

## FRANCHISE DISCLOSURE DOCUMENT

Website Closers Franchise Company, LLC  
A Florida limited liability company  
7575 Kings Pointe Pkwy, Ste2  
Orlando FL 32819  
800-251-1559  
franchising@WebsiteClosers.com  
www.WebsiteClosers.com



The franchised business is to operate an internet representation for business sales business under the trade name “Website Closers”. The business model will typically be operated from home or from a small professional office setting, and the franchise owner will be working as a business broker and supporting business purchases and sales.

The total investment necessary to begin operation of a Website Closers franchise is \$67,700 to \$112,600. This includes \$50,000 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 Website Closers at 7575 Kings Pointe Pkwy Ste2, Orlando FL 32819 and 800-251-1559.

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](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance date: June 5, 2023

## 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:

<b>QUESTION</b>	<b>WHERE TO FIND INFORMATION</b>
<b>How much can I earn?</b>	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.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Website Closers business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management has been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be a Website Closers franchisee?</b>	Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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 arbitration or litigation only in Florida. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to 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

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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

**The 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 48909  
 Telephone Number: (517) 373 7117

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## **EXHIBITS**

- A. State Administrators and Agents for Service of Process
  - B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
  - C. Form of General Release
  - D. Financial Statements
  - E. Brand Standards Manual Table of Contents
  - F. Current and Former Franchisees
  - G. State Addenda to Disclosure Document
  - H. State Addenda to Franchise Agreement
  - I. Associate Broker Independent Contractor Form
- State Effective Dates  
Receipt (2 copies)

## **Item 1**

### **THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

In this disclosure document, “we”, “us,” or “our” refers to Website Closers Franchise Company, LLC. “You” means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity must sign our Guaranty and Non-Compete Agreement, which means that all of the franchise agreement’s provisions also will apply to your owners.

#### Us, Any Parents, and Certain Affiliates

Our name is Website Closers Franchise Company, LLC. Our principal business address is 7575 Kings Pointe Pkwy Ste2, Orlando FL 32819. We do not have any parent entities. We do not have any affiliates that offer franchises in any line of business or provide products or services to our franchisees.

#### Our Predecessors

We do not have any predecessors.

#### Our Business Name

We use the names “Website Closers Franchise Company, LLC” and “Website Closers”. We do not intend to use any other names to conduct business.

#### Agent for Service of Process

Our agent for service of process in Florida is Website Closers LLC and the agent’s principal business address is 433 E. New England Ave., Winter Park, Florida 32789. Our agents for service of process in other states are disclosed in Exhibit A.

#### Business Organization

We are a Florida limited liability company. We were formed on October 28, 2019.

#### Information About Our Business and the Franchises Offered

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 develop and operate a business brokerage services business focusing on working with technology service oriented businesses under the trade name Website Closers.

We have a program where we place new franchisees into a “Deal Size Pool” based on the experience of the franchisee, especially as that person’s experience relates to closing sales. We

generally provide franchisees with referrals based on their then-current “Deal Size Pool.” We may change the Deal Size Pool (which may result in higher commissions) you are in based on a number of factors; however, the primary factor will be the Gross Commissions that you generate. Usually, Deal Size Pools will be as follows:

<b>Gross Commission Tiers</b>	<b>Deal Size Pool</b>
Beginning Tier	Up to \$1M
\$100,000 (Bronze)	Up to \$5M
\$300,000 (Gold)	Up to \$10M
\$500,000 (Platinum)	Up to \$20M
\$1M (Diamond)	All Deals Available

Franchisor has the discretion at any time to change this program (including, but limited to, changing the available Deal Size Pool tier based on other performance parameters besides Gross Commissions, to change the Gross Commission Tiers, and to change the Deal Size Pools).

The general market for the Website Closers business model are businesses being purchased or sold in the technology services sector. This market is highly competitive for business brokerage services although our niche of working in technology services tends to be a unique niche and not quite as competitive. Our customers are primarily business owners in the technology sector or investors and buyers of technology service oriented businesses. Sales are not seasonal.

You will compete against national chains, regional chains, and independent owners. Some of these competitors are franchised.

### Laws and Regulations

There are a variety of laws or regulations specific to our industry. In many states, you may be required to have a real estate license or other licensing which would be specific to business brokerage services. You should consult with a legal advisor about legal requirements that may apply to your business.

### Prior Business Experience

We have offered franchises since January 2020. None of our affiliates has offered franchises in other lines of business. None of our affiliates provides products or services to our franchisees.

Our affiliate, Website Closers, LLC has operated Website Closers in Orlando, Florida since 2010. This affiliate has the same business address as us.

## **Item 2 BUSINESS EXPERIENCE**

**Jason Guerrettaz-Executive Director.** He has been President of United Commerce Group, Inc. since January 2011, Managing Partner of ValleyBiggs, LLC since January 2014 and Co-Founder of WebsiteClosers.com since November 2010 all based in Orlando, FL. He has been Managing

Member of Florida Business Agents, LLC since February 2014, Managing Partner of ValleyBiggs, LLC since January 2014 and Co-Founder of WebsiteClosers.com since November 2010 all based in Tampa, FL. He has been Managing Member of Website Operators, LLC since September 2014, Managing Member of Emanors, LLC since August 2014, Managing Member of Shagwagon, LLC since March 2019, and Managing Member of Yaw Capital, LLC since August 2018 all in Tampa, FL.

**Ron Matheson- Managing Director.** Mr. Matheson has been President of MergeAmerica, Inc. since August 2010. He has been Managing Member of Florida Business Agents, LLC since February 2014, Managing Partner of ValleyBiggs, LLC since January 2014 and Co-Founder of WebsiteClosers.com since November, 2010, all based in Tampa, FL. He has been Managing Member of Website Operators, LLC since August 2014, Managing Member of Emanors, LLC since August 2017, Managing Member of Shagwagon, LLC since April 2019, and Managing Member of Yaw Capital, LLC since August 2018 all in Tampa, FL.

**Daniel Sandon – Director of Development and Training.** Mr. Sandon has been with us since February 2020 in Orlando, Florida. Prior to this, he was a Faculty Member of The Los Angeles Film School in Orlando, Florida, from October, 2015 through November 2019.

### **Item 3 LITIGATION**

Jeffrey and Linda Milone and AI Miracles, Inc. v. Website Closers, LLC; Anthony Tranchida; Tax ID Services, Inc.; Ron Matheson; Jason Guerrettaz; Stephen Speer; Izach Porter; and Donya Gordon; Circuit Court for the 17<sup>th</sup> Judicial Circuit, Broward County, Florida; Case No. CACE-22-003505. On or about March 9, 2022, the Plaintiffs—including Jeff Milone, who is the principal of a franchisee—filed suit. The lawsuit alleges that Linda Milone, on behalf of AI Miracles, Inc. entered into an asset purchase agreement to purchase a separate business, Small Business Direct (“SBD”), from Tax ID Services, Inc. (“TID”). Plaintiffs allege that all of the defendants made misrepresentations regarding SBD, and the Plaintiffs have raised claims of fraud and fraudulent inducement, civil conspiracy, negligence and negligent misrepresentation, violations of the Florida Deceptive and Unfair Trade Practices Act, and breach of fiduciary duty.

As it pertains to Jason Guerrettaz, Ron Matheson, and Website Closers, LLC, on May 4, 2022, these defendants moved to dismiss the Plaintiffs’ complaint. On September 29, 2022, while that motion was still pending, the Plaintiffs’ dismissed their claims against these defendants without prejudice.

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

### **Item 4 BANKRUPTCY**

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

**Item 5**  
**INITIAL FEES**

Franchise Fee

When you sign your franchise agreement, you must pay us \$50,000 as the initial franchise fee. This fee is uniform and is not refundable. During the previous fiscal year, the range of initial franchise fees we collected was \$50,000 to \$50,000.

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**Item 6  
OTHER FEES**

Type of Fee	Amount	Due Date	Remarks										
Royalty	<div>50% of your Net Commissions. However, pursuant to Section 4.2(b) of the Franchise Agreement, for certain transactions, our commission may be reduced if, as a result of that transaction, (i) Franchisee’s Associate Brokers have collectively been the broker of record of at least 10% of Franchisee’s Gross Commissions during the relevant calendar year, and (ii) if Franchisee’s accumulated Gross Commissions in such year exceed certain thresholds:</div> <table><tr><td>Accumulated Gross Commissions</td><td>Royalty Fee Percentage of Net Commissions on the Transaction</td></tr><tr><td>\$1,000,000-\$1,500,000</td><td>45%</td></tr><tr><td>\$1,500,001-\$2,000,000</td><td>40%</td></tr><tr><td>\$2,000,001-\$4,000,000</td><td>35%</td></tr><tr><td>\$4,000,001 and over</td><td>30%</td></tr></table>	Accumulated Gross Commissions	Royalty Fee Percentage of Net Commissions on the Transaction	\$1,000,000-\$1,500,000	45%	\$1,500,001-\$2,000,000	40%	\$2,000,001-\$4,000,000	35%	\$4,000,001 and over	30%	Monthly, on the 5 <sup>th</sup> day of the following Month, or at the close of a relevant transaction.	<div>See Notes 1, 2, and 3.</div> <div>Franchisees are encouraged to hire associate brokers to work for them in the franchised business once the franchisee has closed at least five transactions where the Franchisee is the broker of record.</div> <div>Franchisee is responsible for compensating all of its associate brokers.</div>
Accumulated Gross Commissions	Royalty Fee Percentage of Net Commissions on the Transaction												
\$1,000,000-\$1,500,000	45%												
\$1,500,001-\$2,000,000	40%												
\$2,000,001-\$4,000,000	35%												
\$4,000,001 and over	30%												

Type of Fee	Amount	Due Date	Remarks
Market Cooperative Contribution	As determined by the cooperative. Currently, none.	Monthly, on the 5 <sup>th</sup> day of the following Month	We have the right to establish local or regional advertising cooperatives. Any location owned by us or any affiliate will have the same voting rights as our franchisees. Dues will be imposed by a majority vote and will not be less than 1% of Gross Commissions. If any location owned by us or any affiliates have a majority vote, the maximum fees imposed will not exceed 5% of Gross Commissions.
Replacement / Additional Training fee (non-Certification)	Currently, \$1,500 Per Day.	Prior to attending training	If you require individualized training on special circumstances where the full certification training is not required, you send a manager or other employee to our training program after you open, we will charge our then-current training fee per day.

Type of Fee	Amount	Due Date	Remarks
Certification Fee	\$25,000	Prior to a broker attending the training program	<p>You are required to pay this training fee for any associate brokers or general managers you bring into your business (as well as any additional persons beyond the limit identified in Item 11).</p> <p>If any brokers/general managers for whom you have paid this fee are unable to successfully complete the certification program, we will refund all but \$5,000 of what you have paid up to the time of termination.</p> <p>You are permitted to pay the certification fee by paying: (i) \$10,000 upon signing up for certification program, and (ii) 10% of Net Commissions generated from your franchised business until the balance is paid in full.</p>
Third party vendors	Pass-through of costs, plus reasonable administrative charge. Currently, none.	Varies	<p>We have the right to require franchisees to use third-party vendors and suppliers that we designate. Examples can include computer support vendors, mystery shopping, and customer feedback systems. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together with a reasonable markup or charge for administering the payment program.</p>
Software subscription	Currently, \$50 - \$100 per month	Monthly	<p>We require you to use certain software as described in Item 11. You pay subscription fees directly to the software supplier, and not to us.</p> <p>We do not require a CRM, but we do recommend this.</p>

Type of Fee	Amount	Due Date	Remarks
Technology Fee	Currently, none.	Monthly, on the 5 <sup>th</sup> day of the following month	We reserve the right to charge a commercially reasonable fee for software and other technology products and services we provide. The technology fee will not necessarily be a pass-through of our exact costs. We may add, remove, or alter the software or technology products or services that we provide.
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.
Late fee	\$100 plus interest on the unpaid amount at a rate equal to 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 may charge a late fee if you fail to make a required payment when due.
Insufficient funds fee	\$30 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law)	On demand	We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account.

Type of Fee	Amount	Due Date	Remarks
Convention fee	As determined by us; currently, none.	Prior to convention	If we elect to conduct a national or regional convention, we will charge you the attendance fee even if you do not attend. You are responsible for all travel and living expenses of attending any such meeting or convention.
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.
Special support fee	Our then-current fee, plus our expenses. Currently, \$600 per day.	On demand	If we provide in-person support to you in response to your request, we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).
Customer complaint resolution	Our expenses		We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses.
Records audit	Our actual cost	On demand	Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, or (2) the audit concludes that you under-reported Gross Commissions by more than 3% for any month.
Special evaluation fee	Currently \$600, plus our out-of-pocket costs	On demand	Payable only if we conduct an evaluation of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.

Type of Fee	Amount	Due Date	Remarks
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.
Transfer fee	\$25,000 plus any broker fees and other out-of-pocket costs we incur	When transfer occurs	Payable if you sell your business.
Liquidated damages	An amount equal to royalty fees for the lesser of (i) 2 years or (ii) the remaining weeks of the franchise term.	On demand	Payable if we terminate your franchise agreement because of your default, or if you terminate the franchise agreement without the right to do so.
Indemnity	All of 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 misconduct or 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 (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

All fees are non-refundable. We do not represent that all fees are uniform for all franchisees; 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.

#### Notes

1. "Gross Commissions" is defined in our franchise agreement as the total dollar amount of all commissions and other revenue generated through your business for a given period, including, but not limited to, payment for any services or products sold by you, whether for cash or credit. Gross Commissions does not include (i) bona fide refunds to customers, (ii) sales taxes collected, or (iii) commissions earned by brokers outside of your franchise.

2. “Net Commissions” is defined in our franchise agreement as the total Gross Commissions for a particular transaction less any referral fees or similar expenses incurred in connection with that transaction.
3. We will be collecting the commissions generated through your business. For a given month’s commissions, we will remit payment to you on the 5<sup>th</sup> day of the following month, after the royalties and other amounts due to us have been deducted from the total. We reserve the right to require you to pay any monies due to us by wire transfer or other means.

**Item 7**  
**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

<b>Type of expenditure (see Note 1)</b>	<b>Amount</b>	<b>Method of payment</b>	<b>When due</b>	<b>To whom payment is to be made</b>
Initial franchise fee	\$50,000 - \$50,000	Lump sum	Upon signing the franchise agreement	Us
Rent (see Note 2)	\$0 - \$5,000	As incurred	Upon signing lease	Landlord
Utilities	\$0 - \$500	As incurred	Upon ordering service	Utility providers
Leasehold Improvements	\$0 - \$5,000	As incurred	As incurred or when billed	Contractors
Furniture, Fixtures, and Equipment (see Note 2)	\$0 - \$5,000	As incurred	As incurred	Vendors and suppliers
Computer Systems	\$1,000 - \$3,000	As incurred	As incurred	Vendors and suppliers
Insurance	\$100 - \$300	As incurred	Upon ordering	Insurance company
Office Expenses	\$500 - \$1,000	As incurred	As incurred	Vendors
Licenses and Permits	\$100 - \$300	As incurred	Upon application	Government
Professional Fees (lawyer, accountant, etc.)	\$1,000 - \$2,500	As incurred	As incurred or when billed	Professional service firms

Type of expenditure (see Note 1)	Amount	Method of payment	When due	To whom payment is to be made
Additional funds (for first 3 months) (see Note 3)	\$15,000 - \$40,000	As incurred	Varies	Employees, suppliers, utilities
Total	\$67,700 - \$112,600			

### Notes

1. None of the expenditures in this table will be refundable. Neither we nor any affiliate finances any part of your initial investment.

2. In most cases, we estimate real property, leasehold improvements, furniture, fixtures, and equipment, and utilities at zero because we expect you will open as a home-based business. However, the top end of this range for rent assumes that you will operate the franchised business from a small professional office location. We do not require you to invest in a regular, physical office location. However, if you ever need to hold face-to-face meetings with clients or customers, we require those meetings to be held in a professional office environment, which can be a shared office company like Regus or We Work. You must obtain our pre-approval of any such offices.

3. This includes any other required expenses you will incur before operations begin and during the initial period of operations, such as payroll, additional inventory, and other operating expenses in excess of income generated by the business. It does not include any salary or compensation for you. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: the development of a Website Closers business by our affiliate, and our general knowledge of the industry.

## **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 or our designee, or from suppliers approved by us, or (2) according to our specifications. You must comply with any changes we make in the future to these requirements.

#### Specific Obligations

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

A. Real Estate. Your business location is subject to our approval and must meet our specifications. In most cases you will work from a home office, although you may operate the

franchised business from a small, temporary office location which offers a professional working environment, and you must obtain our pre-approval of any office location which is not in your home.

B. Insurance. You must obtain insurance as described in the Franchise Agreement and in our Manual, which includes (i) Errors and Omissions insurance in an amount of not less than \$1,000,000 per instance and \$2,000,000 aggregate, and (ii) Workers Compensation coverage as required by state law. Your policies (other than Workers Compensation) must list us and our affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days' prior written notice of cancellation.

C. CRM software and hardware, and related software and hardware. You must purchase (or lease) the CRM software and hardware, and related software and hardware, that we specify. See Item 11 for more details.

D. Advertising and Marketing. Except as otherwise provided in the Brand Standards Manual and advertising or marketing materials that we furnish to you, you must submit all advertising and marketing materials to us for our written approval before use. You must ensure that all advertising or marketing materials that you use are clear, factual, ethical, and not misleading; comply with our brand standards; and comply with all laws. We have the right to establish and control all digital marketing.

#### Us or our Affiliates as Supplier

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.

#### Ownership of Suppliers

None of our officers owns an interest in any supplier to our franchisees.

#### 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 brand 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). We will generally (but are not obligated to) issue new or revised specifications only after evaluation of the intended changes. We may also conduct limited market testing in one or more outlets.

### Revenue to Us and Our Affiliates

We will derive revenue from the required purchases and leases by franchisees, including training fees. Our total revenue in the prior fiscal year was \$6,250,345. Our revenue from all required purchases and leases of products and services by franchisees in the prior fiscal year was \$380,000. The percentage of our total revenues that were from required purchases or leases in the prior fiscal year was approximately 6%.

### Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are 75% to 85% 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 60% to 70% 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. We have the right to earn a profit from any product we supply or from designated suppliers. We are not required to give you an accounting of any payments we receive from designated suppliers, nor are we required to share any benefits of supplier payments with you or with any other franchisee.

### Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

### Negotiated Arrangements

We do not negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees. However, we may do so in the future.

We have negotiated relationships with lenders who will pay back a rebate which is split with the franchisees. However, franchisees are not required to use these lenders.

### 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.

<b>Obligation</b>	<b>Section in agreement</b>	<b>Disclosure document item</b>
a. Site selection and acquisition/lease	§§ 6.1, 6.2	Item 11
b. Pre-opening purchase/leases	§§ 5.2, 6.2, 6.3	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	§§ 5.2, 6.4, 7.6	Items 5, 6, 8 and 11
e. Opening	§§ 6.5, 6.6	Items 7, 8 and 11
f. Fees	Article 4, §§ 5.3, 7.8, 8.4, 10.5, 11.2, 11.3, 14.5, 15.2, 16.1, 17.6	Items 5, 6 and 7
g. Compliance with standards and policies/Brand Standards Manual	Article 7, §§ 6.3, 9.1, 9.2, 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, 11 and 16
j. Warranty and customer service requirements	§§ 7.3, 7.8, 7.9	Item 8
k. Territorial development and sales quotas	§ 2.2	Item 12
l. Ongoing product/service purchases	Article 8	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	§§ 3.2, 7.12, 7.13, 15.2	Items 6, 7 and 8
n. Insurance	§ 7.15	Items 6, 7 and 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	§§ 2.4, 7.5	Items 15

Obligation	Section in agreement	Disclosure document item
r. Records and reports	Article 10	Item 11
s. Inspections and audits	§§ 10.5, 11.2	Items 6 and 11
t. Transfer	Article 15	Items 6 and 17
u. Renewal	§ 3.2	Item 17
v. Post-termination obligations	Article 13, §§ 14.3, 14.4	Item 17
w. Non-competition covenants	§ 13.2	Item 17
x. Dispute resolution	Article 17	Items 6 and 17

## 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:

A. *Your site.* 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 select your site; however, if the franchised business will not be operated out of a home office, we will provide you with our criteria for locations and we will review and advise you requiring such location and approve of the location based on whether the site meets with our criteria (such criteria includes the condition and appearance of the location, and we recommend but don’t require, you use national shared working companies, like Regus and WeWork). (Section 5.2). If you are not working out of a home office, we will approve or deny your requested location within 14 days of the time you provide us with all required information and documents related to the location. If you and we cannot agree on a site, you will be required to operate out of a home office. We generally do not own your premises and lease it to you.

