisee shall use best efforts to develop its NLX Business and the Chapters within. Franchisee shall manage its Business in accordance with all applicable System Standards.

(b) Membership. Franchisee shall use best efforts to recruit Members for its NLX Business Chapter(s). All Members must comply with all application requirements and meet any qualifications or other System Standards set by NLX. Franchisee shall not permit more than one member of designated occupational specialty. Franchisee shall not permit a business to join if that business is prohibited by law, regulation, or professional requirements from paying Commissions. It is the Franchisee's obligation to inform Members to perform any necessary due diligence regarding any law, regulation, or professional requirements related to specific businesses paying Commissions. NLX retains the sole discretion over the terms and conditions of membership.

(c) Nondiscrimination. Any decisions and selections by Franchisee shall be made for all Members based on qualifications, without regard to race, color, religion, sex, national origin, marital status, sexual orientation, age, or disability.

(d) Membership Fees, Terms and Conditions. NLX retains the sole discretion to determine prices and fees charged for membership in the Chapter, for Commissions, and for any other aspect of the Business. NLX may vary Dues and Commission rates based on industry or any

other criteria. NLX retains the sole discretion of the terms and conditions of payment of Dues and Commissions.

(e) **Monthly Meeting.** Franchisee shall have the Chapter President host at least one monthly meeting between the members of Franchisee's NLX Chapter. The meetings may be virtual via Zoom®, Microsoft Teams®, Google Meet®, GoToMeeting®, Cisco Webex Meetings®, or other technological means.

(f) **Termination of Member.** NLX may terminate a Member for non-payment of amounts owed, for violation of NLX's rules or requirements, or any other reason in NLX's discretion, without any liability to Franchisee. Pursuant to Franchisee's reasonable business judgment, Franchisee may terminate a Member without NLX's approval.

(g) **Products and Services.** Franchisee shall offer all products and services, and only those products and services, from time to time prescribed by NLX in the Manual or otherwise in writing.

7.4 Service. Franchisee shall render competent and courteous service to all Members.

7.5 Employees. Franchisee is solely responsible for the terms and conditions of employment of all Business personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and NLX are not joint employers, and no employee of the Business will be an agent or employee of NLX.

7.6 Post-Opening Training. NLX may at any time require that Franchisee and/or any of Franchisee's employees complete training programs in any format and in any location determined by NLX. NLX may charge a reasonable fee for any training programs. NLX may require Franchisee to provide training programs to its employees. If a training program is held at a location which requires travel by Franchisee or any other employee, then Franchisee shall pay all travel, living and other expenses.

7.7 Software. Without limiting the generality of Section 7.1 or Section 8.1, Franchisee shall purchase from the Franchisor the Software and Supplies Package as listed in Schedule A to this Agreement. Franchisee shall acquire and use all software and related systems required by NLX. Franchisee shall enter into any subscription and support agreements that NLX may require. Franchisee shall upgrade, update, or replace any software from time to time as NLX may require. Franchisee shall protect the confidentiality and security of all software systems and shall abide by any System Standards related thereto.

7.8 Member Complaints. Franchisee shall use its best efforts to promptly resolve any Member complaints. NLX may take any action it deems appropriate to resolve a Member complaint regarding the Business, and NLX may require Franchisee to reimburse NLX for any expenses if the complaint is due to the actions or omissions of Franchisee.

7.9 Evaluation and System Compliance Programs. Franchisee shall participate at its own expense in programs required from time to time by NLX for obtaining Member evaluations and/or reviewing Franchisee's compliance with the System, which may include (but are not limited to) a

Member feedback system and Member survey programs. NLX shall share with Franchisee the results of these programs as they pertain to the Business. Franchisee must meet or exceed any minimum score requirements set by NLX for such programs.

7.10 Meetings. Franchisee shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone conference calls) that NLX requires, including any national or regional brand conventions. Franchisee shall not fail to attend more than three consecutive required meetings.

7.11 Insurance.

(a) Franchisee shall obtain and maintain insurance policies in the types and amounts as specified by NLX in the Manual. Coverage requirements can be increased or decreased upon Franchisor's prior notice as set forth in the Manual or other writing. If not specified in the Manual, Franchisee shall maintain at least the following insurance coverage: (1) comprehensive general liability policy; (2) a policy covering "all risk" of physical loss; and (3) additional policies as may be required under your local laws or ordinances. NLX recommends that Franchisee obtain cyber liability, data security and technology errors and omissions insurance. The insurance requirements are minimum requirements. Franchisee shall consult with its local insurance agent and legal counsel from time to time to ensure the Business is adequately insured, and that Franchisee has all insurance required by law and under the terms of any agreement to which Franchisee is a party. You shall also ensure that all Your Business equipment complies with any minimum standards and specifications to maintain your insurance requirements, including, but not limited to, any multi-factor authentication requirements for electronic devices used for Your Business.

(b) Franchisee's policies (other than Workers Compensation) must: (1) list NLX and its affiliates as an additional insured; (2) include a waiver of subrogation in favor of NLX and its affiliates; (3) be primary and non-contributing with any insurance carried by NLX or its affiliates; and (4) stipulate that NLX shall receive 30 days' prior written notice of cancellation.

(c) Franchisee shall provide Certificates of Insurance (COI) evidencing the required coverage to NLX prior to opening and upon annual renewal of the insurance coverage as well as at any time upon request of NLX. Copies of your COIs shall be sent to compliance@networkleadexchange.com within five (5) days of Your receipt of same.

7.12 Public Relations. Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding NLX, the Business, or any particular incident or occurrence related to the Business, without NLX's prior written approval.

7.13 Association with Causes. Franchisee shall not in the name of the Business: (1) donate money, products, or services to any charitable, political, religious, or other organization; or (2) act in support of any such organization, without NLX's prior written approval.

7.14 No Other Businesses. If Franchisee is an entity, Franchisee shall not own or operate any other business except Network LEX businesses.

7.15 No Third-Party Management. Franchisee shall not engage a third-party management company to manage or operate the Business without the prior written approval of NLX, which will not be unreasonably withheld.

7.16 No Co-Branding. Franchisee shall not “co-brand” or associate any other business activity with the Business in a manner which is likely to cause the public to perceive it to be related to the Business.

7.17 Identification.

(a) Franchisee must identify itself as the independent owner of the Business in the manner prescribed by NLX.

(b) Franchisee shall operate the Business only under the name or names specified by Franchisor without any accompanying words or symbols of any nature (save as required by the provisions of this Agreement) unless first approved in writing by Franchisor.

7.18 Business Practices. Franchisee, in all interactions with Members, employees, vendors, governmental authorities, and other third parties, shall be honest and fair. Franchisee shall comply with any code of ethics or statement of values from NLX. Franchisee shall not take any action which may injure the goodwill associated with the Marks.

ARTICLE 8. SUPPLIERS AND VENDORS

8.1 Generally. Franchisee shall acquire all Inputs required by NLX from time to time in accordance with System Standards. NLX may require Franchisee to purchase or lease any Inputs from NLX, NLX’s designee, Approved Vendors, and/or under NLX’s specifications. NLX may change any such requirement or change the status of any vendor. To make such requirement or change effective, NLX shall issue the appropriate System Standards.

8.2 Alternate Vendor Approval. If NLX requires Franchisee to purchase a particular Input only from an Approved Vendor, and Franchisee desires to purchase the Input from another vendor, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by NLX. NLX may condition its approval on such criteria as NLX deems appropriate, which may include evaluations of the vendor’s capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. NLX will provide Franchisee with written notification of the approval or disapproval of any proposed new vendor within 30 days after receipt of Franchisee’s request. Franchisee must pay the full cost of any tests or inspections as NLX deems necessary, not to exceed \$1,000.

8.3 Alternate Input Approval. If NLX requires Franchisee to purchase a particular Input, and Franchisee desires to purchase an alternate to the Input, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by NLX. NLX will provide Franchisee with written notification of the approval or disapproval of any proposed alternate Input within 30 days after receipt of Franchisee’s request.

ARTICLE 9. MARKETING

9.1 Implementation. Franchisee shall not use any marketing materials or campaigns (including point-of-sale materials, advertising, social media marketing, and sponsorships) that have not been approved by NLX. NLX's approval is not a warranty of any kind. Franchisee shall implement any marketing plans or campaigns determined by NLX. NLX will grant a variance to Franchisee upon Franchisee's request with respect to any marketing plan or campaign determined by NLX for the purpose of Franchisee's compliance with any law or regulation, and Franchisee shall be solely responsible for ensuring Franchisee's materials and activities, including Franchisee's implementation of marketing plans and campaigns determined by NLX, conform to applicable laws and regulations, and do not infringe the intellectual property rights of any third party, including the trademarks, trade names, copyrights, copyright images, patents and designs belonging to a third party.

9.2 Use By NLX. NLX may use any marketing materials or campaigns developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, royalty-free license to NLX for such purpose.

9.3 Advertising Fund. NLX will establish an Advertising Fund to promote the System on a local, regional, national, and/or international level with the following characteristics:

(a) Separate Account. NLX shall hold the Advertising Fund Contributions from all franchisees in one or more bank accounts separate from NLX's other accounts.

(b) Use. NLX shall use the Advertising Fund only for marketing, advertising, and public relations materials, programs and campaigns (including at local, regional, national, and/or international level), and related overhead. The foregoing includes such activities and expenses as NLX reasonably determines, and may include, without limitation: development and placement of advertising and promotions; sponsorships; contests and sweepstakes; development of décor, trade dress, Marks, and/or branding; development and maintenance of brand websites; social media; internet activities; e-commerce programs; search engine optimization; market research; public relations, media or agency costs; trade shows and other events; printing and mailing; soliciting new franchisees (provided that no more than 25% of the Advertising Fund will be spent on soliciting new franchisees); and administrative and overhead expenses related to the Advertising Fund (including the compensation of NLX's employees working on marketing and for accounting, bookkeeping, reporting, legal and other expenses related to the Advertising Fund).

(c) Discretion. Franchisee agrees that expenditures from the Advertising Fund need not be proportionate to contributions made by Franchisee or provide a direct or indirect benefit to Franchisee. The Advertising Fund will be spent at NLX's sole discretion, and NLX has no fiduciary duty with regard to the Advertising Fund.

(d) Surplus or Deficit. NLX may accumulate funds in the Advertising Fund and carry the balance over to subsequent years. If the Advertising Fund operates at a deficit or requires additional funds at any time, NLX may loan such funds to the Advertising Fund on reasonable terms.

(e) **Financial Statement.** NLX will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of NLX's fiscal year and will provide the financial statement to Franchisee upon request.

(f) **Reservation of Rights.** NLX reserves the right to: (i) assume control of the Advertising Fund in the future; (ii) modify or terminate the Advertising Fund; and/or (iii) create or establish a new fund in the future. If NLX exercises any of these rights, the Franchisee must pay NLX, its affiliate, or another entity designated by NLX, the monthly Advertising Fund Contribution and comply with all requirements relating to the Advertising Fund or any new fund NLX establishes. NLX also reserves the right to enforce the obligations of the Advertising Fund and distribute the proceeds of any settlement or judgment in the manner that NLX deems appropriate, and to suspend or reduce a franchisee's obligation to participate in the Advertising Fund or any other advertising cooperative.

9.4 Recommended Spending. NLX recommends that Franchisee spend at least 5% of Gross Revenues each year on marketing the Business.

9.5 Market Introduction Plan. Franchisee must develop a market introduction plan and obtain NLX's approval of the market introduction plan at least 30 days before the projected opening date of the Business.

9.6 Internet Marketing. NLX has the exclusive right to conduct and manage all marketing and commerce on the internet or other electronic medium, including all websites and "social media" marketing. Franchisee shall not conduct such marketing or commerce, nor establish any website or social media presence independently, except as NLX may specify, and only with NLX's consent. NLX retains the right to approve any linking to or other use of NLX's website. Franchisee must comply with any internet, online commerce and/or social media policy that NLX may prescribe in connection with any use of the internet, online commerce or social media by Franchisee which relates to the Business, Network LEX or NLX.