B. *Hiring and training employees.* All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

C. *Necessary equipment, signs, fixtures, opening inventory, and supplies.* We will provide you a list of our specifications and approved suppliers for equipment, signs, fixtures, opening inventory, and supplies necessary to open your business, if applicable. (Section 5.2) We do not provide these items directly; we only provide the names of approved suppliers. We do not deliver or install these items.

D. *Brand Standards Manual.* We will give you access to our Brand Standards Manual in such format as we deem appropriate. (Section 5.1).

E. *Initial Training Program.* We will conduct our initial training program. (Section 5.2). The current initial training program is described below.

F. *Business plan review.* If you request, we will review your pre-opening business plan and financial projections. (Section 5.2)

G. *On-site opening support.* We will have a representative provide on-site support for at least 1 day in connection with your business opening. (Section 5.2)

#### Length of Time to Open

The typical length of time between signing the franchise agreement and the opening of your business is 2-3 Months. Factors that may affect the time period include your ability to obtain financing, obtain business permits and licenses, schedule initial training, and hire employees.

#### Our Post-Opening Obligations

After you open your business:

A. *Developing products or services you will offer to your customers.* Although it is our intent to refine and develop products or services that you will offer to your customers, the franchise agreement does not obligate us to do so.

B. *Hiring and training employees.* All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

C. *Improving and developing your business; resolving operating problems you encounter.* If you request, we will provide advice to you (by telephone or electronic communication) regarding improving and developing your business, and resolving operating problems you encounter, to the extent we deem reasonable. If we provide in-person support in response to your request, we may charge a fee (currently \$600 per day) plus any out-of-pocket expenses (such as travel and meals for our employees providing onsite support). (Section 5.3)

D. *Establishing prices.* Upon your request, we will provide recommended prices for products and services. (Section 5.3).

E. *Establishing and using administrative, bookkeeping, accounting, and inventory control procedures.* We will provide you our recommended procedures for administration,

bookkeeping, accounting, and inventory control (Section 5.3). We may make any such procedures part of required (and not merely recommended) procedures for our system.

F. *Website.* We will maintain a website for the Website Closers brand, which will include your business information and contact information. (Section 5.3).

G. *Administrative Support.* We will provide you with administrative and office support to the extent that we deem reasonable. (Section 5.3).

H. *Marketing Support.* We will provide you with marketing support and lead generation to the extent that we deem reasonable and to the extent provided in our then-current Deal Size Leads program. (Sections 5.3, 7.21).

### Advertising

*Our obligation.* We do not have any obligations in connection with your advertising, and we do not have a Marketing Fund.

*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. We have the right to establish and control all social media accounts and other digital marketing. You must ensure that all advertising or marketing materials that you use are clear, factual, ethical, and not misleading; comply with our brand standards; and comply with all laws.

*Advertising council.* We do not have an advertising council composed of franchisees. The franchise agreement does not give us the power to form an advertising council.

*Local or Regional Advertising Cooperatives.* We do not currently have any local or regional advertising cooperatives. We have the right to require you to participate in a local or regional advertising cooperative. We will define the area of the cooperative based on media markets, or other geographic criteria that we deem appropriate. Each franchisee in the area would have one vote per outlet (unless the franchisee is in default under its franchise agreement). The amount you must contribute to the cooperative will be determined by vote of the members, but not less than 1% and not more than 5% of Gross Commissions. If our own outlets are members of a cooperative, they must contribute to the cooperative on the same basis as franchisees, and they will vote on the same basis as other members. We administer the cooperative, but we have the right to delegate responsibility for administration to an outside company such as an advertising agency or accounting firm, or to the franchisee members of the cooperative. We have the right to require the cooperative to operate from written bylaws or other governing documents that we determine. The documents are not currently available for you to review. Cooperatives will prepare annual financial statements which will be made available for review only by us and by the members of the cooperative. We have the power to require cooperatives to be formed, changed, dissolved, or merged.

## CRM and Computer Systems

We recommend you buy (or lease) and use a CRM system and computer system as follows:

Computer – Laptop Recommended

Microsoft Office

CRM System

Smart Phone

The system provides the necessary tools and operating platform to be used in operating the day to day business. These systems will generate or store data such as client and accounting information

We estimate that these systems will cost between \$1,000 and \$3,000 to purchase.

We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. We do not require you enter into any such contract with a third party.

You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation.

We estimate that the cost of any optional or required maintenance, updating, upgrading, or support contracts will be \$50 to \$150 per month.

You must give us independent access to the information that will be generated or stored in these systems. The information that we may access will include commission rates, sales, customer data, and reports. There is no contractual limitation on our right to access the information.

## Brand Standards Manual

See Exhibit E for the table of contents of our Brand Standards Manual as of the date of this disclosure document, with the number of pages devoted to each subject. The total number of pages in the Brand Standards Manual is 225.

## Training Program

Our training program consists of the following:

## TRAINING PROGRAM

Subject	Hours of Classroom Training (Virtual)	Hours of On-The-Job Training (Virtual)	Location
Establishing Your Business <ul style="list-style-type: none"> <li>- Licensing</li> <li>- Administrative</li> <li>- Industry Review</li> <li>- Our Value Proposition</li> <li>- Planning</li> <li>- Banking</li> <li>- Insurance</li> </ul>	34	2	Virtual
Target Profiles <ul style="list-style-type: none"> <li>- Seller</li> <li>- Buyer</li> <li>- Key Decision Makers</li> </ul>	8	-	Virtual
Lead Management and Marketing <ul style="list-style-type: none"> <li>- Working with us in “Franchisor” generated lead opportunities</li> <li>- Working locally to generate awareness and interest</li> <li>- Leveraging the Brand</li> <li>- Managing Lead Opportunities</li> <li>- Understanding the Stages of a Lead</li> <li>- Seller vs. Buyer</li> </ul>	34	2	Virtual
Selling and Closing <ul style="list-style-type: none"> <li>- Communication</li> <li>- Organization</li> <li>- Stages of Closing</li> <li>- Profiles and Lead Management</li> <li>- Systems – CRM</li> </ul>	78	2	Virtual
Financial Management and Planning <ul style="list-style-type: none"> <li>- Goals</li> <li>- Activity</li> <li>- Plan</li> <li>- Strategy</li> <li>- Market</li> </ul>	6	-	Virtual

<b>Subject</b>	<b>Hours of Classroom Training (Virtual)</b>	<b>Hours of On-The-Job Training (Virtual)</b>	<b>Location</b>
Working with Us. <ul style="list-style-type: none"> <li>- Leveraging Resources</li> <li>- Guidance</li> <li>- Access to Tools</li> <li>- Reporting</li> <li>- Operations Manuals and Documentation</li> <li>- CRM</li> </ul>	6	-	Virtual
Execution	4	2	Virtual
<b>TOTALS:</b>	170 Hours	8 Hours	

Training classes will be scheduled in accordance with the needs of new franchisees. We anticipate holding training classes three to six times per year. Training will be held virtually. We reserve the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the initial training program.

The instructional materials consist of the Brand Standards Manual and other materials, lectures, discussions, and on-the-job demonstration and practice.

Training classes will be directly managed by Mr. Daniel Sandon. His experience is described in Item 2. Mr. Sandon has 3 years of experience in the industry and 3 years of experience with us. This is the minimum amount of training that any instructor will have.

Training classes will also be led or supervised by Jason Guerrettaz and Ron Matheson. Their experience is described in Item 2. Mr. Guerrettaz has 11 years of experience in our industry, and 1 years of experience with us or our affiliates. Mr. Matheson has more than 18 years of experience in our industry and 10 years of experience with us or our affiliates.

There is no fee for your principal executive to attend training, and the cost of this training is included in your initial Franchise Fee.

You and all of your brokers who will be representing the Website Closers brand must attend training. You must complete training to our satisfaction prior to opening your business.

Your business must at all times be under your on-site supervision or under the on-site supervision of a general manager who has completed our certification/training program. If you need to send a new general manager or broker to our certification training program (or any persons other than the initial principal executive), we will charge our certification fee, which is currently \$25,000.

If you need special support or other non-certification program training, our current daily training fee is \$1,500 per day.

We do currently require additional training programs or refresher courses every year which may be required in person or virtually.

## **Item 12 TERRITORY**

### **Your Location**

We anticipate that you will manage from your home (or the home of the franchisee's principal executive, if the franchisee is an entity) or from a small office setting. Your primary office must be located in your territory.

Your franchise is for a specific location. If the specific location is not known at the time you sign a franchise agreement, then your location is subject to our approval.

### **Grant of Territory**

Your franchise agreement will specify a territory, which will be determined by us in our sole discretion. Your territory will have a population of approximately 500,000-1,000,000 people. Your territory will usually be specified as an area surrounding your location; however, we may use other boundaries or identifiers (such as counties or other political boundaries, streets, geographical features, or trade area) in order to set such territories.

Because Franchisor operates in the tech and internet space, and because leads provided by Franchisor will tend to be worldwide and virtual in nature, the location of a particular business associated with a lead will have no bearing on any territories for any Franchisees. Rather, leads will be provided around the globe as determined by the Franchisor, in its sole discretion. Your territory provides you protection from other Franchisees being physically located in your territory (meaning that other Franchisees won't be permitted to maintain a "store front" or "retail" location, as opposed to having a home office in the territory), but does not provide exclusivity to the customers or leads that may be so located in that territory.

### **Relocation; Establishment of Additional Outlets**

You do not have the right to relocate your business, and we have no obligation to approve any request for relocation. Our policy is to approve relocation of a franchisee's business on case-by-case basis.

You do not have the right to establish additional franchised outlets or expand into additional territory. 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) have demonstrated your capability to operate a multi-territory franchise successfully, and (4) obtain our agreement.

You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises.

### Territory Protection

We grant you a protected territory. You will have territorial protections in that no other franchisee-owned or company-owned offices will be physically located in your territory that sell the same of similar goods or services under the same or similar trademarks as a Website Closers outlet.

However, 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.

The continuation of your territorial protection does not depend on achieving a certain sales volume, market penetration, or other contingency. There are no circumstances that permit us to modify your territorial rights.

### Soliciting by You Outside Your Territory

There are no restrictions on you from soliciting or accepting Online Leads from customers outside or inside of your territory, except that we reserve the right to control all marketing. All marketing efforts must be approved by Franchisor.

### Restrictions on Us from Soliciting or Accepting Orders in Your Territory

There are no restrictions of any kind or nature on us soliciting or accepting leads from clients or potential clients inside your territory. We reserve the right to use any and all channels of distribution, marketing and advertising, such as the internet, catalog sales, telemarketing, social media or other direct marketing sales, to generate leads within your territory using our principal trademarks or using trademarks different from the ones you will use under your franchise agreement. We do not pay any compensation to you for soliciting or accepting leads from inside your territory.

### Competition by Us Under Different Trademarks

We also operate Seller Force which also offers business brokerage services; however, the deals brokered under Seller Force are generally smaller than those brokered under Website Closers. Some of our franchisees can choose to broker a deal under Seller Force, but they are not required to do so. We currently do not sell Seller Force franchises, and do not have any intention to do so. Seller Force operates out of 7575 Kings Point Parkway, Orlando, Florida 32819, and it maintains a separate office from us.

Other than this, neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement allows us to do so.

## Item 13 TRADEMARKS

### Principal Trademark

The following is the principal trademark that we license to you. This trademark is owned by our Affiliate, Website Closers, LLC. We do have a federal registration for our principal trademark.

Trademark	Registration Date	Registration Number
	April 7, 2020	6027624
Website Closers	January 28, 2020	5974331

Because the federal trademark registration is less than six years old, no affidavits are required at this time, and no required affidavits have been filed. The registration has not yet been renewed.

### Determinations

There are no currently 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 a trademark.

### Agreements

Website Closers, LLC our affiliate, owns the trademarks described in this Item. Under an Intercompany License Agreement between us and Website Closers, LLC, we have been granted the exclusive right to sublicense the trademarks to franchisees throughout the United States. The agreement is of perpetual duration. It may be modified only by mutual consent of the parties. It may be canceled by our affiliate only if (1) we materially misuse the trademarks and fail to correct the misuse, or (2) we discontinue commercial use of the trademarks for a continuous period of more than one year. The Intercompany License Agreement specifies that if it is ever terminated, your franchise rights will remain unaffected.

## Protection of Rights

We protect your right to use the principal trademarks listed in this Item, and we protect you against claims of infringement or unfair competition arising out of your use of the trademarks, to the extent described in this section.

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 trademark 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 trademark licensed by us to you.

If you use our trademarks in accordance with the franchise agreement, then (i) we will defend you (at our expense) against any legal action by a third party alleging infringement by your use of the trademark, and (ii) we will indemnify you for expenses and damages if the legal action is resolved unfavorably to you.

Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense. You will have a reasonable period of time to comply with the change, not to exceed 90 days. After such period, you would no longer have the right to use the unmodified or discontinued trademark. Your rights under the franchise agreement do not change, other than the modification or discontinuation of the trademark. You do not have any rights to compensation or otherwise under the franchise agreement if we require you to modify or discontinue using any trademarks.

## 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 principal trademarks. You should understand that there could be other businesses using trademarks, trade names or other symbols similar to our Marks with superior rights to our rights. Before starting your business, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise in order to avoid the possibility of having to change your business name.

## **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 Brand Standards Manual as well as all other 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, at your expense.

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

### Proprietary Information

We have a proprietary, confidential Brand Standards 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, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

All customer data and point-of-sale data generated by your business is confidential information and is exclusively owned by us. We license such data back to you without charge solely for your use in connection with your Website Closers business.

You (and your owners, if the franchise is owned by an entity) must protect the confidentiality of our Brand Standards Manual and other proprietary information, and you must use our confidential information only for your franchised business. We may require your managers, associate brokers (and their spouses), and key employees to sign confidentiality agreements.

You must disclose to us all ideas, plans, improvements, concepts, methods, and techniques relating to your Website Closers business that you conceive or develop. We will automatically own all such innovations, and we will have the right to incorporate any innovations into our system for use by all franchisees, without any compensation to you.

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

**Your Participation**

You are not required to participate personally in the direct operation of your business. However, we recommend that you participate.

If you are the sole owner of the business, then you are deemed the “Principal Executive”. If the business is owned through a corporation or limited liability company, you must designate one owner as your “Principal Executive”. The Principal Executive is the owner primarily responsible for the business and has decision-making authority on behalf of the business. The Principal Executive must own at least 10% of the business. The Principal Executive must successfully complete our initial training/certification program. The Principal Executive must complete any post-opening training programs that we develop in the future. The Principal Executive must make reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls), including regional or national brand conferences, that we require. The Principal Executive cannot fail to attend more than three consecutive required meetings.

If your business is owned by an entity, all owners of the business, and their spouses, must sign our Guaranty and Non-Compete Agreement (see Attachment 3 to Exhibit B).

**“On-Premises” Supervision**

You are not required to personally conduct “on-premises” supervision (that is, act as general manager) of your business. However, we recommend on-premises supervision by you.

There is no limit on who you can hire as an on-premises supervisor. The general manager of your business (whether that is you or a hired person) must successfully complete our training program.

If the franchise business is owned by an entity, we do not require that the general manager own any equity in the entity.

**Restrictions on Your Manager**

If we request, you must have your general manager (as well as any associate brokers (and their spouses) and other key employees that we reasonably designate) sign a confidentiality and non-compete agreement. We will not require you to enter into a confidentiality and non-compete agreement that violates applicable state law. We do not require you to place any other restrictions on your manager, except that your general manager must have completed our certification program.

**Item 16**  
**RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer for sale only goods and services that we have approved, including the types of businesses and transactions for which you can act as a broker.

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 we can require you to not have physical access to such customers outside of your territory.

**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.

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
a. Length of the franchise term	Franchise Agreement (FA): § 3.1	5 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 3 additional 5-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 5-year term. You may be asked to sign a contract with materially different terms and conditions than your original contract.  To renew, you must give advance notice to us; be in compliance with all contractual obligations to us and third parties; must have substantially complied with the franchise agreement and other agreements with us throughout the term; conform your business to then-current standards; sign then-current form of franchise agreement and related documents (including personal guaranty); sign general release (unless prohibited by applicable law).

Provision	Section in franchise or other agreement	Summary
		If you continue operating your franchise after the expiration of the term without a renewal agreement, then we may either terminate your operation at any time or deem you to have renewed your agreement for a 5-year term.
d. Termination by franchisee	FA: § 14.1	If we violate a material provision of the franchise agreement and fail to cure or to make substantial progress toward curing the violation within 30 days after notice from you.
e. Termination by franchisor without cause	Not Applicable	
f. Termination by franchisor with cause	FA: § 14.2	We may terminate your franchise agreement for cause, subject to any applicable notice and cure opportunity.
g. “Cause” defined--curable defaults	FA: § 14.2	Non-payment by you (10 days to cure); violate franchise agreement other than non-curable default (30 days to cure); operate in a manner dangerous to health or safety (48 hours to cure).
h. “Cause” defined--non-curable defaults	FA: § 14.2	Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; violation of law; violation of confidentiality; violation of non-compete; violation of transfer restrictions; slander or libel of us; refusal to cooperate with our audit or evaluation; cease operations for more than 5 consecutive days; three defaults in 12 months; cross-termination; charge or conviction of, or plea to, a felony, commit or be accused of an act that is reasonably likely to materially and unfavorably affect our brand; any other breach of franchise agreement which by its nature cannot be cured.
i. Franchisee’s obligations on termination/non-renewal	FA: §§ 14.3 – 14.6	Pay all amounts due; return Manual and proprietary items; cancel assumed names; cancel or transfer phone, post office boxes, directory listings, and digital marketing

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
		accounts; cease doing business; remove identification; purchase option by us.
j. Assignment of agreement by franchisor	FA: § 15.1	Unlimited
k. “Transfer” by franchisee - 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 related documents (including personal guaranty); you’ve made all payments to us and are in compliance with all contractual requirements; buyer completes training program; you sign a general release (subject to state law); business complies with then-current system specifications.
n. Franchisor’s right of first refusal to acquire franchisee’s business	FA: § 15.5	If you want to transfer your business (other than to your co-owner or to your spouse, sibling, or child), we have a right of first refusal.
o. Franchisor’s option to purchase franchisee’s business	§ 14.6	When your franchise agreement expires or is terminated, we will have the right to purchase any or all of the assets of your Website Closers business.
p. Death or disability of franchisee	FA: §§ 2.4, 15.4	If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months.
q. Non-competition covenants during the term of the franchise	FA: § 13.2	Neither you, any broker or owner of the business, or any spouse of a broker or owner may have ownership interest in, lend money or

Provision	Section in franchise or other agreement	Summary
		<p>provide financial assistance to, provide services to, or be employed by, any competitor.</p> <p>Additionally, you may not assist others, engage in the sale, discussions of sale, solicitation for sale, or marketing for sale of any business in the Digital Space or any other business we conduct.</p>
r. Non-competition covenants after the franchise is terminated or expires	FA: § 13.2	<p>For two years, neither you, any broker or owner of the business, or any spouse of a broker or owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a competitor operating within five miles of your former territory or within five miles of the territory of any other Website Closers business operating on the date of termination or expiration.</p> <p>Additionally, for two (2) years you shall not, anywhere in the world, in any manner, directly or indirectly or by assisting others, engage in the sale, discussions of sale, solicitation for sale, or marketing for sale of any business in the Digital Space or any other business conducted by the us during the term of the agreement.</p>
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 franchise agreement 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.

Provision	Section in franchise or other agreement	Summary
u. Dispute resolution by arbitration or mediation	FA: § 17.1	All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	FA: §§ 17.1; 17.5	Arbitration will take place where our headquarters is located (currently, Orlando, Florida) (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
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.

The following tables show the historical reported information for the 15 franchisees in the United States (each an “**Operational Franchisee**”) were open and operating for the entire year January 1, 2022, to December 31, 2022 (the “**2022 Reporting Period**”). This Item 19 does not include information for any of our Canadian franchisees or the 12 franchisees that were franchises at some point during 2022 but were not open and operating for the entire 2022 Reporting Period, of which 10 opened during 2022 and 2 of which are franchisees but elected to stop operating active franchise businesses during 2022.