ARTICLE 10. RECORDS AND REPORTS

10.1 Systems. Franchisee shall use such Member data management, sales data management, administrative, bookkeeping, and accounting procedures and systems as NLX may specify in the Manual or otherwise in writing.

10.2 Reports.

(a) **Financial Reports.** Upon reasonable written request by NLX, Franchisee shall provide financial reports to NLX, as NLX may require in the Manual or otherwise in writing, including:

- (i) a monthly profit and loss statement and balance sheet for the Business within 30 days after the end of each calendar month;
- (ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within 90 days after the end of NLX's fiscal year; and

- (iii) any information NLX requests in order to conduct a financial review of the Business or prepare a financial performance representation for NLX's Franchise Disclosure Document.

(b) Tax Returns. Upon reasonable written request by NLX, for each of Franchisee's tax years, Franchisee shall supply to NLX copies of Franchisee's federal and state tax returns and sales tax returns or in lieu of federal tax returns supply to NLX each tax year IRS Form 4506-T (or any successor form designated by the IRS), executed by Franchisee and authorizing the IRS to send NLX a copy of Franchisee's Tax Return Transcript. Franchisee agrees to prepare and file such returns separately for the Business and not on a consolidated basis with the income, sales, expenses or deductions of any other business with which Franchisee is associated reported therein.

(c) Legal Actions and Investigations. Franchisee shall promptly notify NLX of any Action or threatened Action by any Member, governmental authority, or other third party against Franchisee or the Business, or otherwise involving Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as NLX may request. Notice of same shall be sent to compliance@networkleadexchange.com. (d) Government Activities. Franchisee shall give NLX copies of all inspection reports, warnings, certificates, and ratings issued by any governmental entity with respect to the Business, within three days of Franchisee's receipt thereof. Notice of same shall be sent to compliance@networkleadexchange.com.

(e) Other Information. Franchisee shall submit to NLX such other financial statements, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that NLX may reasonably request.

10.3 Initial Investment Report. Within 120 days after opening for business, Franchisee shall submit to NLX a report detailing Franchisee's investment costs to develop and open the Business, with costs allocated to the categories described in Item 7 of NLX's Franchise Disclosure Document and with such other information as NLX may request.

10.4 Business Records. Franchisee shall keep complete and accurate books and records reflecting all expenditures and receipts of the Business, with supporting documents (including, but not limited to, payroll records, payroll tax returns, register receipts, production reports, sales invoices, bank statements, deposit receipts, cancelled checks and paid invoices) for at least three years. Franchisee shall keep such other business records as NLX may specify in the Manual or otherwise in writing.

10.5 Records Audit. NLX may examine and audit all books and records related to the Business, and supporting documentation, at any reasonable time. NLX may require Franchisee to deliver copies of books, records and supporting documentation to a location designated by NLX.

ARTICLE 11. FRANCHISOR RIGHTS

11.1 Manual; Modification. The Manual, and any part of the Manual, may be in any form or media determined by NLX. NLX may supplement, revise, or modify the Manual, and NLX may change, add or delete System Standards at any time in its discretion. NLX may inform Franchisee

thereof by any method that NLX deems appropriate (which need not qualify as “notice” under Section 18.9). In the event of any dispute as to the contents of the Manual, NLX’s master copy will control.

11.2 NLX’s Right to Cure. If Franchisee breaches or defaults under any provision of this Agreement, NLX may (but has no obligation to) take any action to cure the default on behalf of Franchisee, without any liability to Franchisee. Franchisee shall reimburse NLX for its costs and expenses (including the allocation of any internal costs) for such action, plus an additional 10% as an administrative fee.

11.3 Business Data. All Member data and other non-public data generated by the Business is Confidential Information and is exclusively owned by NLX. NLX hereby licenses such data back to Franchisee without charge solely for Franchisee’s use in connection with the Business for the term of this Agreement.

11.4 Innovations. Franchisee shall disclose to NLX all ideas, plans, improvements, concepts, methods and techniques relating to the Business (collectively, “Innovations”) conceived or developed by Franchisee, its employees, agents or contractors. NLX will automatically own all Innovations and will have the right to use and incorporate any Innovations into the System, without any compensation to Franchisee.

11.5 Communication Systems. If NLX provides email accounts and/or other communication systems to Franchisee, then Franchisee acknowledges that it has no expectation of privacy in the assigned email accounts and other communications systems and authorizes NLX to access such communications.

11.6 Delegation. NLX may delegate any duty or obligation of NLX under this Agreement to an affiliate or to a third party.

11.7 System Variations. NLX may vary or waive any System Standard for any one or more Network LEX franchises due to the peculiarities of the particular site or circumstances, density of population, business potential, population of trade area, existing business practices, local laws or regulations, or any other condition relevant to the performance of a franchise or group of franchises. Franchisee is not entitled to the same variation or waiver.

ARTICLE 12. MARKS

12.1 Authorized Marks. Franchisee shall use no trademarks, service marks or logos in connection with the Business other than the Marks. Franchisee shall use all Marks specified by NLX, and only in the manner as NLX may require. Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement. All use of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill arising due to Franchisee’s operation of the Business, will inure to the exclusive benefit of NLX. All social media accounts, social networking websites, other online accounts as more specifically identified in Section 14.2(d), domain names and e-mail addresses used in Your business that include the words **Network Lead Exchange** or any of the Marks must be approved in writing by NLX and will be the property of NLX, and all social media accounts social networking websites, other online accounts, domain names and email addresses that include the

mark “Network Lead Exchange” or any of the Marks will be the property of NLX. Should You become the owner of any social media account, social networking website, other online account, domain name, or email address which include or any Mark or derivation of any Mark belonging to NLX, You shall, upon NLX’s written request, assign all rights, title and interest in those social media accounts, social networking websites, online accounts, domain names and email addresses

12.2 Change of Marks. NLX may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after NLX makes any such change, Franchisee must comply with the change, at Franchisee’s expense.

12.3 Infringement. Franchisee shall promptly notify NLX if Franchisee becomes aware of any possible infringement of a Mark by a third party. NLX may, in its sole discretion, commence or join any claim against the infringing party. NLX shall have the exclusive right to control any prosecution or defense of any Action related to possible infringement of or by the Marks.

ARTICLE 13. COVENANTS

13.1 Confidential Information. With respect to all Confidential Information, Franchisee shall: (a) adhere to all procedures prescribed by NLX for maintaining confidentiality; (b) disclose such information to its employees only to the extent necessary for the operation of the Business; (c) not use any such information in any other business or in any manner not specifically authorized in writing by NLX; (d) exercise the highest degree of diligence and effort to maintain the confidentiality of all such information during and after the term of this Agreement; (e) not copy or otherwise reproduce any Confidential Information; and (f) promptly report any unauthorized disclosure or use of Confidential Information. Franchisee acknowledges that all Confidential Information is owned by NLX (except for Confidential Information which NLX licenses from another person or entity). This Section will survive the termination or expiration of this Agreement indefinitely.

13.2 Covenants Not to Compete.

(a) Restriction – In-Term. During the term of this Agreement, Franchisee shall not, directly or indirectly have any ownership interest in, or be engaged or employed by, any Competitor.

(b) Restriction – Post-Term. For two years after this Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), Franchisee shall not, directly or indirectly (i) have any ownership interest in, or be engaged or employed by, any Competitor within 25 miles of Franchisee’s address, or (ii) solicit or accept business from any Member of the Business on behalf of a Competitor.

(c) Interpretation. The parties agree that each of the foregoing covenants is independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any court, then the parties intend that the court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of NLX. Franchisee agrees that the existence of any claim it may have against NLX shall not constitute a defense to the enforcement by NLX of the covenants of this Section. If Franchisee

fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

13.3 Employees. If requested by NLX, Franchisee will cause its employees to sign NLX's then-current form of confidentiality and non-compete agreement.

ARTICLE 14. DEFAULT AND TERMINATION

14.1 Termination by NLX.

(a) Subject to 15-Day Cure Period. NLX may terminate this Agreement if: (i) Franchisee does not make any payment to NLX when due, or if Franchisee does not have sufficient funds in its account when NLX attempts an electronic funds withdrawal; or (ii) Franchisee fails to operate the Business in compliance with any System Standard, and Franchisee fails to cure such non-payment or non-compliance within 15 days after NLX gives notice to Franchisee of such breach.

(b) Subject to 30-Day Cure Period. If Franchisee breaches this Agreement in any manner not described in subsection (a) or (c) and fails to cure such breach within 30 days after NLX gives notice to Franchisee of such breach, then NLX may terminate this Agreement.

(c) Without Cure Period. NLX may terminate this Agreement by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

- (i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or breaches any representation in this Agreement;
- (ii) Franchisee knowingly submits any false report or knowingly provides any other false information to NLX;
- (iii) a receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors or Franchisee makes a written statement to the effect that Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for 30 days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within 45 days, or Franchisee is adjudicated as bankrupt;
- (iv) Franchisee fails to complete the initial training program to NLX's satisfaction as required under Section 6.1;
- (v) Franchisee fails to open for business within the period of time specified in Section 6.2;

- (vii) Franchisee commits a material violation of Section 7.2 (compliance with laws) or Section 13.1 (confidentiality), violates Section 13.2 (non-compete) or Article 15 (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;
- (viii) Franchisee abandons or ceases operation of the Business for more than five consecutive days;
- (ix) Franchisee slanders, libels or disparages NLX or any of its employees, directors, officers or affiliates;
- (x) Franchisee has received two or more notices of default and Franchisee commits another breach of this Agreement, all in the same 12-month period;
- (xi) NLX (or any affiliate) terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee (or its affiliate) (provided that termination of a multi-unit development agreement with Franchisee or its affiliate shall not give NLX the right to terminate this Agreement); or
- (xii) Franchisee is accused by any governmental authority or third party of any act that in NLX's opinion is reasonably likely to materially and unfavorably affect the NLX brand, or is charged with, pleads guilty to, or is convicted of a felony.

(d) No Termination by Franchisee. THIS AGREEMENT MAY BE TERMINATED ONLY BY NLX, AND MAY NOT BE UNILATERALLY TERMINATED BY FRANCHISEE.

14.2 Effect of Termination. Upon termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition, confidentiality, indemnity, and dispute resolution, will remain in effect, and Franchisee must immediately:

- (a) pay all amounts owed to NLX based on the operation of the Business through the effective date of termination or expiration;
- (b) return or turn over to NLX (as applicable) all copies of the Manual, Confidential Information and any and all other materials provided by NLX to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items; and delete all copies of Confidential Information and proprietary materials from electronic devices;
- (c) notify the telephone, internet, email, electronic network, directory, and listing entities of the termination or expiration of Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks, and authorize their transfer to NLX or any new designee as may be directed by NLX, and Franchisee hereby irrevocably appoints NLX, with full power

of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing;

- (d) You must turn over to NLX all digital assets, including, but not limited to, all digitally-stored content (such as images, photos, videos and text files), whether stored locally or accessible via the internet, the cloud, or another digital storage device (such as a USB drive or zip drive) or stored with a third-party digital-storage provider (such as OneDrive[®] or Dropbox[®]); and all user names and passwords for any and all email accounts, social media accounts and social networking websites (such as Facebook[®], Twitter[®], LinkedIn[®], Google+[®], MyBusiness[®], YouTube[®], Pinterest[®], Instagram[®], Tumblr[®], Flickr[®], Reddit[®], Snapchat[®], TikTok[®], Twitch[®], Quora[®], Medium[®], Triller[®] and WhatsApp[®]), blogs, and any other online communities where the Business created or shared online content, or held itself out as speaking for or representing the Business;
- (e) cancel any assumed-name or equivalent registration involving the Marks and furnish NLX with satisfactory evidence that it has done so, within 10 days after termination or expiration; and
- (f) permanently cease operating the Business and cease any use of the Marks.

14.3 Post-Termination Activities. After termination or expiration of this Agreement, Franchisee shall not, directly or indirectly, use any of the Marks, Confidential Information, or any aspect of the System. Franchisee shall not represent itself as a present or former franchisee of NLX or in any other way associate himself or herself with the System or the Marks. Franchisee shall not slander, libel or disparage NLX or any of its directors, officers, employees or affiliates. If Franchisee continues to operate, or subsequently begins to operate, any other business, Franchisee shall not, in connection with such business or the promotion thereof, use any reproduction or colorable imitation of the Marks, imitate any methods of operation, or undertake any other conduct that is likely to cause confusion, mistake, or deception, or that is likely to dilute NLX and/or its affiliate's respective rights in and to the Marks. Without limitation of the foregoing, Franchisee shall not at any time after expiration or termination use or attempt to register (or assist any third party to do the same) any trademarks, service marks, or other commercial symbol that is the same as or similar to any of the Marks, nor any mark with phonetic or graphic similarity to those of NLX or its affiliates;

14.4 Other Claims. Termination of this Agreement by NLX will not affect or discharge any claims, rights, causes of action or remedies (including claims for NLX's lost future income after termination), which NLX may have against Franchisee, whether arising before or after termination.

14.5 Operation of Business. When this Agreement expires or is terminated, any ownership interest of Franchisee in the Members' business relations with NLX will automatically transfer to NLX or to any affiliate or third-party designated by NLX. NLX will have the right (but not the obligation) to assume control and operate the Business, and/or transfer the Business to any affiliate or third-party designated by NLX, without any compensation to Franchisee.

ARTICLE 15. TRANSFERS

15.1 By NLX. NLX may transfer or assign this Agreement, or any of its rights or obligations under this Agreement, to any person or entity, and NLX may undergo a change in ownership and/or control, without the consent of Franchisee.

15.2 By Franchisee. Franchisee acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that NLX entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience, and business ability. Accordingly, Franchisee shall not conduct or undergo a Transfer without providing NLX at least 60 days prior notice of the proposed Transfer, and without obtaining NLX's consent which shall not be unreasonably withheld. In granting any such consent, NLX may impose conditions, including, without limitation, the following:

- (a) NLX receives a transfer fee equal to \$2,500 or the then current transfer fee required to be paid under the then current franchise agreement, whichever is greater;
- (b) the proposed assignee has completed NLX's franchise application processes, met NLX's then-applicable standards for new franchisees, and been approved by NLX as a franchisee;
- (c) the proposed assignee is not a Competitor;
- (d) the proposed assignee executes NLX's then-current form of franchise agreement, which form may contain materially different provisions;
- (e) Franchisee has paid all monetary obligations to NLX in full, and Franchisee is not otherwise in default or breach of this Agreement;
- (f) the proposed assignee and its owners and employees undergo such training as NLX may require;
- (g) Franchisee and the transferee and its owners execute a general release of NLX in a form satisfactory to NLX; and
- (h) the Business fully complies with each System Standard.

15.3 Transfer upon Death or Incapacity. Upon the death or incapacity of Franchisee, Franchisee or his or her executor, administrator, or personal representative must assign this Agreement and Transfer the Business to a third party approved by NLX within nine months after death or incapacity. Such transfer must comply with Section 15.2.

15.4 NLX's Right of First Refusal. Before Franchisee engages in a Transfer, NLX will have a right of first refusal, as set forth in this Section. Franchisee shall provide to NLX a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of NLX's receipt of such copy, NLX will have the right, exercisable by notice to Franchisee, to purchase the assets subject of the proposed Transfer for the same price and on the same terms and conditions (except that NLX may substitute cash for any other form of payment). If NLX does not exercise its right

of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Article.

15.5 No Sublicense. Franchisee has no right to sublicense the Marks or any of Franchisee's rights under this Agreement.

15.6 No Lien on Agreement. Franchisee shall not grant a security interest in this Agreement to any person or entity. If Franchisee grants an "all assets" security interest to any lender or other secured party, Franchisee shall cause the secured party to expressly exempt this Agreement from the security interest.

ARTICLE 16. INDEMNITY

16.1 Indemnity. Franchisee shall indemnify and defend (with counsel reasonably acceptable to NLX) NLX, its affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against NLX and/or any Indemnatee directly or indirectly related to, or alleged to arise out of, the operation of the Business or in connection with Franchisee's sale, transfer or assignment of the Business and franchise license. Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnatee from Actions arising as a result of any Indemnatee's willful misconduct or gross negligence. This indemnity will continue in effect after this Agreement ends. It is the intention of the parties to this Agreement that NLX shall not be deemed a joint or co-employer with Franchisee for any reason; however, if NLX incurs any Losses as a result of actions or omissions by Franchisee or its employees, including any that relate to any party making any finding of any joint or co-employer status, Franchisee will fully indemnify NLX for any such Losses.

16.2 Assumption by NLX. NLX may elect to assume the defense and/or settlement of any Action subject to this indemnification, at Franchisee's expense. Such an undertaking shall not diminish Franchisee's obligation to indemnify the Indemnitees.

ARTICLE 17. DISPUTE RESOLUTION

17.1 Mediation.

(a) Option for Non-Binding Mediation. Prior to any Court proceeding taking place, either party may submit a dispute to non-binding mediation before the American Arbitration Association in accordance with its Commercial Mediation Procedures. Upon submission, the obligation to attend mediation shall be binding on all parties (except as provided in Section 17.1(b)), all parties shall execute a confidentiality agreement regarding all aspects of the mediation reasonably satisfactory to NLX. Each party will bear its own costs with respect to the mediation, except the fee for the mediator will be split equally. The mediation will take place in the state where Franchisee has its principal place of business.

(b) Limitation on Litigation and Arbitration. If a dispute has been submitted for mediation, then except as provided otherwise in this subsection (b), neither party will pursue litigation and/or arbitration against the other with respect to the matters being mediated until after the mediation is concluded. Nothing in this Section will prevent any party from instituting or

pursuing litigation at any time to preserve the status quo, protect the Marks, protect the health or safety of the public, or avoid irreparable harm. NLX will not be required to participate in mediation under Section 17.1(a) if (i) Franchisee is more than 45 days past due in any payment owed to NLX, or (ii) the mediation relates to the indemnification or insurance provisions of this Agreement.

17.2 Arbitration. Except to the extent NLX elects to enforce the provisions of this Agreement by injunction as provided in this Agreement, any controversy or claim arising out of or relating to this Agreement, the business franchised hereunder or the relationship between the parties, including any claim that this Agreement, or any part thereof, is invalid, illegal, or otherwise void, shall be submitted to arbitration before the American Arbitration Association in accordance with its Commercial Arbitration Rules, in the locale of West Palm Beach, Florida, in which event both parties shall execute a confidentiality agreement reasonably satisfactory to NLX. Judgment upon the award of the arbitrator may be entered in any court having jurisdiction thereof.

17.3 Damages. In any controversy or claim arising out of or relating to this Agreement, each party waives any right to punitive or other monetary damages not measured by the prevailing party's actual damages, except damages authorized by federal statute. In the event of termination of this Agreement prior to the expiration of the term due to Franchisee's default, NLX's actual damages will include its lost future income from Royalty Fees and other amounts that Franchisee would have owed to NLX but for the termination.

17.4 Waiver of Class Actions. The parties agree that any claims will be arbitrated, litigated, or otherwise resolved on an individual basis, and waive any right to act on a joint, consolidated, or class-wide basis.

17.5 Time Limitation. Franchisee must provide NLX with immediate notice of any breach of this Agreement, or any other agreement between Franchisee and NLX or its affiliates or of any claims against NLX, its affiliates or any of their respective owners, officers, directors, employees or representatives. Notice of such breaches or claims extends, without limitation, to breaches or claims arising out of, or related to, the negotiation or performance of this Agreement or concerning misrepresentations or any acts of misfeasance or nonfeasance by NLX, its affiliates or any of their respective owners, officers, directors, employees or representatives. If Franchisee fails to give NLX written notice within one year from the date of any such breach or claim, then such breach or claim shall be deemed to have been waived by Franchisee and, thereupon, Franchisee shall be permanently barred from commencing any action relating to such believed breach or claim.

17.6 Legal Costs. In any legal proceeding related to this Agreement, the non-prevailing party shall pay the prevailing party's attorney fees, costs and other expenses of the legal proceeding. "Prevailing party" means the party, if any, which prevailed upon the central litigated issues and obtained substantial relief.

17.7 Additional Remedies of Franchisor.

(a) You recognize that the business franchised hereunder is intended to be one of a large number of businesses identified by the Trademarks in selling to the public the products and services associated with the Trademarks, and hence the failure on the part of a single franchisee to comply with the terms of its franchise agreement is likely to cause irreparable damage to NLX,

and damages at law would be an inadequate remedy. Therefore, You agree that in the event of a breach or threatened breach of any of the terms of the Agreement by You, NLX shall be entitled to seek an injunction restraining such breach and/or decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and costs incurred in obtaining said equitable relief. The foregoing equitable remedy shall be in addition to all remedies or rights that NLX may otherwise have by virtue of any breach of this Agreement by You. NLX shall be entitled to seek such relief without the posting of any bond or security, and if a bond shall nevertheless be required by a court of competent jurisdiction, the parties agree that the sum of ONE HUNDRED DOLLARS (\$100.00) shall be a sufficient bond.

(b) NLX shall also be able to seek injunctive relief to prohibit any act or omission by You or Your employees that constitutes a violation of any applicable law, is dishonest or misleading to Your customers or other businesses, or constitutes a danger to Your employees or customers or to the public or which may impair the goodwill associated with the Trademarks or to compel your compliance with trademark standards and requirements to protect the goodwill of the Trademarks; to compel you to compile and submit required reports to us; or to permit evaluations or audits authorized by this Agreement.

(c) You expressly consent and agree that NLX may, in addition to any other available remedies, obtain an injunction to terminate or prevent the continuance of any existing default or violation, and/or to prevent the occurrence of any threatened default by You of this Agreement.

ARTICLE 18. MISCELLANEOUS

18.1 Relationship of the Parties. The parties are independent contractors, and neither is the agent, partner, joint venturer, or employee of the other. NLX is not a fiduciary of Franchisee. NLX does not control or have the right to control Franchisee or its Business. Any required specifications and standards in this Agreement and in the System Standards exist to protect NLX's interest in the System and the Marks, and the goodwill established in them, and not for the purpose of establishing any control, or duty to take control, over the Business. NLX has no liability for Franchisee's obligations to any third party whatsoever.

18.2 No Third-Party Beneficiaries. This Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, NLX, and NLX's affiliates.

18.3 Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior negotiations and representations. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made by NLX in its Franchise Disclosure Document.

18.4 Modification. No modification or amendment of this Agreement will be effective unless it is in writing and signed by both parties, except as provided in Section 2.3. This provision does not limit NLX's rights to modify the Manual or System Standards.

18.5 Consent; Waiver. No consent under this Agreement, and no waiver of satisfaction of a condition or nonperformance of an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the consent or waiver, except as provided in Section 17.5. No waiver by a party of any right will affect the party's rights as to any subsequent exercise

of that right or any other right. No delay, forbearance or omission by a party to exercise any right will constitute a waiver of such right.

18.6 Cumulative Remedies. Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

18.7 Severability. The parties intend that: (i) if any provision of this Agreement is held by a court to be unenforceable, then that provision be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded; and (ii) if an unenforceable provision is modified or disregarded, then the rest of this Agreement will remain in effect as written.

18.8 Governing Law. The laws of the state of Florida (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Florida law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 18.8.

18.9 Notices. Any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (i) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (ii) if to NLX, addressed to 2121 Vista Parkway, West Palm Beach, Florida 33411, Attention: General Counsel. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices will be effective upon receipt (or first rejection) and must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notwithstanding the foregoing, NLX may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication mail at the last known email address Franchisee provides to NLX.

18.10 Joint and Several Liability. If two or more people sign this Agreement as “Franchisee”, each will have joint and several liability.