We prepared the information below from our information and from information provided by our franchisees and the information we received on the transactions at issue. These reported results are not audited, and we have not independently verified data provided by our franchisees, although we believe it to be accurate.

Of the outlets represented in the sample, all outlets (100%) met the stated results in the tables below.

**Table 1-Net Commissions After Royalties (2022 Reporting Period)**

The following table shows the historical reported information for the average, median, low and high annual Net Commissions After Royalties for the 15 Operational Franchisees during the 2022 Reporting Period. “Net Commissions” is defined in our franchise agreement as the total Gross Commissions for a particular transaction less any referral fees or similar expenses incurred in connection with that transaction, and this table shows the Net Commissions that the Operational Franchisees received after our royalties were paid.

	<b>Highest</b>	<b>Lowest</b>	<b>Average</b>	<b>Median</b>
Net Commissions After Royalties-2022 Reporting Period	\$732,325	\$3,500	\$163,710	\$48,000

**Table 2-Net Commissions By Transaction (2022 Reporting Period)**

The following table shows the historical reported information for the average, median, low and high annual Net Commissions based on all of the transactions initiated by the 15 Operational Franchisees during the 2022 Reporting Period.

	<b>Highest</b>	<b>Lowest</b>	<b>Average</b>	<b>Median</b>
Net Commissions (Transaction)-2022 Reporting Period	\$229,500	\$2,475	\$37,207	\$21,431

Notes:

1. The foregoing data are historic financial performance representations. They are not projections of future performance.
2. There are no cost of sales figures described in this Item 19. You should review and account for your operating expenses in order to come to a Net Profit number which may include any or all of the following, Marketing Expense, Rent, Labor Costs, Insurance, Vehicle, Travel or other expenses associated with operating a business brokerage.

3. **Figures shown are based on transactions completed during 2022. Your individual results may differ. There is no assurance that you'll sell or earn as much.**
4. Written substantiation of the information contained in this Item 19 will be made available to prospective franchisees upon reasonable request.

Except for what is included here, 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 Jason Guerrettaz and Ron Matheson, 7575 Kings Pointe Pkwy Ste2, Orlando FL 32819, and 800-251-1559, the Federal Trade Commission, and the appropriate state regulatory agencies.

## Item 20 OUTLETS AND FRANCHISEE INFORMATION

**Table 1**  
**Systemwide Outlet Summary\***  
**For years 2019 to 2021**

<b>Column 1 Outlet Type</b>	<b>Column 2 Year</b>	<b>Column 3 Outlets at the Start of the Year</b>	<b>Column 4 Outlets at the End of the Year</b>	<b>Column 5 Net Change</b>
Franchised	2020	0	6	+6
	2021	6	16	+10
	2022	16	27	+11
Company-Owned	2020	1	1	0
	2021	1	1	0
	2022	1	1	0
<b>Total Outlets</b>	<b>2020</b>	<b>1</b>	<b>7</b>	<b>+6</b>
	<b>2021</b>	<b>7</b>	<b>17</b>	<b>+10</b>
	<b>2022</b>	<b>17</b>	<b>28</b>	<b>+11</b>

\* These tables are for the United States only.

**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
N/A	2020	0
	2021	0
	2022	0
<b>Total</b>	<b>2020</b>	<b>0</b>
	<b>2021</b>	<b>0</b>
	<b>2022</b>	<b>0</b>

**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	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
California	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	2	0	0	0	0	3
Colorado	2020	0	0	0	0	0	0	0
	2021	0	2	0	0	0	0	2
	2022	2	0	0	0	0	0**	2
Florida	2020	0	3	0	0	0	0	3
	2021	3	3	0	0	0	0	6
	2022	6	3*	0	0	0	0**	9
Missouri	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Massachusetts	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0

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
	2022	0	2	0	0	0	0	2
New York	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
North Carolina	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Ohio	2020	0	1	0	0	0	0	1
	2021	1	2	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Puerto Rico	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Tennessee	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Texas	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
<b>Totals*</b>	<b>2020</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>
	<b>2021</b>	<b>6</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>
	<b>2022</b>	<b>16</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27</b>

\* One of these is a partnership for which one owner is in Florida and the other is in Pennsylvania; for purposes of this Item 20, it is considered to be in Florida.

\*\* One franchisee in Colorado and two in Florida are not actively taking leads at this time but still have active franchisee agreements.

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

<b>Column 1 State</b>	<b>Column 2 Year</b>	<b>Column 3 Outlets at the Start of the Year</b>	<b>Column 4 Outlets Opened</b>	<b>Column 5 Outlets Reacquired From Franchisee</b>	<b>Column 6 Outlets Closed</b>	<b>Column 7 Outlets Sold to Franchisee</b>	<b>Column 8 Outlets at End of the Year</b>
Florida	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
<b>Totals</b>	<b>2020</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
	<b>2021</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
	<b>2022</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

**Table 5**  
**Projected Openings As Of December 31, 2022**

<b>Column 1 State</b>	<b>Column 2 Franchise Agreements Signed But Outlet Not Opened</b>	<b>Column 3 Projected New Franchised Outlets In The Next Fiscal Year</b>	<b>Column 4 Projected New Company- Owned Outlets In the Next Fiscal Year</b>
California	0	1	0
Florida	0	2	0
<b>Totals</b>	<b>0</b>	<b>3</b>	<b>0</b>

#### 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.

#### 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**

Exhibit D contains our audited financial statements dated December 31, 2022; December 31, 2021; and December 31, 2020. Exhibit D also contains our unaudited financial statements as of April 30, 2023. Our fiscal year end is December 31.

## **Item 22 CONTRACTS**

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

- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Form of General Release
- H. State Addenda to Franchise Agreement
- I. Associate Broker Independent Contractor Form

## **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 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 2101 Arena Blvd. Sacramento, CA 95834 866-275-2677 www.dfpi.ca.gov Ask.DFPI@difpi.ca.gov	
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 <sup>th</sup> Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7 <sup>th</sup> Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, NY 10005 212-416-8222	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 Building 68-2 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 P.O. Box 9033 Olympia, WA 98507 (360) 902-8760	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 4822 Madison Yards Way Madison, WI 53705 (608) 266-0448	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 261-7577

**EXHIBIT B**  
**FRANCHISE AGREEMENT**



## FRANCHISE AGREEMENT

SUMMARY PAGE	
1. Franchisee	_____
2. Initial Franchise Fee	_____
3. Location	_____
4. Territory	_____
5. Opening Deadline	_____
6. Principal Executive	_____
7. Franchisee's Address	_____

## FRANCHISE AGREEMENT

This Agreement is made between Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”), and Franchisee effective as of the date signed by WCF (the “Effective Date”).

### Background Statement:

A. WCF and its affiliate Website Closers, LLC have created and own a system (the “System”) for operating a business that represents owners looking to sell their technology, ecommerce or internet business under the trade name “Website Closers”. These businesses are more commonly known as a “business brokerage” businesses.

B. The System includes (1) methods, procedures, and standards for developing and operating a Website Closers brokerage business, (2) particular products and services, (3) the Marks, (4) training programs, (5) business knowledge, (6) marketing plans and concepts, and (7) other mandatory or optional elements as determined by WCF from time to time.

C. The parties desire that WCF license the Marks and the System to Franchisee for Franchisee to develop and operate a Website Closers business on the terms and conditions of this Agreement.

## ARTICLE 1. DEFINITIONS

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

“**Advertising and Promotional Content**” means all advertising, marketing, promotional, customer relationship management, public relations, and other brand-related programs, materials, and content relating to Website Closers or the Business, including without limitation any printed materials (such as business cards, signs, counter cards, banners, posters, displays, window clings, leaflets, direct mail materials, coupons, and published advertisements); promotional items (such as branded specialty and novelty items, products, and clothing); audio or video advertising (such as radio, television, or podcast ads or online video postings); and Digital Marketing.

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

“**Associate Broker**” any broker or other person engaged by Franchisee that, following the appropriate WCF certification process, arranges a transaction between a client and a buyer or seller of a business on behalf of WCF or any of its affiliates.

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

“**Competitor**” means any business that offers business brokerage services (buy side and/or sell side) and/or consulting services that focuses more than 50% of its work on clients in the following

categories: technology, internet, software, digital marketing, digital services, ecommerce, amazon sellers or similar businesses that are primarily digital in nature.

**“Confidential Information”** means all non-public information of or about the System, WCF, and any Website Closers business, including all methods for developing and operating the Business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

**“Data Security Event”** means any act, both actual or suspected, that initiates either internally or from outside the Business’ computers, point-of-sale terminals, and other technology or networked environment and violates any laws or explicit or implied security policies, including attempts (either failed or successful) to gain unauthorized access (or to exceed authorized access) to the System, other Website Closers businesses, or their data or to view, copy, or use Privacy Information or Confidential Information without authorization or in excess of authorization; unwanted disruption or denial of service; unauthorized use of a system for processing or storage of data; and changes to system hardware, firmware, or software characteristics without WCF’s knowledge, instruction, or consent.

**“Digital Marketing”** means social media accounts (such as Facebook, Twitter, Instagram, Pinterest, Snapchat, TikTok, etc.), applications, keyword or adword purchasing programs, accounts with websites featuring gift certificates or discounted coupons (such as Groupon, Living Social, etc.), mobile applications, online videos, display banner campaigns, branded content social media campaigns, e-mail marketing campaigns, or other means of digital advertising on the Internet or any other means of digital or electronic communications that are intended to promote Website Closers and/or the Business.

**“Gross Commissions”** means the total dollar amount of all commissions and other revenues generated through the Business for a given period, including, but not limited to, payment for any services or products sold by Franchisee, whether for cash or credit. Gross Commissions does not include (i) bona fide refunds to customers; (ii) sales taxes collected by Franchisee, or (iii) commissions earned by brokers outside of the Franchised Business.

**“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.

**“Location”** means the location stated on the Summary Page. If no location is stated on the Summary Page, then the Location will be determined in accordance with Section 6.1.

**“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 WCF’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 WCF’s confidential Brand Standards Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

**“Marks”** means the trade name and logo contained on the Summary Page, and all other trade names, trademarks, service marks and logos specified by WCF from time to time for use in a Website Closers business.

**“Net Commissions”** on a particular transaction means the Gross Commissions for that particular transaction less any referral fees or similar expenses incurred in connection with the transaction.

**“Owner”** means each person or entity which directly or indirectly owns or controls any equity of Franchisee. If Franchisee is an individual person, then “Owner” means Franchisee.

**“Privacy Information”** means all information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Privacy Information includes but is not limited to, the following if it identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household: identifiers such as a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, social security number, driver’s license or state identification card number, passport number, signature, physical characteristics or description, telephone number, insurance policy number, bank account number, credit card number, debit card number or any other financial information, medical information or health insurance information; characteristics of protected classifications under state or federal law; commercial information, including records of personal property, products or services purchased, obtained or considered, or other purchasing or consuming histories or tendencies; biometric information; Internet or other electronic network activity information including, but not limited to, browsing history, search history, and information regarding a consumer’s interaction with an internet website, application, or advertisement; geolocation data; audio or electronic information; professional or employment-related information; education information that is not publicly available personally identifiable information as defined in the Family Educational Rights and Privacy Act (20 USC § 1232g; 34 CFR Part 99); and inferences drawn from any of the information identified in this subsection to create a profile about a consumer reflecting the consumer’s preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities and aptitudes. Privacy Information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

**“Required Vendor”** means a supplier, vendor, or distributor of Inputs which WCF requires franchisees to use.

**“System Standards”** means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by WCF, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, customer service, data protection and privacy, design, environmental protection and sustainability, equipment, inventory, maintenance, marketing and public relations, minimum numbers and types of personnel, operating days, operating hours, presentation of Marks, product and service offerings, quality of products and services (including any guaranty and warranty programs), reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, point-of-sale or CRM systems, back-office systems, information management systems, security systems, video monitors, other software, backup and archiving systems,

communications systems (including email, audio, and video systems), payment acceptance systems (including credit and debit card systems, check verification services, and other payment systems, as well as any compliance programs relating to those systems), internet access (as well as upgrades, supplements, and modifications thereto), temporary operational changes due to special circumstances (such as a pandemic), uniforms, and vehicles.

“**Territory**” means the territory stated on the Summary Page. If no territory is stated on the Summary Page, then the Territory is determined in accordance with Section 6.1.

“**Transfer**” means for Franchisee (or any Owner) 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.** WCF grants to Franchisee the right to operate a Website Closers business solely at the Location. If no Location is stated on the Summary Page when this Agreement is signed, then the parties will determine the Location in accordance with Section 6.1. Franchisee shall develop, open and operate a Website Closers business at the Location for the entire term of this Agreement. Franchisee shall exert its best efforts to promote and enhance the Business.

**2.2 Protected Territory.** WCF shall not establish, nor license the establishment of, another business having a retail or storefront location physically located within the Territory selling the same or similar goods or services under the same or similar trademarks or service marks as a Website Closers business. WCF and its affiliates retain the right to do any of the following (all without any compensation to Franchisee):

- (i) serve (or authorize other franchisees to serve) customers in the Territory so long as such services provided by WCF (or other franchisees) are not provided from a physical location in the Territory;
- (ii) establish and license others to establish and operate Website Closers businesses outside the Territory, notwithstanding their proximity to the Territory or their impact on the Business;
- (iii) operate and license others to operate businesses anywhere, including within the Territory, that sell the same or similar goods or services as a Website Closers business under trademarks or service marks that are not the same as or similar to the Marks;
- (iv) sell and license others to sell any products and services in the Territory under any trademarks or service marks (including the Marks) through channels of distribution (including the internet) other than Website Closers outlets;
- (v) acquire or be acquired by (under any form of business transaction) a Competitor that has (or may in the future have) outlets in the Territory which compete with the Business under trademarks or service marks other than the Marks; and

- (vi) engage in any action not specifically precluded by the express terms of this Agreement.

**2.3 Franchisee Control.** Franchisee represents that Attachment 1 (i) identifies each owner, officer and director of Franchisee, and (ii) describes the nature and extent of each owner's interest in Franchisee. If any information on Attachment 1 changes (which is not a Transfer), Franchisee shall notify WCF within 10 days.

**2.4 Principal Executive.** Franchisee agrees that the person designated as the "Principal Executive" on the Summary Page is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. WCF is entitled to rely on any communication, decision, or act by the Principal Executive as being the communication, decision, or act of Franchisee. The Principal Executive must have at least 10% ownership interest in Franchisee. The Principal Executive does not have to serve as a day-to-day general manager of the Business, but the Principal Executive must devote substantial time and attention to the Business. If the Principal Executive dies, becomes incapacitated, transfers his/her interest in Franchisee, or otherwise ceases to be the executive primarily responsible for the Business, Franchisee shall promptly designate a new Principal Executive, subject to WCF's reasonable approval.

**2.5 Guaranty.** If Franchisee is an entity, then Franchisee shall have each Owner sign a personal guaranty of Franchisee's obligations to WCF, in the form of Attachment 3.

**2.6 No Conflict.** Franchisee represents to WCF that Franchisee and each of its Owners (i) are not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) are not a direct or indirect owner of any Competitor, and (iii) are not listed or "blocked" in connection with, and are not in violation under, any anti-terrorism law, regulation, or executive order.

### ARTICLE 3. TERM

**3.1 Term.** This Agreement commences on the Effective Date and continues for 5 years.

**3.2 Successor Agreement.** When the term of this Agreement expires, Franchisee may enter into a successor agreement for up to 3 additional periods of 5-years each, subject to the following conditions prior to each expiration:

- (i) Franchisee notifies WCF of the election to renew between 90 and 180 days prior to the end of the term;
- (ii) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with WCF (or any of its affiliates) at the time of election and at the time of renewal;
- (iii) Franchisee (and its affiliates) have been in substantial compliance with this Agreement and all other agreements with WCF (or any of its affiliates) throughout the term of any such agreement(s);

- (iv) Franchisee has made or agrees to make (within a period of time acceptable to WCF) changes to the Business as WCF requires to conform to the then-current System Standards;
- (v) Franchisee operates its business brokerage pursuant to all guidelines, operating requirements and standards as required by Franchisor, and which may be updated from time to time by Franchisor in its sole discretion;
- (vi) Franchisee and its Owners execute WCF's then-current standard form of franchise agreement and related documents (including personal guaranty), which may be materially different than this form (including, without limitation, higher and/or different fees), except that the form of the franchise agreement will be amended to provide that Franchisee will not pay another initial franchise fee and will not receive more renewal or successor terms than originally granted to Franchisee; and
- (vii) Franchisee and each Owner executes a general release (on WCF's then-standard form) of any and all claims against WCF, 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 in the amount stated on the Summary Page. This initial franchise fee is not refundable under any circumstances.

#### **4.2 Royalty Fee.**

(a) Except as provided in subsection (b), Franchisee shall pay WCF a royalty fee (the "Royalty Fee") equal to 50% of Net Commissions.

(b) Once a Franchisee becomes eligible to engage Associate Brokers to operate transactions within the Franchisee's Business, an exception exists for a Reduction (defined below) to the Royalty Fee. Throughout a given calendar year, a Franchisee's Business is reviewed to identify whether (a) it has at least 1 Associate Broker that is running active deals as a listing agent, and (b) the total Gross Commission of all Associate Brokers that work for the Franchisee represents a minimum of ten percent (10%) of the annual accumulated Gross Commissions ("AAGC") for the Franchisee's franchise. During the times in any given calendar year that those two (2) requirements ("Requirements") are both met, the Royalty Fee shall be eligible for a reduction ("Reduction") to the percentages set forth in Table 1 below:

<b>Table 1</b>	
<b>AAGC Tiers</b>	<b>Royalty Fee Percentage of Net Commission</b>
\$1,000,000 - \$1,500,000	45%

\$1,500,001 - \$2,000,000	40%
\$2,000,001 - \$4,000,000	35%
\$4,000,001 and over	30%

The Requirements will be measured each time a transaction closes to determine whether a Reduction is appropriate for that particular transaction. For purposes of the Reduction, AAGC shall be defined as all fees earned by a Franchisee's Business (including all Franchisees and Associate Broker(s) within that franchise) whether as the listing broker of a transaction or as the buy side broker (in a transaction where a buyer is presented to another broker's deal that operates outside of Franchisee's franchise). Buy side commissions earned by any Franchisee or any of its Associate Brokers shall be included in the AAGC calculation for purposes of the Requirements analysis (but AAGC will not include other commissions earned on a deal by others in the firm – only the buy side allocation of the commission will be included). Reductions are specific to a Franchisee's Business and do not affect the commissions of other brokers and/or other Website Closers franchises. The AAGC calculation begins on January 1 of each year and is reset to zero on January 1st of each new year, and the Requirements and AAGC tiers would have to be met in the new calendar year in order for the Reduction to be available in that next year.

This section 4.2(b) only applies during such periods that Franchisee has engaged or employed an Associate Broker that has completed WCF's certification training program. In addition, it is possible that this section 4.2(b) may apply to some transactions in a given calendar year but not apply to other earlier or later transactions during that same calendar year if the Requirements have not been achieved (since the Requirements are measured on a transaction-by-transaction basis).

As an example only, if a Franchisee's Business had an AAGC in March of any given year of \$450,000, Franchisee would have earned a 50/50 split of Net Commissions with Franchisor on all of the deals closed year to date. However, if in April of that same calendar year Franchisee's Business met all Requirements and then closed a transaction with \$650,000 in Gross Commissions, then the AAGC for that Franchisee's franchise would then be \$1.1M, and the Franchisor would be entitled to a 50% Royalty on the first \$550,000 in Net Commissions for that transaction, and the Franchisor would be entitled to a 45% Royalty on the remaining Net Commissions for that particular transaction. If in this example, Franchisee's Business were then to close another transaction in May of that year that resulted in \$600,000 in Gross Commissions and the Requirements were still being met, the AAGC for the Franchisee's Business would be \$1.7M year to date through May, and thus, the Franchisor would be entitled to a 45% Royalty on the Net Commissions for the first \$400,000 in Gross Commissions (the portion between \$1M and \$1.5M in AAGC) for that transaction, and a 40% Royalty on the remaining Net Commissions for that transaction.

(c) WCF shall be permitted to withdraw any referral fees or similar charges which are incurred in connection with a particular sales transaction.

**4.3 Marketing Contributions.** If the Business participates in a Market Cooperative, then Franchisee shall contribute to the Market Cooperative a percentage of Gross Commissions (or other amount) determined by the Market Cooperative.

**4.4 Training Fees.**

(a) If Franchisee sends an Associate Broker, general manager, or other employee to WCF's certification training program, WCF may charge its then-current certification fee (currently, \$25,000 per person). Franchisee is required to pay this certification fee for all of Franchisee's personnel who attend training (except for Franchisee's initial Principal Executive). The certification fee is non-refundable except as provided in this section. If any individual is unable to complete the WCF certification program to WCF's satisfaction (including obtaining a passing score as set by WCF on any testing related to the certification program), despite that person acting reasonably diligent to complete such training program, then WCF will refund to Franchisee all but \$5,000 of any portion of the certification fee paid in connection with that individual (however, that individual will not be permitted to be employed by or engaged by Franchisee as a broker, Associate Broker, or general manager).

(b) With respect to each certification fee set forth in Section 4.4(a), Franchisee shall pay that fee as follows: (i) \$10,000 upon signing up each individual for the certification program, and (ii) the remaining portion is payable by Franchisee paying an additional 10% of all Net Commissions generated from the Business until the balance is paid in full.

(c) For any training other than the initial training and the certification training, Franchisee shall pay WCF's then-current fee (currently \$1,500 per day).

**4.5 Non-Compliance Fee.** WCF 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 WCF) which Franchisee fails to cure after 30 days' notice. Thereafter, WCF may charge Franchisee \$250 per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of WCF's internal cost of personnel time attributable to addressing the non-compliance, and it is not a penalty or estimate of all damages arising from Franchisee's breach. The non-compliance fee is in addition to all of WCF's other rights and remedies (including default and termination under Section 14.2).

**4.6 Technology Fee.** WCF reserves the right to charge Franchisee a commercially-reasonable fee (the "Technology Fee") in exchange for software and other technology-related services and products provided by or through WCF. The Technology Fee does not have to be a pass-through of WCF's exact costs. WCF has no liability or obligation to Franchisee with respect any third-party software or other technology-related services and products that WCF provides to Franchisee. The Technology Fee for a given period is due and payable at the same time as the Royalty Fee, unless WCF determines otherwise. WCF may add, remove, or alter the software or technology products or services that it provides. WCF may change Technology Fee after at least 30 days' notice.

**4.7 Reimbursement.** WCF may (but is never obligated to) pay on Franchisee's behalf any amount that Franchisee owes to a supplier or other third party. If WCF does so or intends to do so,

Franchisee shall pay such amount plus a 10% administrative charge to WCF within 15 days after invoice by WCF accompanied by reasonable documentation.

#### **4.8 Payment Terms.**

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Technology Fee, and all other amounts owed to WCF by wire transfer or in such other manner as WCF may require. Franchisee shall comply with WCF's payment instructions, including executing all documents reasonably required by WCF. If WCF permits Franchisee to pay by credit card or other method which causes WCF to incur a processing fee, Franchisee shall be responsible for the amount of the processing fee.

(b) Calculation of Fees. All Gross Commissions are paid directly to an account owned by Website Closers. Franchisees are not permitted under any circumstances to collect any funds from any source. WCF shall withdraw estimated Royalty Fees and any other amounts due WCF, and remit the balance to Franchisee. Franchisee acknowledges that WCF has the right to remotely access Franchisee's CRM and other computer systems to calculate Gross Commissions and Net Commissions.

(c) Late Fees and Interest. If Franchisee does not make a payment on time, Franchisee shall pay a \$100 "late fee" plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law).

(d) Insufficient Funds. WCF may charge \$30 for any payment returned for insufficient funds (or, if such amount exceeds the maximum allowed by law, then the fee allowed by law).

(e) Costs of Collection. Franchisee shall repay any costs incurred by WCF (including reasonable attorney fees) in attempting to collect payments owed by Franchisee.

(f) Application. WCF may apply any payment received from Franchisee to any obligation and in any order as WCF may determine, regardless of any designation by Franchisee.

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

(h) Taxes. Franchisee will be responsible for all sales taxes, use taxes, and other taxes imposed on the fees payable by Franchisee to WCF or its affiliates and on services or goods furnished to Franchisee by WCF or its affiliates, unless the tax is an income tax assessed on WCF or its affiliate for doing business in the state where the Business is located.

(i) Distribution of Gross Commissions WCF Receives Directly. WCF shall be entitled to retain its Royalty Fees (and to pay any referral fees or similar expenses) from any transaction immediately upon receipt of any Gross Commissions. WCF shall also be entitled to retain any other amounts due to WCF under this Agreement immediately upon receipt of any Gross Commissions. WCF will distribute Franchisee's portion of such Gross Commissions—after

withdrawing any Royalty Fees or other amounts owed to WCF under this Agreement (and after withdrawing any applicable referral fees or similar amounts) during that month—on or before the 5<sup>th</sup> day of the following month.

(h) Taxes. Franchisee will be responsible for (and shall immediately remit to WCF upon demand) all sales taxes, use taxes, and other taxes imposed on the fees payable by Franchisee to WCF or its affiliates and on services or goods furnished to Franchisee by WCF or its affiliates, unless the tax is an income tax assessed on WCF or its affiliate for doing business in the state where the Business is located.

## ARTICLE 5. ASSISTANCE

**5.1 Manual.** WCF shall make its Manual available to Franchisee in such format as WCF deems appropriate.

### **5.2 Pre-Opening Assistance.**

(a) Selecting Location. If Franchisee is not based out of the home of its Principal Executive, WCF shall provide its criteria for Website Closers locations to Franchisee, and WCF will review and advise Franchisee regarding potential locations submitted by Franchisee. If Franchisee works out of the home of its Principal Executive and does not have a regular office location, Franchisee is required to find a quality co-work location to meet with clients, including the use of shared office spaces through companies like Regus and WeWork. The proposed location (including all information reasonably requested by WCF relating to the proposed location) must be identified and sent to WCF within 2 weeks after the Effective Date. Meetings with clients should not generally take place in public spaces, like coffee shops, restaurants, etc.

(b) Pre-Opening Specifications and Vendors. To the extent not included in the Manual, WCF shall provide Franchisee with (i) applicable System Standards and other specifications as WCF deems appropriate (which may include specifications regarding inventory, supplies, materials, and other matters), and (iv) WCF's lists of Approved Vendors and/or Required Vendors.

(c) Business Plan Review. If requested by Franchisee, WCF shall review and advise on Franchisee's pre-opening business plan and financial projections. **Franchisee acknowledges that WCF accepts no responsibility for the performance of the Business.**

(d) Pre-Opening Training. WCF shall make available its standard pre-opening training to the Principal Executive virtually (although WCF may permit you to attend it at WCF's headquarters or some other location designated by WCF). Franchisee is responsible for any of its own travel, meals, and other out-of-pocket expenses. WCF reserves the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the program.

(e) On-Site Opening Assistance. WCF shall have a representative support Franchisee's business opening with at least 1 day of onsite opening training and assistance.

### **5.3 Post-Opening Assistance.**

(a) Advice, Consulting, and Support. If Franchisee requests, WCF will provide advice to Franchisee (by telephone or electronic communication) regarding improving and developing Franchisee's business, and resolving operating problems Franchisee encounters, to the extent WCF deems reasonable. If WCF provides in-person support in response to Franchisee's request, WCF may charge its then-current fee plus any out-of-pocket expenses (such as travel and meals for employees providing onsite support).

(b) Pricing. Upon request, WCF will provide recommended prices for products and services offered by franchisees of the System.

(c) Procedures. WCF will provide Franchisee with WCF's recommended administrative, bookkeeping, accounting, and inventory control procedures. WCF may make any such procedures part of required (and not merely recommended) System Standards.

(d) Internet. WCF shall maintain a website for Website Closers, which will include Franchisee's location (or territory) and contact information.

(e) Administrative Support. WCF will provide Franchisee with administrative and office support to the extent that WCF deems reasonable. Such support may include:

1. Putting together Offering Memorandums for Deals
2. Managing and Negotiating the Non-Disclosure Process with buyers
3. Managing the flow of money during closings.
4. Launching deals on all networks Website Closers works with (which may change from time to time), on the Website Closers Website, on the Website Closers Facebook page and via Email Blast to the Website Closers subscribers list.
5. Email Management
6. Providing contacts to help with Legal, Accounting and Tax Matters.
7. Connecting franchisees with lending partners.
8. Providing support through the Website Closers' Advisory Counsel to assist with issues that arise during engagement, diligence, closing and the overall deal process.
9. Providing upfront and ongoing education in Mergers & Acquisitions
10. Providing template, legal documents and other materials necessary to make the deal process easier.

(f) **Marketing Support.** Subject to Section 7.21, WCF will provide Franchisee with marketing support and lead generation to the extent that WCF deems reasonable. Digital leads from all across the globe will be provided to the lead pools and allocated across all Website Closers businesses depending on the particular “Deal Size Pool” that Franchisee is in, in accordance with WCF’s then-current standards related to its Deal Size Pool program. WCF has the right to change any aspect of the program at any time without notice.

## **ARTICLE 6. LOCATION, DEVELOPMENT, AND OPENING**

**6.1 Location.** Franchisee is solely responsible for selecting the Location. If the Location is not stated on the Summary Page, then Franchisee shall find a suitable Location that meets WCF’s System Standards (if any) within the Territory. When WCF accepts the Location, it shall issue a Location Acceptance Letter in the form of Attachment 2 which states the Location and Territory. WCF shall determine the Territory in its good faith discretion, substantially in accordance with Item 12 of the Franchise Disclosure Document.

**6.2 Lease.** In connection with any lease between Franchisee and the landlord of the Location (unless the Location is a home-based office): (i) if requested by WCF, Franchisee must submit the proposed lease to WCF for written approval, and (ii) the term of the lease (including renewal terms) must be for a period of not less than the term of this Agreement.

**6.3 Development.** If the Location will be open to the public or used for meeting customers or potential customers, then Franchisee shall construct (or remodel) and finish the Location in conformity with WCF’s System Standards. Franchisee shall not rely upon any information provided or opinions expressed by WCF or its representatives regarding any architectural, engineering, or legal matters (including without limitation the Americans With Disabilities Act) in the development and construction of the Business, and WCF assumes no liability with respect thereto. WCF’s inspection and/or approval to open the Business is not a representation or a warranty that the Business has been constructed in accordance with any architectural, engineering, or legal standards.

**6.4 New Franchisee Training.** Franchisee’s Principal Executive must complete WCF’s training program for new franchisees to WCF’s satisfaction prior to opening the Business.

**6.5 Conditions to Opening.** Franchisee shall notify WCF at least 30 days before Franchisee intends to open the Business. Before opening, Franchisee must satisfy all of the following conditions: (1) Franchisee is in compliance with this Agreement, (2) Franchisee has obtained all applicable governmental permits and authorizations, (3) the Business conforms to all applicable System Standards, (4) WCF has inspected and approved the Business, (5) Franchisee’s Principal Executive has successfully completed all of WCF’s required pre-opening training, including its certification program; and (6) WCF has given its written approval to open, which will not be unreasonably withheld.

**6.6 Opening Date.** Franchisee shall open the Business to the public on or before the date stated on the Summary Page.

## 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., as they are now or hereafter established. Franchisee acknowledges and agrees that the products and services offered under the Marks have a reputation for excellence and that Franchisee's compliance with all System Standards is of the utmost importance to WCF.

**7.2 Compliance with Law.** Franchisee and the Business shall comply with all laws, rules, ordinances, and regulations applicable to Franchisee or to the Business. Franchisee and the Business shall obtain and keep in force all governmental permits and licenses necessary for the Business.

**7.3 Products, Services, and Methods of Sale.** Franchisee shall offer all products and services, and only those products and services, from time to time prescribed by WCF in the Manual or otherwise in writing. Unless otherwise approved or required by WCF, Franchisee shall not make sales by any other means, including without limitation by wholesale, by delivery, by mail order or over the internet, or at temporary or satellite locations. Franchisee shall provide all products and perform all services in a high-quality manner that meets or exceeds the customer's reasonable expectations and all applicable System Standards. Franchisee shall implement any guaranties, warranties, or similar commitments regarding products and/or services that WCF may require.

**7.4 Prices.** Notwithstanding any provision of this Agreement or the Manual to the contrary, Franchisee retains the sole discretion to determine the prices it charges for products and services.

### **7.5 Personnel.**

(a) Management. The Business must at all times be under the supervision of the Principal Executive or a general manager who has completed WCF's training program.

(b) Service. Franchisee shall cause its personnel to render competent and courteous service to all customers and members of the public.

(c) Appearance. Franchisee shall cause its personnel to comply with any dress attire, uniform, personal appearance and hygiene standards set forth in the Manual or in the System Standards.

(d) Qualifications. WCF may set minimum qualifications for categories of employees employed by Franchisee.

(e) Associate Brokers. Once Franchisee has closed at least five transactions for which Franchisee was the listing broker of record, Franchisee may apply to WCF to employ or engage an Associate Broker. The Principal Executive, Franchisee's general manager (if the general manager is not the Principal Executive), and all of Associate Brokers employed by or engaged by Franchisee shall be required to successfully complete WCF's certification program and to obtain a passing score (as set by WCF) on any testing related to that certification program. Should any Associate Broker not obtain a passing score (as set by WCF) on any testing related to that certification program on more than one occasion, WCF shall have the right to not permit such

Associate Broker to be employed or engaged by Franchisee as an Associate Broker, and WCF may refund a portion of any certification fees associated with such Associate Broker as provided in Section 4.4. If Franchisee is an entity, none of Franchisee's Owners (or the Owner's spouses) can be Associate Brokers for Franchisee. WCF reserves the right to require Franchisee and its Associate Brokers to utilize WCF's then-current contract forms in connection with Franchisee's engagement of any Associate Brokers.

(f) **Sole Responsibility.** Franchisee is solely responsible for all hiring decisions and all of the terms and conditions of employment of all of its personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and WCF are not joint employers, and no employee of Franchisee will be an agent or employee of WCF. Within seven days of WCF's request, Franchisee and each of its employees will sign an acknowledgment form stating that Franchisee alone (and not WCF) is the employee's sole employer. Franchisee will use its legal name on all documents with its employees and independent contractors, including, but not limited to, employment applications, timecards, pay checks, and employment and independent contractor agreements, and Franchisee will not use the Marks on any of these documents.

**7.6 Post-Opening Training.** WCF may at any time require that the Principal Executive, any Associate Brokers, and/or any other employees complete training programs, in any format and in any location determined by WCF. WCF may charge a reasonable fee for any training programs (including the Certification Fee set forth in Section 4.4, as applicable). WCF may require Franchisee to provide training programs to its employees. If a training program is held at a location which requires travel by the Principal Executive, Associate Broker, 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 acquire and use all software and related systems required by WCF. Franchisee shall enter into any subscription and support agreements that WCF may require. Franchisee shall upgrade, update, or replace any software from time to time as WCF may require. Franchisee shall protect the confidentiality and security of all software systems, and Franchisee shall abide by any System Standards related thereto. Franchisee shall give WCF unlimited access to Franchisee's CRM system and other software systems used in the Business, by any means designated by WCF.

**7.8 Customer Complaints.** Franchisee shall use its best efforts to promptly resolve any customer complaints. WCF may take any action it deems appropriate to resolve a customer complaint regarding the Business, and WCF may require Franchisee to reimburse WCF for any expenses.

**7.9 Evaluation and Compliance Programs.** Franchisee shall participate at its own expense in programs required from time to time by WCF for obtaining customer evaluations, reviewing Franchisee's compliance with the System, and/or managing customer complaints, which may include (but are not limited to) a customer feedback system, customer survey programs, and mystery shopping. WCF 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 WCF for such programs. WCF may set minimum scores that Franchisee must receive from the public on internet review sites (such as Yelp or Google).

**7.10 Maintenance and Repair.** If the Location will be open to the public or used for meeting customers or potential customers, then Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all physical property in good repair. In addition, Franchisee shall promptly perform all work on the physical property of the Business as WCF may prescribe from time to time.

**7.11 Meetings.** The Principal Executive shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls) that WCF requires, including any national or regional brand conventions or conferences. Franchisee shall not permit the Principal Executive to fail to attend more than three consecutive required meetings. WCF may charge Franchisee the attendance fee for Website Closers' national or regional brand convention, regardless of whether the Principal Executive attends. Franchisee is responsible for all travel and living expenses of attending any such meeting or convention.

**7.12 Insurance.**

(a) Franchisee shall obtain and maintain insurance policies in the types and amounts as specified by WCF in the Manual. If not specified in the Manual, Franchisee shall maintain at least the following insurance coverage:

(i) Errors and Omissions Insurance with policy limits of at least \$1 million per single instance and \$2 Million in the aggregate; and

(ii) Workers Compensation coverage as required by state law.

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

(c) Franchisee shall provide Certificates of Insurance evidencing the required coverage to WCF prior to opening and upon annual renewal of the insurance coverage, as well as at any time within 15 days after request from WCF.

**7.13 Obligations to Third Parties and Government.** Franchisee shall pay all Associate Brokers, vendors, and suppliers in a timely manner. Franchisee shall pay all taxes when due. If Franchisee borrows money, it shall comply with the terms of its loan and make all loan payments when due. If Franchisee leases the Location, Franchisee shall comply with its lease for the Location and make all rent payments when due.

**7.14 Public Relations.** Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding Website Closers, the Business, or any particular incident or occurrence related to the Business, without WCF's prior written approval, which will not be unreasonably withheld.

**7.15 Association with Causes.** Franchisee shall not in the name of the Business (i) donate money, products, or services to any charitable, political, religious, or other organization or cause,

or (ii) act in support of any such organization or cause, without WCF's prior written approval, which will not be unreasonably withheld.

**7.16 No Other Activity Associated with the Business.** Franchisee shall not use the assets of the Business for any purpose other than the Business. Franchisee shall not "co-brand" or associate any other business activity with the Website Closers Business in a manner which is likely to cause the public to perceive it to be related to the Website Closers Business. If Franchisee is an entity, the entity shall not own or operate any other business except Website Closers businesses.

**7.17 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 WCF, which will not be unreasonably withheld.

**7.18 No Subcontracting.** Franchisee shall not subcontract or delegate to a third party any services to be performed by Franchisee for a customer (other than engaging individuals as independent contractors in the ordinary course of business).

**7.19 Identification.** Franchisee must identify itself as the independent owner of the Business in the manner prescribed by WCF.

**7.20 Business Practices.** Franchisee, in all interactions with customers, 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 WCF. Franchisee shall not take any action which injures or is likely to injure the goodwill associated with the Marks.

**7.21 Lead Flow.** WCF reserves the right to control the flow of leads, including whether Franchisee shall be permitted to utilize any particular Associate Broker for such leads. Franchisee understands that the leads provided by WCF have a high acquisition cost and are highly valuable, so it is important that every lead provided be treated with the utmost concern and be managed in a highly professional manner. Franchisee recognizes and agrees that time is of the essence in responding to all communication from the lead (business owner). Franchisee agrees that it shall provide a professional service to clients and maintain a professional atmosphere and operational standards at all times. Franchisee and its Associate Brokers shall use commercially reasonable efforts to engage all clients from leads provided to them, and to close those transactions in a professional manner. Should a Franchisee and/or any of Franchisee's Associate Broker (together, a "Lead Recipient" for purposes of this Section 7.21) consistently fail to professionally represent, close, and/or fail to sign engagement agreements with leads provided by WCF, WCF reserves the right to pause and/or stop sending leads to any Lead Recipient until such time as WCF, in its sole discretion, believes that the Lead Recipient has taken those actions necessary (including but not limited to, re-education) to prove to WCF that the Lead Recipient is capable of professional representation, closing, and signing engagements for such leads. WCF also reserves the right to shift Franchisee down in the Deal Size Pool should Franchisee or its Associate Brokers appear unable or incapable, in WCF's sole discretion, to professionally represent, close and/or sign engagement agreements with deals that fall into larger deal pools.