18.11 No Offer and Acceptance. Delivery of a draft of this Agreement to Franchisee by NLX does not constitute an offer. This Agreement shall not be effective unless and until it is executed by both Franchisee and NLX.

ARTICLE 19. CERTIFICATION OF FRANCHISOR’S COMPLIANCE

By signing this Agreement, Franchisee acknowledges the following:

- (1) Franchisee understands all the information in NLX’s Disclosure Document.
- (2) Franchisee has been advised by NLX to discuss Franchisee’s intention to enter into this Agreement with other franchisees, business advisors, and legal advisors.
- (3) Franchisee understands the success or failure of the Business will depend in large part upon Franchisee’s skills, abilities and efforts and those of the persons Franchisee employs, as well as many factors beyond Franchisee’s control such as

weather, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace.

- (4) The exclusive rights of NLX in and to the System as presently developed or as it may be improved and expanded during the term of this Agreement, including practices, know-how, trade secrets, recipes, designs, marks, logos, décor, marketing, signs, and slogans presently in use and to be used hereafter.
- (5) The importance of NLX's high standards of quality and service and the necessity of operating the Business franchised hereunder in strict conformity with NLX's standards and specifications.
- (6) That no person acting on NLX's behalf made any statement or promise regarding the costs involved in operating a Network LEX franchise that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document, and Franchisee is not relying on any such statement or promise.
- (7) That no person acting on NLX's behalf made any claim or representation to Franchisee, orally, visually, or in writing, that contradicted the information in the Disclosure Document, and Franchisee is not relying on any such claim or representation.
- (8) That no person acting on NLX's behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money Franchisee may earn, or the total amount of revenue a Network LEX franchise will generate, that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document, and Franchisee is not relying on any such statement or promise.
- (9) That no person acting on NLX's behalf made any statement or promise or agreement, other than those matters addressed in this Agreement, concerning advertising, marketing, media support, market penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Disclosure Document, and Franchisee is not relying on any such statement or promise.
- (10) Franchisee understands that this Agreement contains the entire agreement between NLX and Franchisee concerning the Network LEX franchise, which means that any oral or written statements not set out in this Agreement will not be binding.

[Signatures on next page]

Agreed to by:

FRANCHISOR:

NETWORK LEX FRANCHISING, LLC

By: _____

Name/Title: _____

Date: _____

FRANCHISEE:

[*individual owners:*]

Signature: _____

Name/Title: _____

Date: _____

Signature: _____

Name/Title: _____

Date: _____

[*entity, if applicable:*]

By: _____

Name/Title: _____

Date: _____

(*Check if applicable*) At the same time as the parties execute this Agreement, they are also executing a Rider to Franchise Agreement pursuant to:

- _____ Connecticut
- _____ Illinois
- _____ Indiana
- _____ Maryland
- _____ Minnesota
- _____ New York
- _____ North Dakota
- _____ Rhode Island
- _____ Washington
- _____ Other

FRANCHISEE'S RATIFICATION

In consideration of the execution of the foregoing Franchise Agreement with Network Lead Exchange, LLC, the Franchisee hereby acknowledges that:

I have read and understand the foregoing Franchise Agreement and understand that if I do not understand any terms of the Franchise Agreement, or if I do not understand any terms of this Acknowledgement of Receipt, I have the right to have my own attorney explain any terms of this Agreement to me.

NETWORK LEAD EXCHANGE, LLC ENCOURAGES YOU TO SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING THE FRANCHISE AGREEMENT.

I understand that although Network Lead Exchange, LLC will provide assistance and advice, as outlined in the Franchise Agreement, Network Lead Exchange cannot guarantee my success as a Network Lead Exchange Franchisee, and my earnings as a Network Lead Exchange Franchisee will be primarily dependent upon MY INDIVIDUAL EFFORTS in operating my Network Lead Exchange business.

I acknowledge that neither Network Lead Exchange, LLC, nor any of its members, managers, officers, agents, or employees have made any claims or representations whatsoever regarding potential revenues, earnings or profits, that a Franchisee will achieve as the owner of a Network Lead Exchange business. I represent that I have entered into the Franchise Agreement without relying upon any claim or representation not contained in the Franchise Disclosure Document, and to do so would be unreasonable. I understand that the Franchisor is relying upon my representation in making its decision to grant the Franchise.

Executed this ____ day of _____, 20__.

Franchisee

Franchisee

Corporate Name (if applicable)

By: _____
Name & Title

*A corporation organized under the Laws of the
State of _____.*

SCHEDULE A 2022
Network Lead Exchange
United States

THRYV

Thryv is a small business management software that is a powerful end to end platform that can transform your Network Lead Exchange. This local business automation tool is ideal for small business owners to better manage their time, communicate with clients, and get paid, so they can take control of their business and be more successful. This technology helps manage all your company's relationships and interactions with customers and potential customers. This system will help you stay connected to customers, streamline processes, and improve profitability. This software will be provided for your first 3 months of business.

DIGITAL AND EMAIL MARKETING PLATFORM

This digital and email marketing platform will help with social media marketing by connecting your accounts, finding new customers, scheduling content, and helping you stay in the loop to conversations. The email marketing campaign creates, sends, and tracks emails to streamline communications with your customers. The online survey, event marketing, and other tools promote products or services, will help you manage and develop your online platforms and presence. This software will be provided for your first 6 months of business.

VIRTUAL ASSISTANT

A virtual assistant specializes in offering administrative services to clients from a remote location. Typical tasks a virtual assistant might perform include scheduling appointments, making phone calls, making travel arrangements, and managing email accounts. This software will be provided for your first 3 months of business.

NETWORK LEAD EXCHANGE EMAIL ACCOUNT

Two Network Lead Exchange email addresses and storage space to communicate with your customers using the yourname@networkleadexchange.com format. Email can be configured in multiple email clients or can be accessed via a web portal. This software will be provided for your first 6 months of business.

PORTABLE IDENTITY PACKAGE

A portable banner with stand will showcase your services in your office or conference room. Because they are collapsible and portable, they make great additions at tradeshow and networking events. A tradeshow tablecloth with the Network Lead Exchange Logo is also provided to enhance your appearance and hide stored materials.

APPAREL PACKAGE

This includes an initial supply of four high quality designer Network Lead Exchange shirts. The beautifully embroidered shirts provide a professional lasting impression when meeting new clients.

Schedule A Total \$2,950*

* Plus Tax and Customs for all Equipment and Furnishings.

Because we are constantly improving our products and equipment, we reserve the right to revise, change and/or substitute product features, dimensions, specifications, and designs without notice to improve capabilities and quality. Prices are subject to change without notice.

SCHEDULE B

ELECTRONIC FUNDS TRANSFER AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO

Network Lead Exchange, LLC ("PAYEE")

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, and electronic debits (collectively, "debits") drawn on such account which are payable to the above-named Payee. It is agreed that Depository's rights with respect to each such debit shall be the same as if it were a check drawn and signed by Depositor. It is further agreed that if any such debt is not honored, whether with or without cause and whether intentionally or inadvertently, Depository shall be under no liability whatsoever. This authorization shall continue in force until Depository and Payee have received at least thirty (30) days written notification from Depositor of its termination.

The Depositor agrees with respect to any action taken pursuant to the above authorization:

- (1) To indemnify the Depository and hold it harmless from any loss it may suffer resulting from or in connection with any debit, including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Depository in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection therewith.
- (2) To indemnify Payee and the Depository for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.
- (3) To defend at Depositor's own cost and expense any action which might be brought by a depositor or any other persons because of any actions taken by the Depository or Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or Payee's participation therein.

Name of Depository: _____

Name of Depositor: _____

Designated Bank Acct.: _____
(Please attach one voided check for the above account)

Agency Location: _____

Agency#: _____

Address: _____

Phone #: _____ Fax #: _____

Name of Franchisee/Depositor (please print) _____

By: _____
Signature and Title of Authorized Representative

Date: _____

EXHIBIT C

FORM OF GENERAL RELEASE

GENERAL RELEASE AGREEMENT

[This is our current standard form of General Release. This document is not signed when you purchase a franchise. In circumstances such as a renewal of your franchise or as a condition of our approval of a sale of your franchise, we may require you to sign a general release.]

This General Release Agreement (this “Agreement”) is executed by and between _____, whose business is located at _____ (“Franchisee”) and Network Lead Exchange, LLC, a Florida limited liability company (“Franchisor”).

INTRODUCTION

- A. The Franchisor and Franchisee entered into a Franchise Agreement (the “Franchise Agreement”) dated _____, pursuant to which the Franchisor granted the Franchisee the right to establish and operate a Network LEX franchise.
- B. The parties desire to terminate the Franchise Agreement on the terms and conditions set forth in this Agreement.
- C. This Agreement has been supported by full and adequate consideration, receipt of which is hereby acknowledged by both Franchisee and Franchisor.

The parties agree as follows:

1. Termination of Franchise Agreement and Related Agreements. The parties agree that, subject to Section 3 hereof and the terms and conditions set forth in Schedule A attached hereto, the Franchise Agreement and all obligations of Franchisee and Franchisor under or arising from the Franchise Agreement are hereby terminated.
2. Mutual General Releases. Subject to Section 3 hereof, Franchisee, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge the Franchisor and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which Franchisee ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the Franchise Agreement, the Franchisor’s offer, sale or negotiation of the Network LEX franchise, the relationship of the parties arising therefrom, or the Franchisor’s conduct in obtaining and entering into agreements.

Subject to Section 3 hereof, Franchisor, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge Franchisee and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which

Franchisor ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the Franchise Agreement.

3. Post-Term Covenants; Special Stipulation. The termination and release provided in this Agreement shall have no effect on those obligations of Franchisee (and its owners and guarantors, if any) arising out of the Franchise Agreement or any other agreement which concern the payment of any accrued but unpaid amounts owed to Franchisor (whether known or unknown), or which otherwise expressly or by their nature survive the termination of the Franchise Agreement, including, without limitation, obligations pertaining to Franchisee's indemnification obligations, non-disclosure of Franchisor's confidential information and non-competition with Franchisor. In addition, all obligations of the parties, if any, in the Franchise Agreement pertaining to dispute resolution and jurisdiction and venue for dispute resolution, shall apply with equal force to the terms and conditions of this Agreement, as if set forth herein. Such obligations shall continue in full force and effect in accordance with their terms subsequent to termination of the Franchise Agreement, and until they are satisfied or by their nature expire. Franchisee acknowledges and agrees it has no right, title or interest in and to the trademarks associated with Franchisor's franchise system, including, without limitation, "Network LEX," and any colorable imitation thereof.

4. Confidentiality. It is acknowledged by Franchisee that the terms of this Agreement are in all respects confidential in nature, and that any disclosure or use of the same by Franchisee may cause serious harm or damage to Franchisor, and its owners and officers. Therefore, Franchisee agrees, either directly or indirectly by agent, employee, or representative, not to disclose the termination, this Agreement or the information contained herein, either in whole or in part, to any third party, except as may be required by law.

5. Non-Disparagement. The parties agree that at no time will they make any derogatory statements about or otherwise disparage, defame, impugn or damage the reputation of integrity of the others, provided that nothing in this paragraph will preclude any party from providing truthful information in response to compulsory legal process. The parties further agree not to, and to use their best efforts to cause any of the parties' agents, employees or affiliates not to, disparage or otherwise speak or write negatively, directly or indirectly, of the parties' brands, systems, or any other service-marked or trademarked concept of the parties or the parties' affiliates, or which would subject such brands, systems or concepts to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of the parties or their brands, systems or service-marked or trademarked concepts.

6. Binding Effect. All terms and provisions of this Agreement, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, heirs, successors and permitted assigns.

7. Interpretation. Each of the parties acknowledge that they have been or have had the opportunity to have been represented by their own counsel throughout the negotiations and at the execution of this Agreement and all of the other documents executed incidental hereto, if any, and, therefore, the parties agree that none of the provisions of this Agreement or any of the other

documents should be construed against any party more strictly than against the other.

8. Entire Agreement. This Agreement, including any Schedules attached hereto (which are considered a part of this Agreement), represent the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersede all other negotiations, understandings and representations if any made by and between the parties.

9. Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and all transactions contemplated by this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Florida without regard to principles of conflicts of laws.

10. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Confirmation of execution by electronic delivery shall be binding upon any party so confirming on the date of receipt.

11. Effectiveness of Agreement. This Agreement shall not be effective until it has been signed by Franchisee and Franchisor and delivered fully executed to Franchisee and Franchisor.

THE UNDERSIGNED have read, fully understand, and, by executing below, agree to the terms and conditions of this Agreement.

FRANCHISOR:

NETWORK LEAD EXCHANGE, LLC

By: _____

Name/Title: _____

Date: _____

FRANCHISEE:

[*individual owners:*]

Signature: _____

Name/Title: _____

Date: _____

Signature: _____

Name/Title: _____

Date: _____

[*entity, if applicable:*]

By: _____

Name/Title: _____

Date: _____

SCHEDULE A TO GENERAL RELEASE

ADDITIONAL TERMS AND CONDITIONS FOR TRANSFER AND ASSUMPTION OF FRANCHISE

Franchisee desires to transfer its rights to operate its Network LEX business operated under the Franchise Agreement (the “Network LEX Business”) to a successor franchisee, _____ (“Successor Franchisee”). The Successor Franchisee desires to continue operating such Network LEX Business pursuant to a Successor Franchise Agreement with Franchisor. The terms and conditions of this Schedule “A” supplement the terms and conditions of the foregoing General Release Agreement of which this Schedule forms a part. The parties agree that the foregoing recitals are true and correct, and for good and valuable consideration, the receipt of which is acknowledged by each of the parties, the parties agree as follows:

1. Transfer. Effective as of the date of this Agreement, Franchisee does hereby bargain, sell, assign, convey, and transfer all of Franchisee’s rights to the Successor Franchisee to operate the Network LEX Business, pursuant to the Successor Franchise Agreement and any related written agreements between the Successor Franchisee and Franchisor. Subject to the terms of such Successor Franchise Agreement and related written agreements with Franchisor, the Successor Franchisee hereby accepts and assumes the rights and obligations of the Franchisee to operate the Network LEX Business. Successor Franchisee is not assuming any liabilities of Franchisee to Franchisor. If, for any reason, the sale of Franchisee’s business to Successor Franchisee is not completed, the General Release Agreement will be deemed null and void, and Franchisee shall continue to operate the Network LEX Business under the terms of the Franchise Agreement. Unless otherwise provided in a written agreement between Franchisee and Successor Franchisee, Franchisee, during the period from the date hereof to the final closing date of the sale of the Network LEX Business to the Successor Franchisee, shall operate the Network LEX Business for his/her own account.
2. Successor Agreements and Payments. The Successor Franchisee is hereby delivering to Franchisor its duly signed Successor Franchise Agreement and any related agreements that may be required as a result of this transaction under the Franchise Agreement. The Successor Franchise Agreement means the current standard form of Franchise Agreement required by Franchisor, subject to any modifications consented to in writing by Franchisor. The Successor Franchisee is also hereby delivering to Franchisor a transfer fee in the amount of \$5,000.00. No initial franchise fee shall be due under the Successor Franchise Agreement from the Successor Franchisee.
3. Consents, Subordination and Acknowledgments. Franchisor consents to the transfer to and assumption by Successor Franchisee in accordance with this Agreement. Such consent does not constitute approval of, nor agreement with, any of the provisions of any agreement (other than this Agreement) between Franchisee and Successor Franchisee. The Franchisee and Successor Franchisee specifically acknowledge that Franchisor is not a party to any such agreements. Franchisee agrees that its rights pursuant to any agreements with the Successor Franchisee, are subject to and subordinate in all respects to Franchisor’s rights under the Successor Franchise Agreement and all related agreements, if any, between Franchisor and Successor Franchisee, including all renewals, modifications, and extensions, if any, to such agreements. Successor Franchisee agrees that its rights concerning Franchisor exist pursuant only to the written

agreements entered between Franchisor and Successor Franchisee, and in the event of any conflict with the terms of this Agreement, except regarding the waiver of the payment of an initial franchise fee, the terms of such other agreements shall control. Successor Franchisee acknowledges that it has received and reviewed the General Release Agreement of which this Schedule "A" forms a part. The Successor Franchisee further acknowledges that, except as expressly provided in this Agreement, Franchisor has no liability with respect to, related to, or arising out of, any transaction between Franchisee and Successor Franchisee, and releases, indemnifies and holds Franchisor harmless from same.

FRANCHISOR:

NETWORK LEAD EXCHANGE, LLC

By: _____
Name/Title: _____
Date: _____

FRANCHISEE:

[*individual owners:*]

Signature: _____
Name: _____
Date: _____

Signature: _____
Name: _____
Date: _____

[*entity, if applicable:*]

By: _____
Name/Title: _____
Date: _____

SUCCESSOR FRANCHISEE:

[*individual owners:*]

Signature: _____
Name: _____
Date: _____

Signature: _____
Name: _____
Date: _____

[*entity, if applicable:*]

By: _____
Name/Title: _____
Date: _____

EXHIBIT D
FINANCIAL STATEMENTS

Network Lead Exchange, LLC

Audited Financial Statements

June 30, 2022, June 30, 2021, and June 30, 2020

NETWORK LEAD EXCHANGE, LLC

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MILBERY & KESSELMAN
CERTIFIED PUBLIC ACCOUNTANTS

To Management
Network Lead Exchange, LLC
West Palm Beach, Florida

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying financial statements of Network Lead Exchange, LLC, which comprises the balance sheet as of June 30, 2022, June 30, 2021, and June 30, 2020, and the related statements of income and member's equity, and cash flows for the periods then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Network Lead Exchange, LLC as of June 30, 2022, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Network Lead Exchange, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

A handwritten signature in cursive script that reads "Milbery & Kesselman, CPAs".

Milbery & Kesselman, CPAs, LLC
September 12, 2022

Network Lead Exchange, LLC
Balance Sheet
As of June 30, 2022, June 30, 2021, and June 30, 2020

	<u>2022</u>	<u>2021</u>	<u>2020</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 228,562	\$ 151,819	\$ 7,754
Accounts Receivable, net	8,479	39,349	50,130
Contract Assets	56,462	-	-
Prepaid Expenses	<u>16,271</u>	<u>1,484</u>	<u>21,934</u>
Total Current Assets	309,774	192,652	79,818
 Property and Equipment, net	 145,806	 87,875	 80,670
 Other Assets			
Security Deposits	-	3,745	-
 TOTAL ASSETS	 <u><u>\$ 455,580</u></u>	 <u><u>\$ 284,272</u></u>	 <u><u>\$ 160,488</u></u>
 LIABILITIES AND MEMBER'S EQUITY			
LIABILITIES			
Current Liabilities			
Accounts Payable and Accrued Expenses	\$ 82,532	\$ 43,935	\$ 28,928
Contract Liabilities	61,448	37,250	-
Franchise Deposits	2,500	5,000	-
Loans Payable - Related Parties	<u>85,236</u>	<u>176,361</u>	<u>303,336</u>
Total Current Liabilities	231,716	262,546	332,264
 Long Term Liabilities	 -	 -	 -
 TOTAL LIABILITIES	 <u><u>231,716</u></u>	 <u><u>262,546</u></u>	 <u><u>332,264</u></u>
 MEMBER'S EQUITY	 223,864	 21,726	 (171,776)
 TOTAL LIABILITIES AND MEMBER'S EQUITY	 <u><u>\$ 455,580</u></u>	 <u><u>\$ 284,272</u></u>	 <u><u>\$ 160,488</u></u>

See accompanying independent auditor's report and notes to financial statements

Network Lead Exchange, LLC
Statement of Income and Member's Equity
For the periods ended June 30, 2022, June 30, 2021, and June 30, 2020

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Income			
Franchise Fees	\$ 230,060	\$ 211,969	\$ 62,260
Royalty Fees	40,754	15,991	3,233
Other Income	350	-	-
Total Income	<u>271,164</u>	<u>227,960</u>	<u>65,493</u>
 Cost of Goods Sold	 65,310	 45,029	 1,712
 Gross Profit	 <u>\$ 205,854</u>	 <u>\$ 182,931</u>	 <u>\$ 63,781</u>
 Expenses			
Advertising	63,963	58,372	52,735
Automobile	6,037	3,518	2,648
Bad Debt	22,809	21,285	5,320
Bank Service Charges	9,026	7,489	2,543
Computer	17,671	9,164	1,982
Depreciation	57,539	39,716	7,170
Dues and Subscriptions	2,962	2,263	935
Insurance	3,512	2,694	2,598
Licensing and Registration	9,875	6,319	11,732
Office	1,735	2,121	2,109
Payroll	139,343	183,843	131,819
Postage	427	284	334
Professional Fees	13,180	17,050	21,310
Rent	153	173	-
Telephone	3,245	3,017	4,526
Travel	22,645	4,375	9,173
Total Expenses	<u>374,122</u>	<u>361,683</u>	<u>256,934</u>
 Net Loss before Other Expenses	 \$ (168,268)	 \$ (178,752)	 \$ (193,153)
 Other Income (Expenses)			
Interest Expense	-	-	(2,410)
Interest Income	5	2	-
Loss on Foreign Currency Exchange	(15)	-	-
Gain on Extinguishment of Debt	-	22,252	-
Other Income	20,416	-	-
Total Other Income (Expenses)	<u>20,406</u>	<u>22,254</u>	<u>(2,410)</u>
 Net Loss	 <u>\$ (147,862)</u>	 <u>\$ (156,498)</u>	 <u>\$ (195,563)</u>
 Members' Equity, Beginning	 21,726	 (171,776)	 23,787
 Members' Contributions	 350,000	 350,000	 -
 Members' Equity, Ending	 <u>\$ 223,864</u>	 <u>\$ 21,726</u>	 <u>\$ (171,776)</u>

See accompanying independent auditor's report and notes to financial statements

Network Lead Exchange, LLC
Statement of Cash Flows
For the periods ended June 30, 2022, June 30, 2021, and June 30, 2020

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities			
Net Loss	\$ (147,862)	\$ (156,498)	\$ (195,563)
Adjustments to Reconcile Net Loss to Net Cash provided (used) in Operations:			
Depreciation	57,539	39,716	7,170
(Increase) Decrease in Accounts Receivable	30,870	10,781	(41,175)
(Increase) Decrease in Contract Assets	(56,462)	-	-
(Increase) Decrease in Prepaid Expenses	(14,787)	20,450	38,906
(Increase) Decrease in Security Deposits	3,745	(3,745)	-
Increase (Decrease) in Accounts Payable and Accrued Expenses	38,597	15,007	3,215
Increase (Decrease) in Accounts Payable - Related Parties	(91,125)	(126,975)	282,709
Increase (Decrease) in Contract Liabilities	24,198	37,250	-
Increase (Decrease) in Deferred Revenue	(2,500)	5,000	-
Cash provided (used) in Operating Activities	<u>(157,787)</u>	<u>(159,014)</u>	<u>95,262</u>
Cash Flows from Investing Activities			
Additions - Fixed Assets	<u>(115,470)</u>	<u>(46,921)</u>	<u>(87,840)</u>
Cash used in Investing Activities	<u>(115,470)</u>	<u>(46,921)</u>	<u>(87,840)</u>
Cash Flows from Financing Activities			
Members' Contributions	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Cash provided by Financing Activities	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Increase in Cash	<u>76,743</u>	<u>144,065</u>	<u>7,422</u>
Beginning Balance	<u>151,819</u>	<u>7,754</u>	<u>332</u>
Ending Balance	<u><u>\$ 228,562</u></u>	<u><u>\$ 151,819</u></u>	<u><u>\$ 7,754</u></u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the year:

Interest	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,410</u></u>
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Network Lead Exchange, LLC
(A Limited Liability Company)

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

Nature of business – Network Lead Exchange, LLC (the “Company”), a Florida limited liability company was formed on July 23, 2018 and is headquartered in West Palm Beach, Florida. The Company sells franchises that allow the purchaser to operate an online network of businesses for referrals. Members of each local Chapter will have the ability to send and receive quality leads to each other through an online portal, in exchange for a commission on additional business.