**7.22 Franchisee Responsibility.** Franchisee shall be financially responsible for all of Franchisee's business supplies and expenses, including but not limited to, day-to-day operations,

promotional materials and events, advertising, phone, business cards, vehicle expenses, workspace expenses, leases, travel, etc. Franchisee shall otherwise be responsible for all expenses incurred in performing his obligations under this Agreement. Franchisee assumes the risk of incurring a loss if his consideration does not cover his expenses. Franchisee shall provide himself with, and be solely responsible for, (i) such facilities and business organization and (ii) such permits, licenses, and other forms of clearance from governmental or regulatory agencies, if any, as are necessary for the conduct of Franchisee's business operations in accordance with this Agreement, including but not limited to, a real estate and/or business broker license if required by the state in which the Franchisee operates. In no event shall Franchisee use any other form or document in a transaction or listing arrangement other than via Company's standard documents. Franchisee shall promptly advise WCF of any changes in Franchisee's status, organization, personnel, and similar matters.

### **7.23 Privacy Practices.**

(a) With respect to Privacy Information, Franchisee must comply with all of their obligations under applicable privacy laws, including any local, state, or federal data privacy or data security law or regulation.

(b) Franchisee shall not sell any Privacy Information. Franchisee further agrees to not access, use, or process the Privacy Information except in the furtherance of its obligations under this Agreement, but in all times, in compliance with applicable privacy laws.

(c) To the extent WCF does not have the then-current ability to address requests made under any applicable privacy law by individuals that are the subject of any of the Privacy Information, Franchisee shall, upon WCF's request, provide reasonable assistance to WCF in responding to such requests.

(d) In the event of a Data Security Event, Franchisee must notify WCF immediately after becoming aware of the Data Security Event and shall cooperate with WCF and follow all of WCF's reasonable requests to address the Data Security Event and to protect any Privacy Information and/or Confidential Information. WCF, or its designee, has the right, but not the obligation, to take any action or pursue any proceeding with respect to the Data Security Event.

**7.24 Communication.** Franchisee shall respond promptly to requests for communication from WCF, and in any event within three business days.

## **ARTICLE 8. THIRD PARTY RELATIONSHIPS**

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

**8.2 Alternate Vendor Approval.** If WCF requires Franchisee to purchase a particular Input only from an Approved Vendor or Required 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 WCF. WCF may condition its approval

on such criteria as WCF deems appropriate, which may include evaluations of the vendor's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. WCF 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.

**8.3 Alternate Input Approval.** If WCF 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 WCF. WCF 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.

**8.4 Purchasing.** WCF may negotiate prices and terms with vendors on behalf of the System. WCF may receive rebates, payments or other consideration from vendors in connection with purchases by franchisees. WCF has the right (but not the obligation) to collect payments from Franchisee on behalf of a vendor and remit the payments to the vendor, and impose a reasonable markup or charge for administering the payment program. WCF may implement a centralized purchasing system. WCF may establish a purchasing cooperative and require Franchisee to join and participate in the purchasing cooperative on such terms and conditions as WCF may determine.

**8.5 No Liability of Franchisor.** WCF and its affiliates shall not have any liability to Franchisee for any claim, loss, or other Action related to any product provided or service performed by any Approved Vendor or Required Vendor (unless WCF or its affiliate, as applicable, is the vendor), including without limitation for defects, delays, unavailability, failure, or breach of contract related to such products or services.

**8.6 Product Recalls.** If WCF or any vendor, supplier, or manufacturer of an item used or sold in Franchisee's Business issues a recall of such item or otherwise notifies Franchisee that such item is defective or dangerous, Franchisee shall immediately cease using or selling such item, and Franchisee shall at its own expense comply with all instructions from WCF or the vendor, supplier, or manufacturer of such item with respect to such item, including without limitation the recall, repair, and/or replacement of such item.

## ARTICLE 9. MARKETING

**9.1 Advertising Standards.** Except as otherwise provided in the Manual, Franchisee may use only Advertising and Promotional Content that WCF has furnished or approved in writing in advance. Franchisee must ensure that all Advertising and Promotional Content that Franchisee uses is clear, factual, ethical, and not misleading; complies with all laws; and conforms to System Standards. Except as otherwise provided in the Manual and Advertising and Promotional Content that WCF furnishes to Franchisee, Franchisee must submit to WCF for its written approval, at least 14 days before use, copies of all proposed Advertising and Promotional Content that Franchisee intends to use or implement. If WCF does not respond, the material is deemed rejected WCF has the right to approve or disapprove any Advertising and Promotional Content, as well as the media in which Franchisee intends to use them, in its sole discretion. WCF reserves the right to require Franchisee to discontinue the use of any Advertising and Promotional Content for any reason.

**9.2 Digital Marketing.** WCF may (but is not obligated to) establish and operate all Digital Marketing and has the sole right to control all aspects of Digital Marketing, including those related to the Business. Without limiting the generality of Section 9.1, Franchisee shall not, directly or indirectly, conduct or be involved in any Digital Marketing without the prior written consent of WCF. If WCF permits Franchisee to conduct any Digital Marketing, Franchisee must (a) comply with any System Standards and must immediately modify or delete any Digital Marketing that WCF determines, in its sole discretion, is not compliant with such System Standards; (b) only use materials that WCF has approved and submit any proposed modifications to WCF for approval; (c) not use any Mark (or words or designations similar to any Mark) in any domain name, electronic address, website, or other source identifier except as WCF expressly permits; (d) include only the links that WCF approves or requires; and (e) immediately take all actions necessary or that WCF requests to provide WCF with access to, or to transfer ownership of, all Digital Marketing relating to the Business to Franchisor, including, without limitation, providing login and password details and promptly signing all directions and authorizations as WCF deems necessary to effect the intent and provisions of this Section. If Franchisee uses any Mark (or words or designations similar to a Mark) in any domain name, electronic address, website, or other source identifier, WCF may register such name, address, website, or identifier and then license use of the registered item back to Franchisee under a separate agreement. Franchisee must pay all costs due for registration, maintenance, and renewal of any such names, addresses, websites, or identifiers that WCF approves and maintains on Franchisee's behalf. WCF may withdraw its approval for any Digital Marketing at any time.

**9.3 Implementation.** Franchisee shall implement any advertising or marketing materials, plans or campaigns (including Digital Marketing) required by WCF.

**9.4 Use by WCF.** WCF may use any Advertising and Promotional Content developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, perpetual, royalty-free license to WCF for such purpose.

**9.5 Marketing Cooperatives.** WCF may establish market advertising and promotional cooperative funds ("Market Cooperative") in any geographical areas. If a Market Cooperative for the geographic area encompassing the Location has been established at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Market Cooperative. If a Market Cooperative for the geographic area encompassing the Location is established during the term of this Agreement, Franchisee shall become a member of such Market Cooperative within 30 days of notice from WCF. WCF shall not require Franchisee to be a member of more than one Market Cooperative. If WCF establishes a Market Cooperative:

(a) Governance. Each Market Cooperative will be organized and governed in a form and manner, and shall commence operations on a date, determined by WCF. WCF may require the Market Cooperative to adopt bylaws or regulations prepared by WCF. Unless otherwise specified by WCF, the activities carried on by each Market Cooperative shall be decided by a majority vote of its members. WCF will be entitled to attend and participate in any meeting of a Market Cooperative. Any Website Closers business owned by WCF in the Market Cooperative shall have the same voting rights as those owned by its franchisees. Each Business owner will be entitled to cast one vote for each Business owned, provided, however, that a franchisee shall not be entitled to vote if it is in default under its franchise agreement. If the members of a Market Cooperative

are unable or fail to determine the manner in which Market Cooperative monies will be spent, WCF may assume this decision-making authority after 10 days' notice to the members of the Market Cooperative.

(b) Purpose. Each Market Cooperative shall be devoted exclusively to administering regional advertising and marketing programs and developing (subject to WCF's approval) standardized promotional materials for use by the members in local advertising and promotion.

(c) Approval. No advertising or promotional plans or materials may be used by a Market Cooperative or furnished to its members without the prior approval of WCF pursuant to Section 9.1. WCF may designate the national or regional advertising agencies used by the Market Cooperative.

(d) Funding. The majority vote of the Market Cooperative will determine the dues to be paid by members of the Market Cooperative, including Franchisee, but not less than 1% and not more than 5% of Gross Commissions.

(e) Enforcement. Only WCF will have the right to enforce the obligations of franchisees who are members of a Market Cooperative to contribute to the Market Cooperative.

(f) Termination. WCF may terminate any Market Cooperative. Any funds left in a Market Cooperative upon termination will be transferred to the Marketing Cooperative members in accordance with the rules of the Marketing Cooperative.

## **ARTICLE 10. RECORDS AND REPORTS**

**10.1 Systems.** Franchisee shall use such customer data management, sales data management, administrative, bookkeeping, accounting, and inventory control procedures and systems as WCF may specify in the Manual or otherwise in writing.

### **10.2 Reports.**

(a) Financial Reports. Franchisee shall provide such periodic financial reports as WCF 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 each calendar year; and
- (iii) any information WCF requests in order to prepare a financial performance representation for WCF's franchise disclosure document within 30 days after request.

(b) Legal Actions and Investigations. Franchisee shall promptly notify WCF of any Action or threatened Action by any customer, governmental authority, or other third party against

Franchisee or the Business, or otherwise involving the Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as WCF may request.

(c) Government Inspections. Franchisee shall give WCF 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.

(d) Other Information. Franchisee shall submit to WCF such other financial statements, budgets, forecasts, 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 WCF may reasonably request (either upon specific request or on a regular basis as directed by WCF, as applicable). WCF acknowledges that all personnel records of the Business belong to Franchisee and that this Agreement does not grant WCF the right to access personnel records of Franchisee's employees.

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

**10.5 Records Audit.** WCF may examine and audit all books and records related to the Business, and supporting documentation, at any reasonable time. WCF may conduct the audit at the Location and/or require Franchisee to deliver copies of books, records and supporting documentation to a location designated by WCF. Franchisee shall also reimburse WCF for all costs and expenses of the examination or audit if WCF conducted the audit because Franchisee failed to submit required reports or was otherwise not in compliance with the system.

## **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 WCF. WCF may supplement, revise, or modify the Manual, and WCF may change, add or delete System Standards at any time in its discretion. WCF may inform Franchisee thereof by any method that WCF reasonably 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, WCF's master copy will control.

**11.2 Business Evaluation.** WCF may accompany Franchisee or its personnel on any services performed for a customer to conduct an evaluation. If the Location will be open to the public or used for meeting customers or potential customers, WCF may enter the premises of the Business from time to time during normal business hours and conduct an evaluation. WCF will use commercially reasonable efforts to not disrupt Franchisee's business operations during any such

evaluation. Franchisee shall cooperate with WCF's evaluators. The evaluation may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions, monitoring sales activity, speaking with employees and customers, and removing samples of products, supplies and materials. WCF may videotape and/or take photographs of the evaluation. WCF may set a minimum score requirement for evaluations, and Franchisee's failure to meet or exceed the minimum score will be a default under this Agreement. Without limiting WCF's other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any deficiencies noted during an evaluation. If WCF conducts an evaluation because of a governmental report, customer complaint or other customer feedback, or a default or non-compliance with any System Standard by Franchisee (including following up a previous failed evaluation), then WCF may charge all out-of-pocket expenses plus its then-current evaluation fee to Franchisee.

**11.3 WCF's Right to Cure.** If Franchisee breaches or defaults under any provision of this Agreement, WCF may (but has no obligation to) take any action to cure the default on behalf of Franchisee, without any liability to Franchisee, including entering the premises of the Business and curing the default without notice to Franchisee. Franchisee shall reimburse WCF for its costs and expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee.

**11.4 Right to Discontinue Supplies Upon Default.** While Franchisee is in default or breach of this Agreement, WCF may (i) require that Franchisee pay cash on delivery for products or services supplied by WCF, (ii) stop selling or providing any products and services to Franchisee, and/or (iii) request any third-party vendors to not sell or provide products or services to Franchisee. No such action by WCF shall be a breach or constructive termination of this Agreement, change in competitive circumstances or similarly characterized, and Franchisee shall not be relieved of any obligations under this Agreement because of any such action. Such rights of WCF are in addition to any other right or remedy available to WCF.

**11.5 Business Data & Control of Clients.** All customer data, leads and other non-public data generated by the Business is Confidential Information (other than data generated by the Business related to employees) and is exclusively owned by WCF. WCF 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. Franchisee shall never own any relationship with any client of the Business. If this Agreement is terminated or expires, or if Franchisee is not in compliance with this Agreement, then WCF reserves the right to take over and control any current leads, deals, clients and/or transactions being managed by the Franchisee and/or its Associate Brokers; however, if a particular transaction pending at the time of termination or expiration has been managed by Franchisee or its Associate Broker, WCF may compensate Franchisee upon closing of the transaction as if the closing had taken place prior to the termination or expiration.

**11.6 Innovations.** Franchisee shall disclose to WCF all ideas, plans, improvements, concepts, methods, and techniques relating to the Business (collectively, "Innovations") conceived or developed by Franchisee or its employees, agents, or contractors. WCF will automatically own all Innovations, and it will have the right to use and incorporate any Innovations into the System, without any compensation to Franchisee. Franchisee shall execute any documents reasonably requested by WCF to document WCF's ownership of Innovations.

**11.7 Communication Systems.** If WCF 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 Franchisee authorizes WCF to access such communications.

**11.8 Communication with Employees.** Franchisee irrevocably authorizes WCF to communicate with Franchisee's employees and contractors on any matter related to the System or the Business. Franchisee will not prohibit any employee or contractor from communicating with WCF on any matter related to the System or the Business.

**11.9 Communications with Landlord and Lenders.** Franchisee irrevocably authorizes WCF to communicate with Franchisee's landlord and lender(s), or prospective landlord and lender(s), about matters relating to the Business, and to provide information about the Business to them.

**11.10 Delegation.** WCF may delegate any duty or obligation of WCF under this Agreement to an affiliate or to a third party.

**11.11 System Variations.** WCF may vary or waive any System Standard for any one or more Website Closers franchises due to the peculiarities of the particular site or circumstances, density of population, business potential, population of trade area, existing business practices, applicable 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.

**11.12 Franchisor's Discretion.** WCF may engage in any activity not expressly prohibited by this Agreement. Whenever this Agreement provides that WCF has a certain right, that right is absolute, and the parties intend that WCF's exercise of that right will not be subject to any limitation or review. WCF has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement. Whenever WCF agrees to exercise its rights reasonably or in good faith, WCF will have satisfied its obligations whenever its exercises reasonable business judgment in making a decision or exercising its rights. WCF's decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if WCF's decision or action is intended, in whole or significant part, to promote or benefit the System or the Website Closers brand generally even if the decision or action also promotes WCF's financial or other individual interest. Examples of items that will promote or benefit the System or the Website Closers brand include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System and Website Closers outlets.

## **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 WCF, and only in the manner as WCF 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 WCF.

**12.2 Change of Marks.** WCF may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after WCF makes any such change (not to exceed 90 days), Franchisee must comply with the change, at Franchisee's expense.

### **12.3 Infringement.**

(a) Defense of Franchisee. If Franchisee has used the Marks in accordance with this Agreement, then (i) WCF shall defend Franchisee (at WCF's expense) against any Action by a third party alleging infringement by Franchisee's use of a Mark, and (ii) WCF will indemnify Franchisee for expenses and damages if the Action is resolved unfavorably to Franchisee.

(b) Infringement by Third Party. Franchisee shall promptly notify WCF if Franchisee becomes aware of any possible infringement of a Mark by a third party. WCF may, in its sole discretion, commence or join any claim against the infringing party.

(c) Control. WCF shall have the exclusive right to control any prosecution or defense of any Action related to possible infringement of or by the Marks.

**12.4 Name.** If Franchisee is an entity, it shall not use the word[s] "Website Closers" or any confusingly similar words in its legal name.

## **ARTICLE 13. COVENANTS**

**13.1 Confidential Information.** With respect to all Confidential Information, Franchisee shall (a) adhere to all procedures prescribed by WCF 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 WCF, (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 WCF (except for Confidential Information which WCF 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, neither Franchisee, any Associate Broker, any Owner, nor any spouse of an Owner or Associate Broker (the "Restricted Parties") shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be 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), no Restricted Party shall directly or indirectly have any ownership interest in, lend money or provide financial

assistance to, provide any services to, or be employed by, any Competitor operating within five miles of Franchisee's Territory or within five miles of the territory of any other Website Closers business operating on the date of expiration, termination, or transfer, as applicable.

(c) Additional Restrictions. Additionally, Franchisee agrees that during the term of this Agreement and for two (2) years following the termination, expiration, or transfer of this Agreement, Franchisee shall not, anywhere in the world, in any manner, directly or indirectly or by assisting others, engage in the sale, discussions of sale, solicitation for sale, or marketing for sale of any business in the Digital Space or any other business conducted by the Franchisor during the term of this Agreement. For purposes of this section, a company operating in the Digital Space shall be those that are commonly known as (a) Internet companies, including but not limited to persons or entities that operate as eCommerce or service companies, B2C, B2B, wholesale, distribution or any other company that operates in any capacity whatsoever on or concerning the Internet, technology or software; companies that sell (either exclusively or in addition to other sales) on Amazon, eBay, etsy, cart platforms, and similar marketplaces; any companies that operate or provide operations assistance with websites or businesses that operate on websites or that provide goods and/or services for websites; digital technology companies; software and applications related businesses, affiliate marketers, marketing firms, advertising agencies; marketing or advertising management firms; and, other digital assets or digital business models of any kind.

(d) 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 or arbitrator, then the parties intend that the court or arbitrator modify such restriction to the extent reasonably necessary to protect the legitimate business interests of WCF. Franchisee agrees that the existence of any claim it may have against WCF shall not constitute a defense to the enforcement by WCF of the covenants of this Section. If a Restricted Party 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 General Manager and Key Employees.** If requested by WCF, Franchisee will cause its general manager, Associate Brokers (and any spouses of an Associate Broker), and other key employees that WCF reasonably designates to sign WCF's then-current form of confidentiality and non-compete agreement (unless prohibited by applicable law).

## **ARTICLE 14. DEFAULT AND TERMINATION**

**14.1 Termination by Franchisee.** Franchisee may terminate this Agreement only if WCF violates a material provision of this Agreement and fails to cure or to make substantial progress toward curing the violation within 30 days after receiving written notice from Franchisee detailing the alleged default. Termination by Franchisee is effective 10 days after WCF receives written notice of termination.

## 14.2 Termination by WCF.

(a) Subject to 10-Day Cure Period. WCF may terminate this Agreement if Franchisee does not make any payment to WCF when due, or if Franchisee does not have sufficient funds in its account when WCF attempts an electronic funds withdrawal, and Franchisee fails to cure such non-payment within 10 days after WCF 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 Franchisee fails to cure such breach to WCF's satisfaction within 30 days after WCF gives notice to Franchisee of such breach, then WCF may terminate this Agreement.

(c) Without Cure Period. WCF 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 WCF;
- (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 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 open for business by the date specified on the Summary Page;
- (v) Franchisee or any Owner 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;
- (vi) Franchisee ceases operation of the Business for more than five consecutive days, or WCF reasonably concludes that Franchisee has ceased operation of the Business;
- (vii) Franchisee or any Owner slanders or libels WCF or any of its employees, directors, clients or officers;
- (viii) Franchisee refuses to cooperate with or permit any audit or evaluation by WCF or its agents or contractors, or otherwise fails to comply with Section 10.5 or Section 11.2;

- (ix) the Business is operated in a manner which, in WCF's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within 48 hours after becoming aware of the danger (due to notice from WCF or otherwise);
- (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;
- (xii) WCF (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);
- (xii) Franchisee or any Owner is charged with, pleads guilty or no-contest to, or is convicted of a felony; or
- (xiii) Franchisee or any Owner is accused by any governmental authority or third party of any act, or if Franchisee or any Owner commits any act or series of acts, that in WCF's opinion is reasonably likely to materially and unfavorably affect the Website Closers brand.

**14.3 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:

- (i) pay all amounts owed to WCF based on the operation of the Business through the effective date of termination or expiration;
- (ii) return to WCF all copies of the Manual, Confidential Information and any and all other materials provided by WCF 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 Confidential Information and proprietary materials from electronic devices;
- (iii) immediately take all action required (a) to cancel all assumed name or equivalent registrations relating to Franchisee's use of the Marks; and (b) to cancel or transfer to WCF or its designee all telephone numbers, post office boxes, directory listings, and Digital Marketing accounts used by Franchisee in connection with the Business or the Marks, including, without limitation, by providing login and password details and promptly signing all directions and authorizations necessary or appropriate to accomplish the foregoing. Franchisee hereby irrevocably appoints WCF, 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. The telephone company, the postal service, registrars, Internet service providers and each listing agency may accept such direction by WCF pursuant to this Agreement as conclusive evidence of WCF's exclusive rights in such accounts and its authority to direct their transfer; and

- (iv) cease doing business under any of the Marks.

**14.4 Remove Identification.** Within 30 days after termination or expiration, Franchisee shall at its own expense “de-identify” the Location so that it no longer contains the Marks, signage, or any trade dress of a Website Closers business, to the reasonable satisfaction of WCF. Franchisee shall comply with any reasonable instructions and procedures of WCF for de-identification. If Franchisee fails to do so within 30 days after this Agreement expires or is terminated, WCF may enter the Location to remove the Marks and de-identify the Location. In this event, WCF will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by WCF.

**14.5 Liquidated Damages.** If WCF terminates this Agreement based upon Franchisee’s default (or if Franchisee purports to terminate this Agreement except as permitted under Section 14.1), then within 10 days thereafter Franchisee shall pay to WCF a lump sum (as liquidated damages and not as a penalty) calculated as follows: (x) the average monthly Royalty Fees that Franchisee owed to WCF under this Agreement for the last 12 full months that Franchisee operated the Business (disregarding any fee waivers or reductions granted to Franchisee); multiplied by (y) the lesser of (1) 24 or (2) the number of months remaining in the then-current term of this Agreement. If Franchisee had not operated the Business for at least 12 full months, then (x) will equal the average monthly Royalty Fees that Franchisee owed to WCF during the full months that Franchisee operated the Business. The “average Royalty Fees and Marketing Fund Contributions that Franchisee owed to WCF” shall not be discounted or adjusted due to any deferred or reduced Royalty Fees and Marketing Fund Contributions set forth in an addendum to this Agreement, unless this Section 14.5 is specifically amended in such addendum. Franchisee acknowledges that a precise calculation of the full extent of WCF’s damages under these circumstances is difficult to determine and the method of calculation of such damages as set forth in this Section is reasonable. Franchisee’s payment to WCF under this Section will be in lieu of any direct monetary damages that WCF may incur as a result of WCF’s loss of Royalty Fees that would have been owed to WCF after the date of termination; however, such payment shall be in addition to all damages and other amounts arising under Section 14.3 and Section 14.4, WCF’s right to injunctive relief for enforcement of Article 13, and any attorneys’ fees and other costs and expenses to which WCF is entitled under this Agreement. Except as provided in this Section, Franchisee’s payment of this lump sum shall be in addition to any other right or remedy that WCF may have under this Agreement or otherwise.

**14.6 Purchase Option.** When this Agreement expires or is terminated, WCF will have the right (but not the obligation) to purchase any or all of the assets related to the Business. WCF will also have the right to require Franchisee to assign its lease or sublease to WCF, unless the Location is operated out of Franchisee’s residence. To exercise these options, WCF must notify Franchisee no later than 30 days after this Agreement expires or is terminated. The purchase price for all assets that WCF elects to purchase will be the lower of (i) the book value of such assets as declared on Franchisee’s last filed tax returns or (ii) the fair market value of the assets. If the parties cannot agree on fair market value within 30 days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. WCF’s purchase will be of assets only (free and clear of all liens), and the purchase will not include any liabilities of Franchisee. The purchase price for assets will not include any factor or increment for any trademark or other commercial symbol used in the

business, the value of any intangible assets, or any goodwill or “going concern” value for the Business. WCF may withdraw its exercise of the purchase option at any time before it pays for the assets. Franchisee will sign a bill of sale for the purchased assets and any other transfer documents reasonably requested by WCF. If WCF exercises the purchase option, WCF may deduct from the purchase price: (a) all amounts due from Franchisee; (b) Franchisee’s portion of the cost of any appraisal conducted hereunder; and (c) amounts which WCF paid or will pay to third parties to satisfy indebtedness owed by Franchisee to third parties. If any of the assets are subject to a lien, WCF may pay a portion of the purchase price directly to the lienholder to pay off such lien. WCF may withhold 25% of the purchase price for 90 days to ensure that all of Franchisee’s taxes and other liabilities are paid. WCF may assign this purchase option to another party.

## **ARTICLE 15. TRANSFERS**

**15.1 By WCF.** WCF may transfer or assign this Agreement, or any of its rights or obligations under this Agreement, to any person or entity, and WCF 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 WCF 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 WCF at least 60 days prior notice of the proposed Transfer, and without obtaining WCF’s consent. In granting any such consent, WCF may impose conditions, including, without limitation, the following:

- (i) WCF receives a transfer fee equal to \$25,000 plus any broker fees and other out-of-pocket costs incurred by WCF;
- (ii) the proposed Transferee and its owners have completed WCF’s franchise application processes, meet WCF’s then-applicable standards for new franchisees, and have been approved by WCF as franchisees;
- (iii) the proposed Transferee is not a Competitor;
- (iv) the proposed Transferee executes WCF’s then-current form of franchise agreement and any related documents, which form may contain materially different provisions than this Agreement (provided, however, that the form will be amended to provide that the proposed Transferee will not be required to pay an initial franchise fee);
- (v) all owners of the proposed Transferee provide a guaranty in accordance with Section 2.5;
- (vi) Franchisee has paid all monetary obligations to WCF and its affiliates, and to any lessor, vendor, supplier, or lender to the Business, and Franchisee is not otherwise in default or breach of this Agreement or of any other obligation owed to WCF or its affiliates;
- (vii) the proposed Transferee and its owners and employees undergo such training as WCF may require;

- (viii) Franchisee, its Owners, and the transferee and its owners execute a general release of WCF in a form satisfactory to WCF; and
- (ix) the Business fully complies with all of WCF's most recent System Standards.

**15.3 Transfer for Convenience of Ownership.** If Franchisee is an individual, Franchisee may Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership after at least 15 days' notice to WCF, if, prior to the Transfer: (1) the transferee provides the information required by Section 2.3; (2) Franchisee provides copies of the entity's charter documents, by-laws (or operating agreement) and similar documents, if requested by WCF, (3) Franchisee owns all voting securities of the corporation or limited liability company, and (4) Franchisee provides a guaranty in accordance with Section 2.5.

**15.4 Transfer upon Death or Incapacity.** Upon the death or incapacity of Franchisee (or, if Franchisee is an entity, the Owner with the largest ownership interest in Franchisee), the executor, administrator, or personal representative of that person must Transfer the Business to a third party approved by WCF (or to another person who was an Owner at the time of death or incapacity of the largest Owner) within nine months after death or incapacity. Such transfer must comply with Section 15.2.

**15.5 WCF's Right of First Refusal.** Before Franchisee (or any Owner) engages in a Transfer (except under Section 15.3, or to a co-Owner, or to a spouse, sibling, or child of an Owner), WCF will have a right of first refusal, as set forth in this Section. Franchisee (or its Owners) shall provide to WCF a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of WCF's receipt of such copy, WCF 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. If WCF does not exercise its right of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Article.

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

**15.7 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 & ERRORS & OMISSIONS**

**16.1 Indemnity.** Franchisee shall indemnify and defend (with counsel reasonably acceptable to WCF) WCF, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against WCF and/or any Indemnitee directly or indirectly related to, or alleged to arise out of, the development or operation of the Business (including any Data Security Event). Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnitee from Actions which Franchisee proves arose solely as a result of any Indemnitee's intentional misconduct or negligence. Any delay or failure by an Indemnitee to notify Franchisee of an Action shall not relieve Franchisee of its indemnity obligation except to the extent (if any)

that such delay or failure materially prejudices Franchisee. Franchisee shall not settle an Action without the consent of the Indemnitor. This indemnity will continue in effect after this Agreement ends.

**16.2 Assumption.** An Indemnitor may elect to assume the defense of any Action subject to this indemnification and control all aspects of defending the Action (including negotiations and settlement), at Franchisee's expense. Such an undertaking shall not diminish Franchisee's obligation to indemnify the Indemnitees.

**16.3 Franchisee Obligation.** Franchisee shall be responsible for errors or omissions made by the Franchisee and any Associate Brokers or employees during the term of this Agreement. This responsibility includes, without limitation, misquoting a buyer or seller or any misrepresentation made to a buyer or seller. Franchisee shall be responsible for issues arising from business transactions as a result of the Franchisee's, Associate Brokers or employee negligence, fraud, misrepresentation and/or misconduct. If WCF incurs any loss of profit as a result of the errors, omissions or negligence committed by Franchisee or any of its Associate Brokers or employees, in addition to any and all other rights and remedies that may exist in law, in equity or in arbitration, the WCF will withhold any consideration due to the Franchisee until WCF has been fully compensated for the loss or profit, and Franchisee shall remit any un-compensated loss to WCF upon demand.

## **ARTICLE 17. DISPUTE RESOLUTION**

### **17.1 Arbitration.**

(a) Disputes Subject to Arbitration. Except as expressly provided in subsections (c) and (d), any controversy or claim between the parties (including any controversy or claim arising out of or relating to this Agreement or its formation, and including any question of arbitrability) shall be resolved by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, including the Optional Rules for Emergency Measures of Protection. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction.

(b) Location. The place of arbitration shall be the city and state where WCF's headquarters are located.

(c) Injunctive Relief. Either party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy or right to arbitrate under this Agreement, seek from any court having jurisdiction any interim or provisional injunctive relief.

(d) Intellectual Property Claims. Either party may bring a claim involving an alleged infringement of any of WCF's intellectual property rights in a court authorized to hear such claims under Section 17.5 of this Agreement.

(e) Confidentiality. All documents, information, and results pertaining to any arbitration or lawsuit will be confidential, except as required by law or as required for WCF to comply with laws and regulations applicable to the sale of franchises.

(e) Performance During Arbitration or Litigation. Unless this Agreement has been terminated, WCF and Franchisee will comply with this Agreement and perform their respective obligations under this Agreement during the arbitration or litigation process.

**17.2 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 expressly authorized by federal statute and damages expressly authorized by this Agreement. TO THE EXTENT ALLOWED BY APPLICABLE LAW, IN NO EVENT SHALL WCF, OR ITS SHAREHOLDERS, AFFILIATES, OFFICERS, DIRECTORS, OWNERS, MANAGERS, EMPLOYEES, SUCCESSORS OR ASSIGNS BE LIABLE FOR ANY LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF USE OR DATA, INTERRUPTION OF BUSINESS, OR FOR INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER MULTIPLE OR EXEMPLARY DAMAGES OF ANY KIND, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. IN NO EVENT WILL WCF, ITS SHAREHOLDERS, AFFILIATES, OFFICERS, OWNERS, DIRECTORS, MANAGERS, EMPLOYEES, SUCCESSORS OR ASSIGNS, BE LIABLE FOR ANY CLAIM AGAINST FRANCHISEE BY ANY THIRD PARTY OR FOR ANY REPRESENTATION OR WARRANTY MADE TO ANY THIRD PARTY BY CONTRACTOR, ITS EMPLOYEES, AGENTS OR AFFILIATES. THIS LIMITATION OF LIABILITY IS AN ESSENTIAL PART OF THE BARGAIN UNDER THIS AGREEMENT.

**17.3 Waiver of Class Actions.** WCF AND FRANCHISEE AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN ITS OR HIS/HER/ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. Further, unless both WCF and Franchisee agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a class or representative proceeding. If this provision is held to be invalid or unenforceable, then WCF and Franchisee agree that any putative class or representative claim may not be brought in arbitration, but instead shall be severed from the remainder of a party's claims and instead be brought in a court of competent jurisdiction. Franchisee understands that arbitration is an alternative to a jury trial, and that, by entering into this Agreement, WCF and Franchisee are each waiving its or his/her/its respective rights to a jury trial.

**17.4 Time Limitation.** Any arbitration or other legal action arising from or related to this Agreement must be instituted within two years from the date of the conduct or event that forms the basis of the arbitration or other legal action. The foregoing time limit does not apply to claims (i) by WCF related to non-payment of Royalty Fees and other amounts owed by Franchisee, (ii) for indemnity under Article 16, or (iii) related to unauthorized use of Confidential Information or the Marks.

**17.5 Venue Other Than Arbitration.** For any legal proceeding not required to be submitted to arbitration, the parties agree that such proceeding will be brought in the United States District Court where WCF's headquarters is then located. If there is no federal jurisdiction over the dispute, the parties agree that any such legal proceeding will be brought in the court of record of the state and county where WCF's headquarters is then located. Each party consents to the jurisdiction of

such courts and waives any objection that it, he or she may have to the laying of venue of any proceeding in any of these courts.

**17.6 Legal Costs.** In any legal proceeding (including arbitration) related to this Agreement or any guaranty, 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 Franchisor Personnel.** The provisions of this Article 17 will apply to any Action by Franchisee or its Owners against WCF's officers, directors, shareholders, members, employees, and/or agents. Nothing in this Agreement authorizes any Action against WCF's officers, directors, shareholders, members, employees, and/or agents or makes those persons liable for WCF's conduct.

## **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. WCF is not a fiduciary of Franchisee. WCF 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 WCF'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. WCF has no liability for Franchisee's obligations to any third party whatsoever.

**18.2 No Third-Party Beneficiaries.** Except as stated in Article 16 or Article 17, This Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, WCF, and WCF'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 WCF 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. This provision does not limit WCF'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. 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 an arbitrator or 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: (A) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (B) if to WCF, addressed to 7575 Kings Pointe Pkwy Ste2, Orlando FL 32819. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notices will be effective upon the earlier of: (i) receipt by the recipient, (ii) first rejection by the recipient, (iii) three business days after mailing if sent via registered or certified mail; or (iv) the next business day after mailing if sent via overnight courier. Notwithstanding the foregoing, WCF may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication, in which case notice would be effective on Franchisee upon the delivery of the electronic mail or other electronic communication.

**18.10 Holdover.** If Franchisee continues operating the Business after the expiration of the term without a renewal agreement or successor franchise agreement executed by the parties in accordance with Section 3.2, then at any time thereafter (regardless of any course of dealing by the parties), WCF may by giving written notice to Franchisee (the “Holdover Notice”) either (i) require Franchisee to cease operating the Business and comply with all post-closing obligations effective immediately upon giving notice or effective on such other date as WCF specifies, or (ii) bind Franchisee to a renewal term of 5 years and deem Franchisee and its Owners to have made the general release of liability described in Section 3.2(vi).

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

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

*[Signatures on next page]*

Agreed to by:

FRANCHISOR:

WEBSITE CLOSERS FRANCHISE COMPANY,  
LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISEE:

*[if an individual:]*

\_\_\_\_\_  
Name: \_\_\_\_\_

Date: \_\_\_\_\_

*[if an entity:]*

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:

\_\_\_\_\_ Illinois  
\_\_\_\_\_ Indiana  
\_\_\_\_\_ Maryland  
\_\_\_\_\_ Minnesota  
\_\_\_\_\_ New York  
\_\_\_\_\_ North Dakota  
\_\_\_\_\_ Ohio  
\_\_\_\_\_ Rhode Island  
\_\_\_\_\_ Washington

**Attachment 1 to Franchise Agreement**

**OWNERSHIP INFORMATION**

1. **Form of Ownership.** Franchisee is a (check one):

\_\_\_\_\_ *Sole Proprietorship*  
\_\_\_\_\_ *Partnership*  
\_\_\_\_\_ *Limited Liability Company*  
\_\_\_\_\_ *Corporation*

State: \_\_\_\_\_

2. **Owners.** If Franchisee is a partnership, limited liability company or corporation:

Name	Shares or Percentage of Ownership

3. **Officers.** If Franchisee is a limited liability company or corporation:

Name	Title

**Attachment 2 to Franchise Agreement**

**LOCATION ACCEPTANCE LETTER**

To: \_\_\_\_\_

This Location Acceptance Letter is issued by Website Closers Franchise Company, LLC for your Website Closers franchise in accordance with Section 6.1 of the Franchise Agreement.

1. The Location of the Business is:

\_\_\_\_\_

2. The Territory of the Business is:

\_\_\_\_\_

WEBSITE CLOSERS FRANCHISE COMPANY,  
LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

### Attachment 3 to Franchise Agreement

#### **GUARANTY AND NON-COMPETE AGREEMENT**

This Guaranty and Non-Compete Agreement (this “Guaranty”) is executed by the undersigned person(s) (each, a “Guarantor”) in favor of Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”).

**Background Statement:** \_\_\_\_\_ (“Franchisee”) desires to enter into a Franchise Agreement with WCF for the franchise of a Website Closers business (the “Franchise Agreement”; capitalized terms used but not defined in this Guaranty have the meanings given in the Franchise Agreement). Guarantor owns an equity interest in Franchisee. Guarantor is executing this Guaranty in order to induce WCF to enter into the Franchise Agreement.

Guarantor agrees as follows:

**1. Guaranty.** Guarantor hereby unconditionally guarantees to WCF and its successors and assigns that Franchisee shall pay and perform every undertaking, agreement and covenant set forth in the Franchise Agreement and further guarantees every other liability and obligation of Franchisee to WCF, whether or not contained in the Franchise Agreement. Guarantor shall render any payment or performance required under the Franchise Agreement or any other agreement between Franchisee and WCF upon demand from WCF. Guarantor waives (a) acceptance and notice of acceptance by WCF of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Franchisee; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Franchisee or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law which requires that WCF make demand upon, assert claims against or collect from Franchisee or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

**2. Confidential Information.** With respect to all Confidential Information Guarantor shall (a) adhere to all security procedures prescribed by WCF 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 or approved in writing by WCF, (d) exercise the highest degree of diligence and make every effort to maintain the confidentiality of all such information during and after the term of the Franchise Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Guarantor acknowledges that all Confidential Information is owned by WCF or its affiliates (except for Confidential Information which WCF licenses from another person or entity). Guarantor

acknowledges that all customer data generated or obtained by Guarantor is Confidential Information belonging to WCF. This Section will survive the termination or expiration of the Franchise Agreement indefinitely.

### **3. Covenants Not to Compete.**

(a) Restriction - In Term. During the term of the Franchise Agreement, Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after the Franchise Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer by Guarantor), Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor located within five miles of Franchisee's Territory or within the territory of any other Website Closers business operating on the date of expiration, termination or transfer, as applicable. Additionally, in consideration of the covenants contained herein, Franchisee agrees that for the period he is a Franchisee, and for two (2) years following the termination of engagement with the Franchisee for any reason whatsoever, Franchisee shall not, anywhere in the world, in any manner, directly or indirectly or by assisting others, engage in the sale, discussions of sale, solicitation for sale, or marketing for sale of any business in the Digital Space or any other business conducted by the Franchisor during the period of Franchisee's franchise relationship with the Franchisor. For purposes of this section, a company operating in the Digital Space shall be those that are commonly known as (a) Internet companies, including but not limited to persons or entities that operate as eCommerce or service companies, B2C, B2B, wholesale, distribution or any other company that operates in any capacity whatsoever on or concerning the Internet, technology or software; companies that sell (either exclusively or in addition to other sales) on Amazon, eBay, etsy, cart platforms, and similar marketplaces; any companies that operate or provide operations assistance with websites or businesses that operate on websites or that provide goods and/or services for websites; digital technology companies; software and applications related businesses, affiliate marketers, marketing firms, advertising agencies; marketing or advertising management firms; and, other digital assets or digital business models of any kind.

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

**4. Modification.** Guarantor agrees that Guarantor's liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Franchise Agreement, (b) any extension of time, credit or other indulgence which WCF may from time to time grant to

Franchisee or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

**5. Governing Law; Dispute Resolution.** This Guaranty shall be governed by and construed in accordance with the laws of the state of Florida (without giving effect to its principles of conflicts of law). 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 5. The provisions of Article 17 (Dispute Resolution) of the Franchise Agreement apply to and are incorporated into this Guaranty as if fully set forth herein. Guarantor shall pay to WCF all costs incurred by WCF (including reasonable attorney fees) in enforcing this Guaranty. If multiple Guarantors sign this Guaranty, each will have joint and several liability.

Agreed to by:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_

## Attachment 4 to Franchise Agreement

### CONDITIONAL ASSIGNMENT OF BRAND ACCOUNTS

This Assignment of Brand Accounts (this “Assignment”) is executed by the undersigned (“Franchisee”) in favor of Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”).