The Company has elected a fiscal year end of June 30.

A summary of the Company’s significant accounting policies follows:

Accounting estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition - Initial franchise fees are recognized as revenue when services required under the franchise agreement have been performed by the Company. Franchise royalty revenues are based on franchisees’ sales and are recognized as earned. Product and equipment revenue is recorded when legal title is transferred to the customer, generally when the product is shipped.

Cash concentration - The Company maintains its cash in three bank accounts which, at times, may exceed the federally-insured limits. The Company has not experienced any loss in such accounts. The Company believes it is not exposed to any significant credit risk on such accounts.

Accounts receivable - Trade receivables are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis; thus trade receivables do not bear interest, although a finance charge may be applied to such receivables that are more than 30 days past due.

Credit risk - The Company performs on-going credit evaluations of each franchisee’s financial condition. Accounts receivables are principally with franchises that are secured under the franchise agreements. The franchise agreements provide the Company with certain collateral, including inventory and fixed assets. Consequently, risk of loss is considered minimal.

Property and equipment - Property and equipment is stated at cost. Depreciation is computed by the straight-line method over the following estimated useful lives:

	<u>Years</u>
Software	3

Expenditures for maintenance and repairs are expensed as incurred. Major improvements which increase the estimated useful life of an asset are capitalized. Upon the sale or retirement of assets, recorded cost and related accumulated depreciation are reduced from the accounts, and any gain or loss on disposal is reflected in operations.

Network Lead Exchange, LLC
(A Limited Liability Company)

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Advertising – Advertising primarily consist of the outside costs related to lead development. Advertising costs are expensed as incurred and were \$63,963 for the year ended June 30, 2022, \$58,372 for the year ended June 30, 2021, and \$52,735 for the year ended June 30, 2020.

Income taxes - The Company has elected to be taxed under sections of the federal and state income tax laws that provide that, in lieu of corporate income taxes, the members separately account for their pro rata shares of the Company's items of income, deduction, losses and credits. Therefore, no provision for income taxes is reflected in the Company's financial statements.

Recent accounting pronouncements – In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, Leases, (ASC Topic 842) which amends the existing guidance to require lessees to recognize lease assets and lease liabilities from operating leases on the balance sheet and affects certain financial statement disclosure requirements for both lessees and lessors. In addition, the FASB issued ASU 2018-10 and ASU 2018-11 in July 2018 to clarify and correct unintended application of guidance in ASC Topic 842. In March 2019, the FASB issued ASU 2019-01 to assist stakeholders with potential implementation issues that could arise as organizations implement ASC Topic 842. In November 2019, the FASB issued ASU 2019-10 which updated the effective date related to ASC Topic 842. In June 2020, the FASB issued ASU 2020-05 which updated the effective date related to ASC Topic 842. The amendments in these updates are generally effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. Management is currently evaluating the impact that the adoption of ASU 2016-02 and the related amendments will have on the Company's financial statements.

Related parties – For the purposes of these financial statements, parties are considered to be related to the Company where the Company and the party are subject to common control and/or common joint control. Related parties may be individuals or other entities.

Going concern – The Company evaluates whether there are conditions or events, considered in the aggregate, that raise substantial doubt about its ability to continue as a going concern for a period of one year after the date that the financial statements are available to be issued, taking into consideration the quantitative and qualitative information regarding the Company's current financial condition, conditional and unconditional obligations due and the funds and cash flow necessary to maintain operations within that time period. Based on management's evaluation, the Company will be able to continue in operation on a going concern basis for at least the next twelve months from the date these financial statements were available to be issued.

Subsequent events – Management evaluated events or transactions subsequent to the balance sheet date for potential recognition or disclosure in the financial statements through September 12, 2022, which is the date the financial statements were available for issuance.

Network Lead Exchange, LLC
(A Limited Liability Company)

Notes to Financial Statements

Note 2 Cash and Cash Equivalents

The Company maintains cash balances at two financial institutions. Accounts at the institution are insured by the Federal Deposit Insurance Corporation for up to \$250,000. At June 30, 2022, June 30, 2021, and June 30, 2020, the Company didn't have any uninsured cash balances.

Note 3 Accounts Receivable

Accounts receivable at June 30, 2022, June 30, 2021, and June 30, 2020 consisted of the following:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Franchise Fees Receivable	\$ 8,848	\$ 42,804	\$ 55,700
Allowance for Doubtful Accounts	<u>(369)</u>	<u>(3,455)</u>	<u>(5,570)</u>
	<u>\$ 8,479</u>	<u>\$ 39,349</u>	<u>\$ 50,130</u>

The bad debt deducted for the year ended June 30, 2022 was \$22,809. The bad debt deducted for the year ended June 30, 2021 was \$21,285. The bad debt deducted for the year ended June 30, 2020 was \$5,320.

Note 4 Property and Equipment

Property and equipment as of June 30, 2022, 2021, and 2020 consisted of the following:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Software	\$ 250,231	\$ 134,761	\$ 87,840
Less: Accumulated Depreciation	<u>(104,425)</u>	<u>(46,886)</u>	<u>(7,170)</u>
	<u>\$ 145,806</u>	<u>\$ 87,875</u>	<u>\$ 80,670</u>

Depreciation as of June 30, 2022 is \$57,539.

Note 5 Transactions with Related Parties

The Company reimburses and receives reimbursements to and from Related Parties, for certain operating expenses, including payroll and other administrative expenses. For the period ended June 30, 2022, related party balances included loans payable of \$85,236. For the period ended June 30, 2021, related party balances included loans payable of \$176,361. For the period ended June 30, 2020, related party balances included loans payable of \$303,336.

Network Lead Exchange, LLC
(A Limited Liability Company)

Notes to Financial Statements

Note 6 Revenue Recognition in Accordance with FASB ASC 606

Contract balances

Contract balances from contracts with customers were as follows as of June 30:

	2022	2021	2020
Contract assets	\$ 56,462	\$ -	\$ -
Contract liabilities	61,448	37,250	-

Disaggregation of revenue

The Company derives its revenues primarily from the sale of franchises. Revenue from performance obligations satisfied at a point in time consists of franchise fees, royalties, and other income. Revenue from performance obligations satisfied over time consists of the sale of master licenses and renewal franchise fees.

Performance obligations

For performance obligations related to the franchise fees, control transfers to the customer at a point in time. Revenues are recognized when the franchisee training is completed and the equipment is delivered.

For performance obligations related to royalties and other income, control transfers to the customer at a point in time. Royalty revenues are recognized monthly based on the monthly sales from the franchisees.

For performance obligations related to master licenses and renewal franchise fees, control transfers to the customer over time. Revenues are recognized over the term of the contract.

Significant judgments

The Company sells franchises for an agreed upon contract amount. For fixed fee contracts, the Company is entitled to payment upon signing of the franchise agreement and recognizes the revenues when the performance obligations have been met.

Note 7 Gain on Extinguishment of Debt

United Franchise Group Payroll Inc (UFGP), a related party, administers all payroll for the related entities. Payroll is allocated to each entity based on actual hours worked for each related entity. On April 21, 2020, UFGP was granted a loan from First American Bank, pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the CARES Act. The loan was allocated to the related entities based on the payroll allocation for the 2020 year. The loan allocation for the Company was \$22,252 as of June 30, 2021.

Network Lead Exchange, LLC
(A Limited Liability Company)

Notes to Financial Statements

Note 7 Gain on Extinguishment of Debt (Continued)

UFGP applied for and was granted loan forgiveness on June 11, 2021 for the entire amount of the loan in eligible expenditures for payroll and other expenses described in the CARES Act. Loan forgiveness has been granted and therefore reflected in Other Income in the accompanying Consolidated Statement of Income and Member's Equity as of June 30, 2021.

Note 8 Other Income

Under the provisions of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") signed into law on March 27, 2020 and the subsequent extension of the CARES Act, UFGP, a related party whom administers all payroll for related entities, was eligible for a refundable employee retention credit subject to certain criteria. Payroll is allocated to each entity based on actual hours worked for each related entity. During the 2022 year, the Company recognized a \$20,416 employee retention credit, which is included in Other Income in the consolidated statement of income and members' equity, and \$20,416 is included in Payroll costs in the consolidated statement of income and members' equity.

EXHIBIT E
OPERATING MANUAL TABLE OF CONTENTS



FRANCHISE OPERATIONS MANUAL TABLE OF CONTENTS

The following is a listing of 7 categories consisting of topics covered in our Franchise Operations Manual. The total number of pages is 133. Under each category is a general outline of what is covered for each category.

1. General Introduction and Franchisee Training - 15 pages

- How the Manual is Organized
- Statement of Confidentiality
- Policy and Procedure changes
- Welcome to NETWORKLEADEXCHANGE.com
- Franchisee Training and Assistance
- Franchisee Training Topics

2. Consulting – 6 pages

- Franchisee Consulting Tools
 - Site Selection and Transportation
 - Resource Necessities
 - Marketing Materials
 - Franchisee Website
- Responsibilities of a Franchisee
 - Responsibilities to your Clients
 - Responsibilities to your fellow Franchisees
 - Responsibilities to the Franchisor

3. Support – 13 pages

- Franchisor Consultations
- Your field Consultant
- Continued Franchisee Support
- Credit Factors
- Required Office Hardware and Software
- Licenses and Permits

4. Pricing – 31 pages

- Franchisee as Owner/ Operator
- Administrative Procedures
- Introduction to Business Administration
- Utilizing an Accounting Service
- Accounting Timetable
- Banking Procedures
- Franchise Reporting Advertising Activity Report
- Taxes
- Additional Fees
- Daily Operation of a Chapter
- Flow of Money/ Fees

Membership Benefits5. Marketing - 37 pages

- Interacting with Business Owners and Members
- Communication
- Sales Tools
- Digital Support
- Sales Processes
- Sales Script
- Reputation/ Ethics
- How to Perform a Presentation
- How to conduct a Face to Face Meeting
- Marketing the Brand
- Developing a Marketing Strategy
- Understanding Street Smart Marketing
- Selecting the Right Marketing Tools
- Social Media
- Online Feedback from Clients
- Guidelines for Using Network LEX Marks
- Obtaining Approval for Advertising Concepts and Materials

6. Management – 17 pages

- Establishing the Business
- Steps to Launch a Chapter
- Selecting a Business Type
- Registering the Business
- Your Status as Franchisee
- Required Office Space Lease Inclusions
- Contracting the Required Utilities and Services for the Office Facility
- Logo Specification
- Required Banking Procedures

7. Miscellaneous – 14 pages

- Small Business Financing – A Know-How
- Not All Money is the Same
- What A Bank Wants to Know
- Key Points on Understanding Business Loans
- Fair Credit Reporting
- Credit Scoring