**Background Statement:** WCF and Franchisee are parties to a Franchise Agreement pursuant to which WCF granted Franchisee a license to operate a Website Closers franchised business (the “Business”). WCF or its affiliates are the sole owner of the Website Closers brand and all names, logos, trademarks, service marks, and other intellectual property associated therewith. To protect WCF’s interest in and control of Website Closers, Franchisee acknowledges and agrees that WCF has the right to control all telephone numbers, directory listings, and internet marketing accounts related to Website Closers.

Franchisee agrees as follows:

**1. Conditional Assignment.** Franchisee hereby assigns to WCF (or its designee) all of Franchisee’s rights, title, and interest in and to all telephone numbers, directory listings, email accounts, websites, social media accounts, and all other accounts and profiles for advertising and marketing on the internet or any electronic communications network (“Brand Accounts”) associated with Website Closers and registered by Franchisee from time to time in connection with the operation of Franchisee’s Business, such assignment to be effective upon (a) termination or expiration of the Franchise Agreement, or (b) notice from WCF to Franchisee, at which time WCF will have the right to assume ownership of any one or all Brand Accounts.

**2. Transfer or Deletion.** Franchisee hereby authorizes the service provider of each Brand Account (the “Provider”) to transfer the Brand Account to WCF (or its designee) or to delete the Brand Account upon the written instruction of WCF. Franchisee hereby grants WCF an irrevocable limited power of attorney on behalf of Franchisee to direct any Provider to transfer or delete a Brand Account. In such an event, Franchisee will have no further right, title or interest in the Brand Account but will remain liable to the Provider for all past due fees owing to the Provider on or before the date on which the assignment is effective. WCF will have no liability or obligation of any kind to a Provider arising prior the effective date of transfer or deletion. Franchisee agrees to take all reasonable steps necessary to effectuate the transfer or deletion (as determined by WCF) of each Brand Account.

*[Signatures on next page]*

Executed by:

FRANCHISEE:

*[if an individual:]*

\_\_\_\_\_  
Name: \_\_\_\_\_

Date: \_\_\_\_\_

*[if an entity:]*

\_\_\_\_\_  
By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT C

### FORM OF GENERAL RELEASE

*[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 (“Release”) is executed by the undersigned (“Releasor”) in favor of Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”).

**Background Statement:** *[describe circumstances of Release]*

Releasor agrees as follows:

- 1. Release.** Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the “Releasing Parties”)) hereby releases WCF, its affiliates, and their respective directors, officers, shareholders, franchise sellers, employees, and agents (collectively, the “Released Parties”) from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement (collectively, “Claims”).
- 2. Covenant Not to Sue.** Releasor (on behalf of all Releasing Parties) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any Released Party with respect to any Claim.
- 3. Representations and Acknowledgments.** Releasor represents and warrants that: (i) Releasor is the sole owner of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor’s choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim.
- 4. Miscellaneous.** If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that WCF reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof.

**5. State Addenda.**

**[Maryland Residents]:** This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

**[Washington Residents]:** A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the franchise agreement is in effect and where the parties are represented by independent counsel.

Agreed to by:

\_\_\_\_\_  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT D**  
**FINANCIAL STATEMENTS**

WEBSITE CLOSERS FRANCHISE COMPANY, LLC  
Financial Statements For The Year Ended December 31, 2022  
TOGETHER WITH INDEPENDENT ACCOUNTANT AUDIT REPORT

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## INDEPENDENT ACCOUNTANT AUDIT REPORT

To the Management of WEBSITE CLOSERS FRANCHISE COMPANY, LLC

We have audited the accompanying financial statements of WEBSITE CLOSERS FRANCHISE COMPANY, LLC, which comprise the Balance Sheet as of December 31, 2022, the related Profit & Loss Statement, the related Statement of Cashflows, and the related Statement of Shareholders' Equity for the twelve-month period then ended.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WEBSITE CLOSERS FRANCHISE COMPANY, LLC as of December 31, 2022, and the results of its operations and its cash flows for the twelve-month period then ended in accordance with accounting principles generally accepted in the United States of America.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

A handwritten signature in black ink, appearing to read 'Omar Alnuaimi, CPA'.

Omar Alnuaimi, CPA

Naperville, IL  
May 30, 2023



**WEBSITE CLOSERS FRANCHISE COMPANY, LLC**  
**PROFIT & LOSS STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>Revenue</b>	
Franchise Fee Revenue	\$ 105,033
Training Services Revenue	380,000
Commissions Revenue	5,765,312
<b>Cost of Sales</b>	-
<b>Gross Profit</b>	<u>6,250,345</u>
<b>Operating Expense</b>	
Commissions Expense	2,857,251
Referral Fees	75,307
Advertising & Marketing Expense	147,000
<b>Total Operating Expense</b>	<u>3,079,558</u>
<b>Net Income From Operations</b>	3,170,787
<b>Other Income (Expense)</b>	
Total Other Income (Expense)	<u>-</u>
<b>Net Income Before Provision for Income Tax</b>	3,170,787
<b>Provision for Income Taxes</b>	-
<b>Net Income (Loss)</b>	<u><u>\$3,170,787</u></u>

*See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.*

**WEBSITE CLOSERS FRANCHISE COMPANY, LLC**  
**BALANCE SHEET**  
**DECEMBER 31, 2022**

<b><u>ASSETS</u></b>	
<b>CURRENT ASSETS</b>	
Cash and Cash Equivalents	\$ 13,000
Accounts Receivable	73,625
TOTAL CURRENT ASSETS	<u>86,625</u>
<b>NON-CURRENT ASSETS</b>	
Due From Related Party	4,431,517
TOTAL NON-CURRENT ASSETS	<u>4,431,517</u>
TOTAL ASSETS	<u><u>4,518,142</u></u>
<b><u>LIABILITIES AND OWNER'S EQUITY</u></b>	
<b>CURRENT LIABILITIES</b>	
Deferred Revenue (current)	105,684
TOTAL CURRENT LIABILITIES	<u>105,684</u>
<b>NON-CURRENT LIABILITIES</b>	
Deferred Revenue (non-current)	422,736
TOTAL NON-CURRENT LIABILITIES	<u>422,736</u>
TOTAL LIABILITIES	<u>528,420</u>
<b>OWNER'S EQUITY</b>	
Retained Earnings	818,935
Net Income (Loss)	3,170,787
TOTAL SHAREHOLDERS' EQUITY	<u>3,989,722</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>\$4,518,142</u></u>

*See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.*

**WEBSITE CLOSERS FRANCHISE COMPANY, LLC**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>OPERATING ACTIVITIES</b>	
Net Income	\$3,170,787
Non-Cash Adjustments	
Changes in Accounts Receivable	11,375
Changes in Deferred Revenue	94,867
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>3,277,029</u>
<b>INVESTING ACTIVITIES</b>	
Changes in Due From Related Party	<u>(3,274,029)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(3,274,029)
<b>FINANCING ACTIVITIES</b>	
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>-</u>
NET INCREASE (DECREASE) IN CASH	3,000
CASH AT BEGINNING OF PERIOD	<u>10,000</u>
CASH AT END OF PERIOD	\$ 13,000

*See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.*

WEBSITE CLOSERS FRANCHISE COMPANY, LLC  
STATEMENT OF SHAREHOLDERS' EQUITY  
DECEMBER 31, 2022

	Opening Equity Balance	Yearly Changes	Total
Balance, December 31, 2021	\$ 818,935	\$ -	\$ 818,935
Net Income For The Period Ended December 31, 2022	-	3,170,787	3,170,787
Equity Contributions (Distributions)	-	-	-
<b>Balance, December 31, 2022</b>	<b>\$ 818,935</b>	<b>\$3,170,787</b>	<b>\$3,989,722</b>

*See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.*

WEBSITE CLOSERS FRANCHISE COMPANY, LLC  
NOTES TO FINANCIAL STATEMENTS  
For The Year Ended December 31, 2022

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**NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES**

WEBSITE CLOSERS FRANCHISE COMPANY, LLC (the “Company”) was formed on October 29, 2019, as a Florida limited liability company for the purpose of offering franchise opportunities and support for entrepreneurs who want to own a franchise location of ‘Website Closers’, a business that specializes in technology, internet and digital business sales.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). As a result, the Company records revenue when earned and expenses when incurred. The Company has adopted the calendar year as its basis of reporting.

Use of Estimates

The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expense during the reporting period. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, and makes adjustments when facts and circumstances dictate. These estimates are based on information available as of the date of the financial statements; therefore, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Franchisee Receivables

The Company’s franchisee receivables primarily result from initial franchise fees, royalty fees, brand development contributions and training fees charged to franchisees. Timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized after invoicing. The Company reports these receivables at net realizable value.

WEBSITE CLOSERS FRANCHISE COMPANY, LLC  
NOTES TO FINANCIAL STATEMENTS  
For The Year Ended December 31, 2022

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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

Franchisee Receivables (cont.)

Management determines the allowance for doubtful accounts based on historical losses, current expectations, and economic conditions. On a continuing basis, management analyzes delinquent accounts receivable and, once these accounts receivable are determined to be uncollectible, they are written off through a charge against an existing allowance account. The allowance account is reviewed regularly and adjusted against earnings as appropriate. The Company determined that an allowance on outstanding franchisee receivables of \$0 was necessary as of December 31, 2022. Franchisee bad debt expense was \$0 for the year ended December 31, 2022. Franchisee amounts written off were \$0 for the year ended December 31, 2022.

Fair Value of Financial Instruments

Financial Accounting Standards Board (“FASB”) guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).
- Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

As of December 31, 2022, the carrying amounts of the Company’s financial assets and liabilities reported in the balance sheets approximate their fair value.

Revenue Recognition

Revenues are primarily derived from franchise fees (one-time and recurring monthly fees). In accordance with Accounting Standards Codification (ASC) Topic 606, Revenue will be recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the seller’s price to the buyer is fixed or determinable, and collectability is reasonable assured. The determination of whether fees are fixed or determinable and collection is reasonable assured involves the use of assumptions. Arrangement terms and customer information are evaluated to ensure that these criteria are met prior to recognition of revenue.

WEBSITE CLOSERS FRANCHISE COMPANY, LLC  
NOTES TO FINANCIAL STATEMENTS  
For The Year Ended December 31, 2022

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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

Revenue Recognition (cont.)

Specifically for franchisors, The Financial Accounting Standards Board (FASB) has issued an Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' in 2021 which provides a new practical expedient that permits private company franchisors to account for preopening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within the guidance. The Company has elected to adopt this new standard.

Unearned Revenue

The Company's primary performance obligation under the franchise agreement mainly includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including initial training and other such activities commonly referred to collectively as "pre-opening activities", which are recognized as a single performance obligation. The Company expects that certain pre-opening activities provided to the franchisee will not be brand specific and will provide the franchisee with relevant general business information that is separate and distinct from the operation of a company-branded franchise unit. The portion of pre-opening activities that will be provided that is not brand specific is expected to be distinct as it will provide a benefit to the franchisee and is expected not to be highly interrelated or interdependent to the access of the Company's intellectual property, and therefore will be accounted for as a separate distinct performance obligation. All other pre-opening activities are expected to be highly interrelated and interdependent to the access of the Company's intellectual property and therefore will be accounted for as a single performance obligation, which is satisfied by granting certain rights to access the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company will first allocate the initial franchise fees and the fixed consideration, under the franchise agreement to the stand-alone selling price of the training services that are not brand specific and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, which are not brand specific are recognized ratably as those services are rendered. Consideration allocated to pre-opening activities included under Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' is recognized when the related services have been rendered.

The remaining franchise fee not allocated to pre-opening activities are recorded as Unearned Revenue and will be recognized over the term of the franchise agreement.

WEBSITE CLOSERS FRANCHISE COMPANY, LLC  
NOTES TO FINANCIAL STATEMENTS  
For The Year Ended December 31, 2022

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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

Income Taxes

The Company, with the consent of its shareholders, intends to elect to be an S-Corporation (for tax purposes). In lieu of corporate income taxes, the shareholder(s) of an S-Corporation is taxed based on its proportionate share of The Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

Commitments and Contingencies

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations. As of December 31, 2022, the Company has not reported any lawsuit or known plans of litigation by or against the Company.

**NOTE C – DUE FROM RELATED PARTY**

The Company has an asset consisting of amounts due from an affiliated company. There is no formal note, no interest, and the balance has not been discounted. The amount represents cash collections of franchise fees and other income and is reduced by expenses paid on behalf of the Company. The amount is expected to be repaid as needed and is an accumulation of income and expenses throughout the year.

**NOTE D – CONCENTRATIONS OF RISK**

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

**NOTE E – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through May 30, 2023, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

# WEBSITE CLOSERS FRANCHISE COMPANY LLC

## FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED  
DECEMBER 31, 2021, 2020 AND 2019

DASH Business Solutions, LLC  
1127 Royal Palm Beach Blvd #408  
Royal Palm Beach, FL 33411  
561.247.5303  
info@dash.cpa

## WEBSITE CLOSERS FRANCHISE COMPANY LLC

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## DASH Business Solutions, LLC

### *Independent Auditor's Report*

To the Members of  
Website Closers Franchise Company LLC

We have audited the accompanying financial statements of Website Closers Franchise Company LLC, which comprise the balance sheets as of December 31, 2021, 2020 and 2019, and the related statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

#### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Website Closers Franchise Company LLC as of December 31, 2021, 2020 and 2019, and the results of its operations and its cash flows for the years then ended, in accordance with the generally accepted accounting principles in the United States of America.

#### *Basis for Opinion*

The audit was conducted in accordance with generally accepted auditing standards (GAAS) of the United States of America while specifically adhering to the auditor's responsibility listed below. The auditor is required to be independent of the entity and meet other ethical responsibilities relevant to the audit. 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 the financial statements in accordance with generally accepted accounting principles 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.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Performing an audit in accordance with GAAS requires the auditor to exercise professional judgment and maintain professional skepticism throughout the audit. The GAAS standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by management, consideration of the entity's ability to continue as a going concern for a reasonable amount of time, as well as evaluating the overall presentation of the financial statements.

*Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

The auditor is 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 the auditor identified during the audit.

The objectives of the auditor are to i) obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and ii) issue an auditor's report that includes the auditor's 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

*DASH Business Solutions, LLC*

DASH Business Solutions, LLC  
Royal Palm Beach, FL  
April 11, 2022

# WEBSITE CLOSERS FRANCHISE COMPANY LLC

## Balance Sheets December 31, 2021, 2020 and 2019

	2021	2020	2019
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 10,000	\$ 50,000	\$ -
Accounts Receivable	85,000	-	-
Due From Affiliate	1,157,488	268,150	-
Total Current Assets	<u>1,252,488</u>	<u>318,150</u>	<u>-</u>
Other Assets	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,252,488</u></u>	<u><u>\$ 318,150</u></u>	<u><u>\$ -</u></u>
 <b>LIABILITIES &amp; EQUITY</b>			
Current Liabilities			
Deferred Revenue, current portion	\$ 108,388	\$ 94,418	\$ -
Total Current Liabilities	<u>108,388</u>	<u>94,418</u>	<u>-</u>
Long-Term Liabilities			
Deferred Revenue	<u>325,165</u>	<u>143,253</u>	<u>-</u>
Total Long-Term Liabilities	<u>325,165</u>	<u>143,253</u>	<u>-</u>
Total Liabilities	<u>433,553</u>	<u>237,671</u>	<u>-</u>
Members' Equity			
Retained Earnings	<u>818,935</u>	<u>80,479</u>	<u>-</u>
Total Members' Equity	<u>818,935</u>	<u>80,479</u>	<u>-</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>\$ 1,252,488</u></u>	<u><u>\$ 318,150</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements

# WEBSITE CLOSERS FRANCHISE COMPANY LLC

## Statements of Operations For The Years Ended December 31, 2021, 2020 and 2019

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues			
Franchise Fees	\$ 54,108	\$ 12,329	\$ -
Training Fees	150,000	150,000	
Commission Revenue	<u>1,391,701</u>	<u>30,000</u>	
Total Revenues	<u>1,595,809</u>	<u>192,329</u>	<u>-</u>
Expenses			
Advertising and Marketing	212,400	39,350	-
Commision Expense	584,303	65,000	-
Licenses and Fees	-	6,500	-
Professional Fees	650	1,000	-
Referral Fees	<u>60,000</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>857,353</u>	<u>111,850</u>	<u>-</u>
Operating Income (Loss)	<u>738,456</u>	<u>80,479</u>	<u>-</u>
Interest Income	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	<u>\$ 738,456</u>	<u>\$ 80,479</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements

# WEBSITE CLOSERS FRANCHISE COMPANY LLC

## Statements of Changes in Members' Equity For The Years Ended December 31, 2021, 2020 and 2019

Equity at January 1, 2019	\$ -
Member Contributions (Distributions)	-
Net Income (Loss)	<u>-</u>
Equity at December 31, 2019	<u><u>\$ -</u></u>
Equity at January 1, 2020	\$ -
Member Contributions (Distributions)	-
Net Income (Loss)	<u>80,479</u>
Equity at December 31, 2020	<u><u>\$ 80,479</u></u>
Equity at January 1, 2021	\$ 80,479
Member Contributions (Distributions)	-
Net Income (Loss)	<u>738,456</u>
Equity at December 31, 2021	<u><u>\$ 818,935</u></u>

See accompanying Notes to Financial Statements

# WEBSITE CLOSERS FRANCHISE COMPANY LLC

## Statements of Cash Flows For The Years Ended December 31, 2021, 2020 and 2019

	2021	2020	2019
<u>Cash Flows From Operating Activities:</u>			
Net Income (Loss)	\$ 738,456	\$ 80,479	\$ -
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation & Amortization	-	-	-
Changes in Assets and Liabilities			
(Increase) Decrease in Assets	(85,000)	(268,150)	-
Increase (Decrease) in Liabilities	195,882	237,671	-
Net Cash Provided by Operating Activities	849,338	50,000	-
<u>Cash Flows From Investing Activities:</u>			
Loan From Affilitate	(889,338)	-	-
Net Cash Provided by Investing Activities	(889,338)	-	-
<u>Cash Flows From Financing Activities:</u>			
Members' Contributions (Distributions)	-	-	-
Net Cash Provided by Financing Activities	-	-	-
Net Change in Cash	(40,000)	50,000	-
Cash - Beginning of Period	50,000	-	-
Cash - End of Period	\$ 10,000	\$ 50,000	\$ -

### Supplementary Disclosures Of Cash Flows

Cash Paid For Interest	\$ -	\$ -	\$ -
Cash Paid For Taxes	\$ -	\$ -	\$ -

See accompanying Notes to Financial Statements

## WEBSITE CLOSERS FRANCHISE COMPANY LLC

### Notes to the Financial Statements

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### *Organization and Nature of Business*

Website Closers Franchise Company LLC (the "Company") was formed on October 29, 2019 as a Florida limited liability company for the purpose of offering franchise opportunities and support for entrepreneurs who want to own a franchise location of Website Closers, a business that specializes in technology, internet and digital business sales.

##### *Basis of Accounting*

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year.

##### *Accounting Standards Codification*

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission (SEC), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online search system.

##### *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

##### *Cash and Cash Equivalents*

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. Also included with cash equivalents are deposits in-transit from banks for payments related to third-party credit card and debit card transactions. As of December 31, 2021, 2020 and 2019, the Company had cash and cash equivalents of \$10,000, \$50,000 and \$0, respectively.

##### *Concentration of Risk*

The Company maintains its cash in bank deposit accounts which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

## WEBSITE CLOSERS FRANCHISE COMPANY LLC

### Notes to the Financial Statements

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### *Accounts Receivable*

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, royalty fees, and other revenues. These receivables are carried at original invoice amount less an estimate made for doubtful receivables, based on a review of outstanding amounts. Management regularly evaluates individual customer receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. As of December 31, 2021, 2020 and 2019, the Company had accounts receivable of \$85,000, \$0 and \$0, respectively, and all accounts were deemed collectible.

##### *Revenue Recognition*

The Financial Accounting Standards Board ("FASB") issued codification Topic 606, Revenue from Contracts with Customers (ASC 606). Under ASC 606, the franchisor must determine if the pre-opening activities contain any distinct goods or services, known as performance obligations, and then allocate the initial franchise fees to those performance obligations using the stand-alone selling price of the goods or services. The Company has instituted ASC 606 by allocating fifty-percent of the initial franchise fee to the three-week comprehensive training program. The training fee portion will be recognized upon completion of the training. The remaining fifty-percent is allocated and recognized over the five-year contract term with the first year recognized subsequent to the opening of the franchise. The institution of the policy did not require restatement as ASC 606 was instituted for the year ending December 31, 2020, the first year franchise sales contracts were executed.