EXHIBIT F

CURRENT AND FORMER FRANCHISEES

Network Lead Exchange, LLC
List of Current Franchisees as of June 30, 2022

Name	Units	Address	City	State	Zip Code	Phone Number
James "Jim" Mitchell		308 Rapier Ave	Mobile	AL	36604	215-401-5867
Channen Smith	2	37 S. 68th Street	Boulder	CO	80303	303-807-8151
Daniel Rodriguez		2200 S. Monaco Parkway, Unit I	Denver	CO	80222	303-521-5120
Jessica Fialkovich and Albert Fialkovich	5	215 S. Wadsworth Blvd, Site 550	Lakewood	CO	80226	720-357-6848
Frank Rubba III		505 Shady Pine Way Apt C1	Greenacres	FL	33415	561-707-7557
Michael Edwards and Joseph Polsinelli	2	500 Ocean Drive, Suite E-12A	Juno Beach	FL	33408	561-315-4915
Alexandra Grant and Aubrey Grant		6677 Lake Worth Road	Lake Worth	FL	33467	754-366-7643
Michael Miller		7924 Ambleside Way	Lake Worth	FL	33467	561-634-6868
Kenneth Wright		3400 Coral Way, Suite 500	Miami	FL	33145	917-710-2453
Isaac Spragg Sr.		7300 Biscayne Blvd, Suite 200	Miami	FL	33138	786-773-1502
Dennis Mercer		3926 SW Halcomb Street	Port St Lcuie	FL	34953	561-635-3413
Sabrena Rodriguez		111 Gibraltar Street	Royal Palm Beach	FL	33411	561-601-5801
Blake Baynham		231 Palm Beach Plantation Blvd	Royal Palm Beach	FL	33411	561-267-7096
April O'Connor		12644 Shoreline Drive	Wellington	FL	33414	910-685-4816
Daniel Gittere		515 N. Flager Dr., Suite P300	West Palm Beach	FL	33401	561-228-1611 ext 1
Tara Mettler		68 Springbrooke Trail	Dallas	GA	30157	920-901-5890
Richard Young		5214 Sunlake Drive	Hoschton	GA	30548	770-685-9553
Daniel Joyce		2420 W. Talcott Road, Apt 313	Park Ridge	IL	60068	773-320-1157
Edward Rangel		103 Corbin Ct.	Schererville	IN	46375	219-381-8041
Laura Labovich		8910 Seneca Lane	Bethesda	MD	20817	703-942-9390
Angela Udo		705 Southwell Lane	Florissant	MO	63031	314-265-6504

Network Lead Exchange, LLC
List of Current Franchisees as of June 30, 2022

Name	Units	Address	City	State	Zip Code	Phone Number
George Lechner		12 Mill Lane	Holmdel	NJ	07733	732-684-8074
Buvana Radhakrishnan		10 Dartmouth Way	North Brunswick	NJ	08902	732-867-9902
Mahender Gorrai		3 Stone Mountain Court	Skillman	NJ	08558	609-933-6337
Arba Cooper		153 Margaret Road	Amherst	NY	14226	716-514-4143
Lara Fauver		1013 Braxton Blvd	London	OH	43140	937-309-9707
Miguel Rodriguez		8912 French Dr	Cresson	TX	76035	956-342-8139
Erik Brashears		13108 Bugatti Drive	Frisco	TX	75033	469-323-9133
Michael Wilson		3208 Mynah Avenue	McAllen	TX	78504	956-648-0778
Leslie David		2551 Marufo Vega Dr	Spring	TX	77386	956-499-6661

Network Lead Exchange, LLC
List of Franchisees Signed but Not Opened as of June 30, 2022

Name	Units	Address	City	State	Zip Code	Phone
Robert DiAlberto		4807 SW 118 Terrace	Cooper City	FL	33330	954-684-3545
Adam Brand		6822 SW 40th Street	Miami	FL	33155	305-666-3355
Michael Demeo		5084 SW Hammock Creek Dr	Palm City	FL	34990	508-717-5993
Roy Assad		525 Clematis Street Second Floor	West Palm Beach	FL	33401	561-214-2581
David Dockham		984 Turnpike Street	North Andover	MA	01845	781-227-0994
Bryan MacAuslan		29 Columbus Avenue	Somerville	MA	02143	978-726-6568
Joseph McAdam		6864 Travis Road	Ludington	MI	49431	231-740-9262
R. Scott Schoner and Andrew Wolf		309 New Brunswick Avenue	Fords	NJ	08863	732-661-6230
James Tatem	2	1108 S. Main St, 301	Greenville	SC	29601	561-262-2123
Spencer Coleman		298 S. Center St	Midway	UT	84049	435-671-9488

Network Lead Exchange, LLC
List of Former Franchisees as of June 30, 2022

Name	Units	Address	City	State	Zip Code	Phone
Lisa Field		739 Kaye Street	West Palm Beach	FL	33405	561-396-5144
Dorsey Christian III	5	3052 Nicklaus Lane	Wadworth	IL	60083	414-793-8786
Jason New		13 Westland Pine Court	Columbia	SC	29229	803-719-3350
Duc Hong "Paul" Tran		3019 B McFerrin Avenue	Waco	TX	76708	254-709-4603

EXHIBIT G
DEPOSIT RECEIPT LETTER



**NETWORK.
LEAD.
EXCHANGE.**

DEPOSIT RECEIPT LETTER

By this Receipt, **NETWORK LEAD EXCHANGE, LLC** acknowledges that it has received a fully refundable deposit of **\$2,500 (U.S.D.)** from:

Name: _____

Address: _____

together with an application for a **NETWORK LEX** Franchise Business.

We have reviewed your application within our offices and would be pleased to move forward with you for a **NETWORK LEX** Franchise Business.

The deposit you paid will, at the time of signing your Franchise Agreement, be credited to the remainder of the franchise fee. In the event that you decide not to accept the Franchise Agreement for any reason, your deposit will be fully refunded.

Thank you for your sincere interest in purchasing a **NETWORK LEX** Franchise Business. We look forward to proving this to you and welcoming you into our franchise system. Please note, when you present a check as payment, you authorize us to deposit your check, make a one-time electronic fund transfer (EFT), or a substitute check, in which case funds may be withdrawn from your account on the same day payment is made and you will not receive a cancelled check back from your financial institution.

Sincerely,

NETWORK LEAD EXCHANGE, LLC

By: _____

NETWORK LEX CANDIDATE:

Signature

Date

Print Name

EXHIBIT H

STATE ADDENDA TO DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

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

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

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

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

With respect to the interest charged on a late payment described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

3. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

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

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

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

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

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Hawaii only, this Disclosure Document is amended as follows:

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

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

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

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

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. A franchise registration is effective or an offering circular is on file in no states.
2. A proposed registration or filing is or will be shortly on file in the following states: California, Connecticut, Florida, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan,

Minnesota, New York, North Carolina, North Dakota, Rhode Island, South Carolina, South Dakota, Texas, Utah, Virginia, Washington and Wisconsin.

3. No states have refused, by order or otherwise to register these franchises.
4. No states have revoked or suspended the right to offer these franchises.
5. The proposed registration of these franchises has not been withdrawn in any state.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Illinois only, this Disclosure Document is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

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

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

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

FRANCHISOR IN ITS SOLE DISCRETION MAY REFUND A MEMBER OF YOUR FRANCHISED BUSINESS' PAYMENT FOR ANY REASON.

THE TERM OF THE FRANCHISE AGREEMENT IS 10 YEARS.

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Maryland only, this Disclosure Document is amended as follows:

1. The following is added to Item 5:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, we secured a surety bond in the amount of \$49,500 from Philadelphia Indemnity Insurance Company. A copy of the surety bond is on file at the Maryland Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202. Also, a copy is attached in Exhibit K.

2. The following is added to Item 17:

Pursuant to COMAR 02-02-08-16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

You are not required to assent to a period of limitations for causes of action under the Maryland Franchise Law, Business Regulation Article, §14-227, Annotated Code of Maryland, other than the period of limitations set forth in that statute. You must bring an action under such law within three years after the grant of the franchise.

You have the right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.

The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.

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.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Minnesota only, this Disclosure Document is amended as follows:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states “No action may be commenced pursuant to this Section more than three years after the cause of action accrues.”

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In the State of New York only, this Disclosure Document is amended as follows:

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE

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

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

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

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

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

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

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

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

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

during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

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

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

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

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

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

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

8. The following is added to the end of the “Summary” sections of Item 17(v), titled **“Choice of forum”**, and Item 17(w), titled **“Choice of law”**: The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

9. The following is added to the end of Item 19:

REPRESENTATIONS REGARDING EARNINGS CAPABILITY

NETWORK LEAD EXCHANGE, LLC DOES NOT FURNISH OR AUTHORIZE ITS SALESPERSONS TO FURNISH ANY ORAL OR WRITTEN INFORMATION CONCERNING THE ACTUAL OR POTENTIAL SALES, COSTS, INCOME OR PROFITS OF A FRANCHISE. ACTUAL RESULTS VARY FROM UNIT TO UNIT AND NETWORK LEAD EXCHANGE, LLC CANNOT ESTIMATE THE EARNINGS OF ANY PARTICULAR FRANCHISE.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of North Dakota only, this Disclosure Document is amended as follows:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.
2. 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.
3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.
6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.
7. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.
8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
9. 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.
10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Rhode Island only, this Disclosure Document is amended as follows:

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

Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other

than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

The following statements are added to Item 17(h):

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

Item 17(t) is amended to read as follows:

Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. In any arbitration 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. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act 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. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer. 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 franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington. 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.

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EXHIBIT I
STATE ADDENDA TO FRANCHISE AGREEMENT

ILLINOIS RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Network Lead Exchange, LLC, a Florida limited liability company (“NLX”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Illinois Act” means the Illinois Franchise Disclosure Act of 1987.

2. Governing Law and Jurisdiction. Notwithstanding any provision of the Agreement to the contrary, the Agreement is governed by Illinois law. The parties irrevocably submit to the jurisdiction and venue of the federal and state courts in Illinois, except for matters which the Agreement provides will be resolved by arbitration.

3. Limitation of Claims. No action can be maintained to enforce any liability created by the Illinois Act unless brought before the expiration of 3 years from the act or transaction constituting the violation upon which it is based, the expiration of 1 year after Franchisee become aware of facts or circumstances reasonably indicating that Franchisee may have a claim for relief in respect to conduct governed by the Illinois Act, or 90 days after delivery to the Franchisee of a written notice disclosing the violation, whichever shall first expire.

4. Waivers Void. Notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

5. Effective Date. This Rider is effective as of the Effective Date.

FRANCHISOR IN ITS SOLE DISCRETION MAY REFUND A MEMBER OF YOUR FRANCHISED BUSINESS’ PAYMENT FOR ANY REASON.

THE TERM OF THE FRANCHISE AGREEMENT IS 10 YEARS.

[Signatures On Next Page]

Agreed to by:

FRANCHISOR:

NETWORK LEAD EXCHANGE, LLC

By: _____

Name/Title: _____

Date: _____

FRANCHISEE:

[*individual owners:*]

Signature: _____

Name: _____

Date: _____

Signature: _____

Name/Title: _____

Date: _____

[*entity, if applicable:*]

By: _____

Name/Title: _____

Date: _____

INDIANA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Network Lead Exchange, LLC, a Florida limited liability company (“NLX”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Indiana Acts” means the Indiana Franchise Act and the Indiana Deceptive Franchise Practices Act.

2. Certain Provisions Modified. Any provision of the Agreement which would have any of the following effects is hereby modified the extent required for the Agreement to be in compliance with the Indiana Acts.

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or services or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by the Indiana Deceptive Franchise Practices Act or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subsection (5) does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each

order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subsection (7) includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any (A) advertising campaign or contest; (B) promotional campaign; (C) promotional materials; or (D) display decorations or materials; at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

3. Effective Date. This Rider is effective as of the Effective Date.

[Signatures On Next Page]

Agreed to by:

FRANCHISOR:

NETWORK LEAD EXCHANGE, LLC

By: _____

Name/Title: _____

Date: _____

FRANCHISEE:

[*individual owners:*]

Signature: _____

Name: _____

Date: _____

Signature: _____

Name: _____

Date: _____

[*entity, if applicable:*]

By: _____

Name/Title: _____

Date: _____

MARYLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Network Lead Exchange, LLC, a Florida limited liability company (“NLX”) and _____, a _____ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Maryland Franchise Law” means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.
- 2. No Waiver of State Law In Sale.** Notwithstanding any provision of the Agreement to the contrary, as a condition of the sale of a franchise, NLX shall not require a prospective franchisee to agree to a release, assignment, novation, waiver, or estoppel that would relieve NLX or any other person from liability under the Maryland Franchise Law.
- 3. No Release of Liability.** Pursuant to COMAR 02-02-08-16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.
- 4. Statute of Limitations.** Any provision of the Agreement which provides for a period of limitations for causes of action shall not apply to causes of action under the Maryland Franchise Law, Business Regulation Article, §14-227, Annotated Code of Maryland. Franchisee must bring an action under such law within three years after the grant of the franchise.
- 5. Jurisdiction.** Notwithstanding any provision of the Agreement to the contrary, Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.
- 6. Surety Bond.** Based upon the franchisor’s financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, we secured a surety bond in the amount of \$49,500 from Philadelphia Indemnity Insurance Company. A copy of the surety bond is on file at the Maryland Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202. Also, a copy is attached in Exhibit K.
- 7.** 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.
- 8. Effective Date.** This Rider is effective as of the Effective Date.

[Signatures On Next Page]

Agreed to by:

FRANCHISOR:

NETWORK LEAD EXCHANGE, LLC

By: _____

Name/Title: _____

Date: _____

FRANCHISEE:

[*individual owners:*]

Signature: _____

Name: _____

Date: _____

Signature: _____

Name: _____

Date: _____

[*entity, if applicable:*]

By: _____

Name/Title: _____

Date: _____

MINNESOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Network Lead Exchange, LLC, a Florida limited liability company (“NLX”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Minnesota Act” means Minnesota Statutes, Sections 80C.01 to 80C.22.

2. Amendments. The Agreement is amended to comply with the following:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee’s rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee’s right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state “No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues.”

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

NETWORK LEAD EXCHANGE, LLC

By: _____
Name/Title: _____
Date: _____

FRANCHISEE:

[*individual owners:*]

Signature: _____
Name: _____
Date: _____

Signature: _____
Name: _____
Date: _____

[*entity, if applicable:*]

By: _____
Name/Title: _____
Date: _____

NEW YORK RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Network Lead Exchange, LLC, a Florida limited liability company (“NLX”) and _____, a _____ (“Franchisee”).

1. **Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.
2. **Waivers Not Required.** Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve NLX or any other person from any duty or liability imposed by New York General Business Law, Article 33.
3. **Waivers of New York Law Deleted.** Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by NLX with any provision of New York General Business Law, or any rule promulgated thereunder, is hereby deleted.
4. **Governing Law.** Notwithstanding any provision of the Agreement to the contrary, the New York Franchises Law shall govern any claim arising under that law.
5. **Effective Date.** This Rider is effective as of the Effective Date.

[Signatures On Next Page]

Agreed to by:

FRANCHISOR:

NETWORK LEAD EXCHANGE, LLC

By: _____

Name/Title: _____

Date: _____

FRANCHISEE:

[*individual owners:*]

Signature: _____

Name: _____

Date: _____

Signature: _____

Name: _____

Date: _____

[*entity, if applicable:*]

By: _____

Name/Title: _____

Date: _____

NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Network Lead Exchange, LLC, a Florida limited liability company (“NLX”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Amendments. The Agreement (and any Guaranty Agreement) is amended to comply with the following:

- (1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.
- (2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee’s business.
- (3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.
- (4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.
- (5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.
- (6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.
- (7) Waiver of Exemplary & Punitive Damages: Franchisee does not waive exemplary and punitive damages.
- (8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.
- (9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
- (10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

NETWORK LEAD EXCHANGE, LLC

By: _____

Name/Title: _____

Date: _____

FRANCHISEE:

[individual owners:]

Signature: _____

Name: _____

Date: _____

Signature: _____

Name: _____

Date: _____

[entity, if applicable:]

By: _____

Name/Title: _____

Date: _____

RHODE ISLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Network Lead Exchange, LLC, a Florida limited liability company (“NLX”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Jurisdiction and Venue. Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

NETWORK LEAD EXCHANGE, LLC

[*individual owners:*]

By: _____

Signature: _____

Name/Title: _____

Name: _____

Date: _____

Date: _____

Signature: _____

Name: _____

Date: _____

[*entity, if applicable:*]

By: _____

Name/Title: _____

Date: _____

WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT, COMPLIANCE CERTIFICATION, AND RELATED AGREEMENTS

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration 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. 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.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act 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. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

Pursuant to RCW 19.100.180(2)(j), Subsection 14.1(c)(xiii) of the Franchise Agreement is void and unenforceable in Washington.

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 franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

Use of Franchise Brokers. The franchisor [uses/may use] the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for

referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this ____ day of _____, 20__.

FRANCHISOR

FRANCHISEE

EXHIBIT J
COPY OF SURETY BOND

Superseding Bond

BOND NO. PB11562500288

STATE OF MARYLAND SECURITIES DIVISION FRANCHISOR SURETY BOND

KNOW ALL MEN BY THESE PRESENTS, THAT

Network Lead Exchange, LLC

(Name of Franchisor)

a Maryland Limited Liability Company

(Description or form of business organization, including State of Incorporation), with business offices at

2121 Vista Parkway, West Palm Beach, FL 33411

(Address)

as Principal, and Philadelphia Indemnity Insurance Company

(Name of Surety)

a corporation duly organized

under the laws of the State of Pennsylvania

and authorized to do

business in the State of Maryland, as Surety, are hereby held and firmly bound to the State of Maryland, in the sum of Forty Nine Thousand Five Hundred and 00/100Dollars (\$ 49,500.00)

For the payment of this sum, Principal and Surety bind themselves, their representatives, successors and assigns, jointly and severally by these presents.

WHEREAS, Principal has applied for registration as a franchisor to offer and sell franchises in Maryland, as required under the Maryland Franchise Registration and Disclosure Law, Title 14, Subtitle 2, Business Regulation Article, Annotated Code of Maryland, (2010 Repl. Vol.) (the Maryland Franchise Law); and

WHEREAS, Principal executes this surety bond under §14-217 of the Maryland Franchise Law, as a condition of its registration to offer and sell franchises in Maryland;

NOW, THEREFORE, the Principal agrees as follows:

1. Principal shall obey all applicable rules, regulations and statutes of the State of Maryland, now or hereafter existing and all other applicable laws now or hereafter existing, affecting or relating to the offer or sale of franchises and area franchises.
2. Principal shall in all respects be bound to any and all applicable requirements and provisions required to be in this bond by existing and future statutes, rules and regulations of the State of Maryland, and laws, the same as though such requirements and provisions were fully set forth in this bond, and by reference such requirements and provisions are made a part hereof.
3. Principal shall in all respects be bound to perform and fulfill, up to and until the time at which a franchisee's or subfranchisor's business is fully operational, all undertakings, covenants, terms, conditions and agreements of any contract, or of any modification to a contract duly authorized by the parties to the contract, that the Principal makes with these franchisees, or subfranchisors.
4. This bond is for the benefit of the State of Maryland and all persons purchasing franchises and area franchises from Principal.
5. This bond shall become effective at 12:00 am on February 5, 2019

(time of day)

(date)

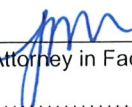
It may be cancelled by Surety and Surety relieved of liability with respect to a franchise agreement entered into by Principal after the effective date of cancellation. Cancellation is effective 90 days after the Maryland Securities Commissioner and Principal receive written notice from Surety of cancellation. Notwithstanding any such cancellation, coverage under this bond remains effective with respect to any franchise agreements entered into by Principal prior to the effective date of cancellation.

Philadelphia Indemnity Insurance Company

(Name of Surety)

Network Lead Exchange, LLC

(Name of Franchisor)

By: 

(Signature of Attorney in Fact)

By: _____

(Signature of Officer, Partner, or Sole Proprietor)

Approved as to form:

Assistant Attorney General_____
Date

INSTRUCTIONS:

1. This side is to be completed by a notary public for both the Principal and the Surety.
2. Please attach the Power of Attorney and Certified Copy of the Corporate Resolution for the Surety listed herein.

STATE OF _____)
) ss.
COUNTY OF _____)

ACKNOWLEDGMENT OF PRINCIPAL

(INDIVIDUAL PROPRIETORSHIP)

The foregoing instrument was acknowledged before me this _____ day of _____, _____
by _____
(Name of Person Acknowledged)

(CORPORATION OR LLC)

The foregoing instrument was acknowledged before me this _____ day of _____, _____
by _____, President of
(Name of Corporation/LLC President)
_____, a _____
(Name of Corporation/LLC) (State of _____)
Incorporation) corporation, LLC, on behalf of the corporation/LLC.

(PARTNERSHIP)

The foregoing instrument was acknowledged before me this _____ day of _____, _____
by _____, a partner on behalf of
(Name of Acknowledging Partner)
_____, a partnership.
(Name of Partnership)

Notary Public

NOTARY SEAL Cty: _____ Comm. Exp: _____

STATE OF _____)
) ss.
COUNTY OF _____)

ACKNOWLEDGMENT OF SURETY

The foregoing instrument was acknowledged before me this _____ day of _____, _____
by _____
(Name and Title of Officer or Agent)
of _____
(Name of Corporation Acknowledging)
a _____ corporation, on behalf of the corporation.
(State of Incorporation)

Notary Public

NOTARY SEAL Cty: _____ Comm. Exp: _____

SEE ATTACHED NOTARY

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Sacramento

On Sept. 27th, 2021 before me, S. Smith, Notary Public
(insert name and title of the officer)

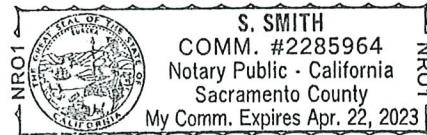
personally appeared John T. Page,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature

(Seal)



PHILADELPHIA INDEMNITY INSURANCE COMPANY

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: That **PHILADELPHIA INDEMNITY INSURANCE COMPANY** (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint **John T. Page, Ryan Tash, & Susan Fournier of Surety Solutions Insurance Services, Inc.** its true and lawful Attorney-in-fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed **\$50,000,000**.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY on the 14th of November, 2016.

RESOLVED:

That the Board of Directors hereby authorizes the President or any Vice President of the Company: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

**FURTHER
RESOLVED:**

That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 5TH DAY OF MARCH, 2021.

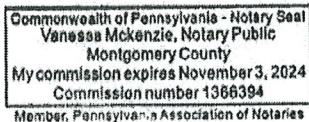


(Seal)

John Glomb, President & CEO
Philadelphia Indemnity Insurance Company

On this 5th day of March, 2021 before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the **PHILADELPHIA INDEMNITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

Notary Public:



residing at:

Bala Cynwyd, PA

My commission expires:

November 3, 2024

I, Edward Sayago, Corporate Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and the Power of Attorney issued pursuant thereto on the 5th day March, 2021 are true and correct and are still in full force and effect. I do further certify that John Glomb, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 27th day of Sept., 2021



Edward Sayago, Corporate Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

EXHIBIT K
STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

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

EXHIBIT L

DISCLOSURE DOCUMENT RECEIPT

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 Network Lead Exchange, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Network Lead Exchange, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

Franchise Seller: Michael White and/or the Sales Agent(s) listed below, 2121 Vista Parkway, West Palm Beach, FL 33411, (561) 640-5570

Issuance Date: October 19, 2022

I received a disclosure document issued October 19, 2022, that included the following Exhibits:

- | | |
|---|---|
| A. State Administrators and Agents for Service of Process | G. Deposit Receipt |
| B. Franchise Agreement | H. State Addenda to Disclosure Document |
| C. Form of General Release | I. State Addenda to Franchise Agreement |
| D. Financial Statements | J. Copy of Surety Bond |
| E. Operating Manual Table of Contents | K. State Effective Dates |
| F. Current and Former Franchisees | L. Disclosure Document Receipt (2 copies) |

DATE: _____
(Do not leave blank)

Print Sales Agent(s) Name(s)

Prospective Franchisee Signature

Prospective Franchisee Printed Name

Prospective Franchisee Signature

Prospective Franchisee Printed Name

Corporate Name: (if applicable)

By: _____
Authorized Corporate Officer Signature

Printed Corporate Officer Name / Title

RECEIPT

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DATE: _____
(Do not leave blank)

Print Sales Agent(s) Name(s)

Prospective Franchisee Signature

Prospective Franchisee Printed Name

Prospective Franchisee Signature

Prospective Franchisee Printed Name

Corporate Name: (if applicable)

By: _____
Authorized Corporate Officer Signature

Printed Corporate Officer Name / Title