The Company's revenues consist of fees from franchises such as initial franchise fees, training, commission, and other fees. The initial franchise fees are deferred as a liability and recognized as stated in the previous paragraph. The training, commission, and other fees are recognized when earned. The commissions are based on a percentage of gross sales of each individual franchise according to the franchise contract.

The Company is obligated to provide the franchise with specific performances, including name and trademark use, as outlined in the franchise disclosure document, for a period of five years. The initial franchise fee is not refundable, it is collected upon contract signing, and future allocations of the fees have no risk of impairment. When a franchise terminates the contract prior to the five-year period, the remainder of the initial franchise fee is recognized in the year of termination. At December 31, 2021, there were a total of 19 franchises, of which 17 were active. The Company had total deferred franchise fees for future allocation of \$433,553 and \$237,671, respectively, at December 31, 2021 and 2020. During the year ended December 31, 2019, no franchise fees were collected or deferred. The current portion is estimated and actual results may vary.

## WEBSITE CLOSERS FRANCHISE COMPANY LLC

### Notes to the Financial Statements

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### *Financial Instruments*

For certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, long term notes receivable, accounts payable and accrued expenses, the carrying amounts approximate fair value due to their short maturities.

##### *Income Taxes*

The entity is structured as a limited liability company (LLC) under the laws of the State of Florida. It is classified as a single member LLC and treated as a disregarded entity for federal and state income tax purposes. Accordingly, the income or loss of the Company is included in the income tax return of the owners. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under Accounting Standards Codification ("ASC") Topic 740, Accounting for Uncertainty in Income Taxes. ASC Topic 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the members rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2021, the 2020 and 2019 tax returns were subject to examination based on the date of formation.

##### *Advertising Costs*

The Company expenses advertising costs when the first advertising takes place. The advertising expense at December 31, 2021, 2020 and 2019 were \$212,400, \$39,350 and \$0, respectively.

##### *Subsequent Events*

Management has reviewed and evaluated subsequent events through April 11, 2022, the date on which the financial statements were available to be issued.

#### NOTE 2 - RELATED PARTY TRANSACTIONS

During the years ended December 31, 2021, 2020 and 2019, the Company has not incurred any operating expenses with related parties.

## WEBSITE CLOSERS FRANCHISE COMPANY LLC

### Notes to the Financial Statements

#### NOTE 3 - COMMITMENTS AND CONTINGENCIES

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed. There were no loss contingencies that required disclosure at December 31, 2021, 2020 and 2019.

#### NOTE 4 - FRANCHISE AGREEMENT

The terms of the Company's franchise agreement will be as follows:

- A. The Company will grant the right to use the Company name, trademark and system in the franchisees franchise development business.
- B. The franchisee is obligated to pay a non-refundable initial franchise fee.
- C. Other requirements as outlined in the Franchise Disclosure Document.

#### NOTE 5 - DEFERRED REVENUE

As stated in Note 1, under ASC 606, franchisor may recognize franchise fee revenue when the franchisor has substantially performed all services required to earn the initial franchise fee, or if pre-opening activities contain any distinct goods or services that can be allocated from the initial franchise fee. Management has determined that fifty-percent (50%) of the revenue from the initial franchise fees (\$25,000) represents the training cost and should be recognized upon completion of the three-week training. The remaining fifty-percent will be recognized equally over a five-year period beginning upon the opening of the franchise. The amounts in deferred revenue on the balance sheet consist of the current portion that will be recognized in the subsequent year, and the long-term portion that will be recognized over the remaining contract period of the franchise. If a franchise cancels the contract, the remaining deferred revenue relative to the franchise will be recognized in the year the contract is cancelled.

#### NOTE 6 - DUE FROM AFFILIATE

The Company has a current asset consisting of amounts due from an affiliated company. There is no formal note, no interest, and the balance has not been discounted. The amount represents cash collections of the franchise fees and other income and is reduced by expenses paid on behalf of the Company. The amount is expected to be repaid as needed and is an accumulation of income and expenses throughout the year. The amount due to the Company at December 31, 2021, 2020 and 2019 was \$1,157,488, \$268,150 and \$0, respectively.

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

WEB FRANCH-TAX BASIS  
BALANCE SHEET  
APRIL 30, 2023

ASSETS

CURRENT ASSETS		
CHECKING	\$	<u>10,000.00</u>
TOTAL CURRENT ASSETS		10,000.00
PROPERTY AND EQUIPMENT		<u>                    </u>
TOTAL PROPERTY AND EQUIPMENT		0.00
OTHER ASSETS		
DUE TO/FROM WEBSITE CLOSERS		<u>5,583,492.40</u>
TOTAL OTHER ASSETS		<u>5,583,492.40</u>
TOTAL ASSETS	\$	<u><u>5,593,492.40</u></u>

LIABILITIES AND CAPITAL

CURRENT LIABILITIES		<u>                    </u>
TOTAL CURRENT LIABILITIES		0.00
LONG-TERM LIABILITIES		<u>                    </u>
TOTAL LONG-TERM LIABILITIES		<u>0.00</u>
TOTAL LIABILITIES		0.00
CAPITAL		
RETAINED EARNINGS	\$	4,214,866.57
NET INCOME		<u>1,378,625.83</u>
TOTAL CAPITAL		<u>5,593,492.40</u>
TOTAL LIABILITIES & CAPITAL	\$	<u><u>5,593,492.40</u></u>

WEB FRANCH-TAX BASIS  
INCOME STATEMENT  
FOR THE FOUR MONTHS ENDING APRIL 30, 2023

	Current Month		Year to Date	
REVENUES				
FRANCHISE FEE INCOME	\$ 471,390.24	100.00	\$ 1,553,019.26	67.92
COMMISSION INCOME	<u>0.00</u>	<u>0.00</u>	<u>733,564.45</u>	<u>32.08</u>
TOTAL REVENUES	<u>471,390.24</u>	<u>100.00</u>	<u>2,286,583.71</u>	<u>100.00</u>
COST OF SALES				
TOTAL COST OF SALES	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
GROSS PROFIT	<u>471,390.24</u>	<u>100.00</u>	<u>2,286,583.71</u>	<u>100.00</u>
EXPENSES				
OUTSIDE SERVICES	9,375.00	1.99	9,375.00	0.41
COMMISSIONS	228,515.24	48.48	895,582.88	39.17
REFERRAL FEES	<u>0.00</u>	<u>0.00</u>	<u>3,000.00</u>	<u>0.13</u>
TOTAL EXPENSES	<u>237,890.24</u>	<u>50.47</u>	<u>907,957.88</u>	<u>39.71</u>
NET INCOME	<u>\$ 233,500.00</u>	<u>49.53</u>	<u>\$ 1,378,625.83</u>	<u>60.29</u>

## EXHIBIT E

### BRAND STANDARDS MANUAL TABLE OF CONTENTS



<b>Manual Section</b>	<b>Number of Pages</b>
Introduction	30
Establishing the Business	54
Personnel	87
Administrative Procedures	20
Daily Procedures	16
Marketing Support	18
<b>Total Number of Pages</b>	<b>225</b>

## EXHIBIT F

### CURRENT AND FORMER FRANCHISEES

#### Current Franchisees

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:

Justin Harris	5504 Cedarshed Cove	Birmingham	AL	35242	205-222-7099
Eric Pittman	4371 Cliff Rd S	Birmingham	AL	35222	770-714-5335
Madhur Dayal	3 Arrowood Lane	Fairfax	CA	94930	415-948-3572
Nour Mattar	45 Splendor	Irvine	CA	92618	949-243-4988
Mike Adams	6719 Aliso Valley Way	San Diego	CA	92130	540-921-7403
Joe Pergolizzi	2365 Grape Ave	Boulder	CO	80304	303-818-3817
Gerald "Jerry" Hansen*	178 Coyote Willow Dr.	Colorado Springs	CO	80921	336-755-6908
Alex Mylonas	5419 Title Row Dr	Bradenton	FL	34210	305 680-7283
Agha Faruq*	327 Knotty Pine Cir.	Greenacres	FL	33463	312-730-5690
Michael Freedman	21754 Waverly Shores Ln.	Land O' Lakes	FL	34637	813-244-1691
Leo Decker	232 N. Airport Road	New Smyrna Beach	FL	32168	484-553 0371
Richard Whitson	4418 Farm Dr.	Allentown	PA	18104	610-428-3126
Paul Volen	215 Pablo Road	Ponte Vedra Beach	FL	32082	904-314-7686
Tom Howard	1776 Lakewood Ranch Blvd. #261	Sarasota	FL	34240	941-744-0492
Jeff Milone*	4660 Ocean Blvd., Unit B2	Siesta Key	FL	34242	732-921-3778
Paul Vartanian	19211 Cinnamon Ridge Way	Tampa	FL	33647	401-529-8899
Brent Fisher	14705 Castelletto Dr	Tampa	FL	33626	325-660-1429
Erin O'Leary	25 Northern Av.	Boston	MA	02210	814-280-1220
Al Sciola	200F Main St., Ste. 222	Stoneham	MA	01867	781-776-7766
Jeff Hanson	301 W. 112th St.	Kansas City	MO	64114	405.761.6476
Lenny Farber	25 Rawlings Dr.	Huntington Station	NY	11747	516-581-5949
Izach Porter	7519 Windaliere Dr.	Cornelius	NC	28031	412-894-6609
Vance Baker	679 Towncrest Dr	Beavercreek	OH	45434	937-232-4832
Andy DeJaco	6198 Inverurie Dr	Dublin	OH	43017	614-579-5121
Matt Perkins	482 Catawba Dr	Wadsworth	OH	44281	234-281-3666
Nate Lind	3307 Ave. Isla Verde #1405	Carolina	PR	00979	787-299-9222
Doug Grindstaff	5905 Old Harding Pike	Nashville	TN	37205	865-599-6588
Randy Rinon	3306 Westover Ct	Grapevine	TX	76051	817-233-2357

\* These franchisees have stopped taking leads but still have active franchise agreements.

Franchisees who had signed franchise agreements but were not yet open as of the end of our last fiscal year:

None.

### Former Franchisees

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:

Gerald "Jerry" Hansen*	178 Coyote Willow Dr.	Colorado Springs	CO	80921	336-755-6908
Agha Faruq*	327 Knotty Pine Cir.	Greenacres	FL	33463	312-730-5690
Jeff Milone*	4660 Ocean Blvd., Unit B2	Siesta Key	FL	34242	732-921-3778

\* These franchisees are still active, but have stopped taking leads, and we have not had communications with them in the 10 weeks prior to the disclosure document issuance date

**EXHIBIT G**

**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](http://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.

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES. THIS REQUIREMENT PLACES THE MARITAL ASSETS OF THE SPOUSES DOMICILED IN COMMUNITY PROPERTY STATES – ARIZONA, CALIFORNIA, IDAHO, LOUISIANA, NEVADA, NEW MEXICO, TEXAS, WASHINGTON AND WISCONSIN AT risk IF YOUR FRANCHISE FAILS.

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 Late Fee 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 contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Orlando, Florida, with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

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

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.

4. The following paragraph is added at the end of Item 19 of the Disclosure Document:

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

## 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 the following states: \_\_\_\_\_
2. A proposed registration or filing is or will be shortly on file in the following states:  
\_\_\_\_\_
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 recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the “Act”), this Disclosure Document is amended as follows:

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

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

Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the 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 Act.

## **MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT**

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

The following is added to Item 17:

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.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 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.

## **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, 28 LIBERTY ST. 21ST FLOOR, NEW YORK, NY 10005. 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 the “Summary” sections of Item 17(c), titled **“Requirements for franchisee to renew or extend,”** and Item 17(m), entitled **“Conditions for franchisor approval of transfer”**:

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

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

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

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

## 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 and 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.

## **OHIO ADDENDUM TO DISCLOSURE DOCUMENT**

In the State of Ohio only, this Disclosure Document is amended by adding the following two cover pages to this Disclosure Document:

**Website Closers Franchise Company, LLC**

**June 5, 2023**

### **READ THIS DISCLOSURE DOCUMENT CAREFULLY**

**The state of Ohio has not reviewed and does not approve, recommend, endorse, or sponsor this or any franchise. If you have any questions about this franchise, the information contained in this disclosure document should be reviewed with an attorney or financial advisor before you sign any agreement.**

**The following disclosure document contains the disclosures required by Ohio law.**

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

The following is added to Item 19:

**CAUTION**

**Some business opportunity plans have earned this amount. There is no assurance you will do as well. If you rely upon our figures, you must accept the risk of not doing as well.**

## **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**

(See Exhibit H for Washington Addendum to Disclosure Document and Rider to Franchise Agreement)

**EXHIBIT H**  
**STATE ADDENDA TO FRANCHISE AGREEMENT**

## ILLINOIS RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated \_\_\_\_\_ (the “Agreement”), between Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

1. **Governing Law.** Illinois law governs the Agreement.
2. **Waivers Void.** In conformance with Section 41 of the Illinois Franchise Disclosure Act, 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.
3. **Jurisdiction.** In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to occur outside of Illinois.
4. **Entire Agreement; No Disclaimer.** This Agreement and all related agreements executed simultaneously with this Agreement constitute the entire understanding of the parties and supersede any and all prior oral or written agreements between WCF and Franchisee on the matters contained in this Agreement; but nothing in this Agreement or any related agreement is intended to disclaim the representations that WCF made in the latest franchise disclosure document that WCF furnished to Franchisee.
5. **Effective Date.** This Rider is effective as of the date of the Agreement.

Agreed to by:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

WEBSITE CLOSERS FRANCHISE  
COMPANY, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## INDIANA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated \_\_\_\_\_ (the “Agreement”), between Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”) 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 to 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.

Agreed to by:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

WEBSITE CLOSERS FRANCHISE  
COMPANY, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## MARYLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated \_\_\_\_\_ (the “Agreement”), between Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Maryland Franchise Registration and Disclosure Law” means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.

**2. Releases, Estoppels and Waivers of Liability.** All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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

**4. Jurisdiction.** Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction in the State of Maryland.

Agreed to by:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

WEBSITE CLOSERS FRANCHISE  
COMPANY, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## MINNESOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated \_\_\_\_\_ (the “Agreement”), between Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”) 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:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

WEBSITE CLOSERS FRANCHISE  
COMPANY, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## NEW YORK RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated \_\_\_\_\_ (the “Agreement”), between Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”) 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 WCF or any other person from any duty or liability imposed by New York General Business Law, Article 33 (the “New York Franchise Law”).
- 3. Waivers of New York Law Deleted.** Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by WCF with any provision of the New York Franchise Law, or any rule promulgated thereunder, is hereby deleted.
- 4. Governing Law.** Notwithstanding any provision of the Agreement to the contrary, the New York Franchise Law shall govern any claim arising under that law.
- 5. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

WEBSITE CLOSERS FRANCHISE  
COMPANY, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated \_\_\_\_\_ (the “Agreement”), between Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”) 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 and Punitive Damages: The parties do 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:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

WEBSITE CLOSERS FRANCHISE  
COMPANY, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## OHIO RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated \_\_\_\_\_ (the “Agreement”), between Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”).

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “BOPA” means the Ohio Business Opportunity Act, codified in Revised Code of Ohio, Title XIII, Chapter 1334.

**2. Applicability of BOPA.** Franchisee acknowledges that WCF is providing this Rider out of an abundance of caution, and that neither the execution of this Rider nor any other act of WCF constitutes an intent that BOPA apply to the transaction between WCF and Franchisee or an admission by WCF that the transaction fails to comply in any material respects with the trade regulation rule of the federal trade commission, “disclosure requirements and prohibitions concerning franchising,” 16 C.F.R. 436.1 et seq.

**3. No Delivery of Goods or Services during Cancellation Period.** WCF will not commence delivery of any goods or provide any services during the time within which Franchisee may cancel the Agreement as provided in Section 5 below.

**4. Jurisdiction and Venue.** In connection with the sale of the franchise, any provision in the Agreement restricting jurisdiction or venue to a forum outside of Ohio, or requiring the application of laws of another state, is void with respect to a claim otherwise enforceable under Sections 1334.01 to 1334.15 of the BOPA.

**5. Cancellation.** You, the franchisee, may cancel the transaction at any time prior to midnight of the fifth business day after the date you sign this Agreement. See the attached notice of cancellation for an explanation of this right.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

WEBSITE CLOSERS FRANCHISE  
COMPANY, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**OHIO**  
**NOTICE OF CANCELLATION**

[*Insert Date Agreement Signed by FRANCHISEE*]

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten business days following WCF's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to WCF at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of WCF regarding the return shipment of the goods at WCF's expense and risk. If you do make the goods available to WCF and WCF does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to WCF, or if you agree to return them to WCF and fail to do so, then you remain liable for the performance of all obligations under the Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to WCF, at 7575 Kings Pointe Pkwy., Suite 2, Orlando, FL 32819, or send a fax to WCF at [*Insert facsimile number*] or an e-mail to WCF at [*Insert email address*], not later than midnight of [*Insert date that is five business days after the date above*].

I hereby cancel this transaction.

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## RHODE ISLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated \_\_\_\_\_ (the “Agreement”), between Website Closers Franchise Company, LLC, a Florida limited liability company (“WCF”) 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:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

WEBSITE CLOSERS FRANCHISE  
COMPANY, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT  
AND  
RIDER TO FRANCHISE AGREEMENT**

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.

Agreed to by:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FRANCHISOR:

WEBSITE CLOSERS FRANCHISE  
COMPANY, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **EXHIBIT I**

### **ASSOCIATE BROKER INDEPENDENT CONTRACTOR FORM**

## Independent Contractor Agreement (Associate Brokers)

THIS AGREEMENT ("**Agreement**") is made and effective on \_\_\_\_\_, 202\_\_\_\_ ("**Effective Date**"), by and between \_\_\_\_\_ ("**Company**" or "**Broker**"), whose principal place of business is 550 N. Reo Street, Suite 300, Tampa, FL and \_\_\_\_\_, whose residence is located at \_\_\_\_\_ ("**Contractor**" or "**Associate**"). Company and Contractor may individually be referred to herein as a "Party", and collectively as the "Parties".

**INFORMATION COLLECTION:** The Contractor information is as follows:

Full Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

Personal Email Address: \_\_\_\_\_

Cell Phone Number: \_\_\_\_\_

**PURPOSE.** Broker is in the business of serving the public Internationally, including in the United States, Europe, Australia, Canada and their possessions and territories ("**Territory**") as a franchisee for Website Closers Franchise Company LLC ("**Website Closers**"), a business brokerage performing a number of activities around the world related to the purchase and sale of businesses, including training sales associates, obtaining listings, locating buyers and sellers, and affecting the sale of businesses in a variety of industries. Associate would like to align himself with Company and Website Closers to perform business brokerage activities for Company.

**RIGHTS OF WEBSITE CLOSERS.** Although Associate is engaged directly with Company through this Agreement, Associate agrees and understands that Website Closers is the franchisor under which Company (a franchisee) operates and is thus a 3<sup>rd</sup> party beneficiary of this Agreement between Company and Associate. Website Closers has the absolute right to both approve of and/or amend the terms and conditions of this Agreement at any time in its sole discretion. Any protections herein afforded to Company shall be afforded to Website Closers.

**ETHICS & PROFESSIONALISM.** Website Closers is unlike any other business brokerage in the world. Professionalism, quality of work and ethics are core to the operation of the brokerage. By signing this agreement, Associate agrees to at all times conduct all activities with the highest level of professionalism, quality of work, ethics and protection of the Website Closers brand ("**Service Level Requirement**"). Associate understands that at any time, and without the requirement of notice of any kind, this Agreement may be terminated at the direction of Website Closers, in its sole discretion, should it find that Associate is not abiding by the Service Level Requirements. The decision by Website Closers to terminate this Agreement for such reason will require that all transactions the Associate is involved with at the time of termination be immediately transferred to the Company, Associate will cease all work and communications with clients and buyers, will cease using all Website Closers intellectual property and will not be due any commissions or payments of any amounts.

**TRAINING.** Associate understands by signing this Agreement that there is a requirement for Associate to attend the Website Closers 3 Week Training Program ("**Training Program**") that all brokers associated with Website Closers are required to attend. Under no circumstances shall Associate begin the process of representing

Website Closers, any party, or any transaction prior to the completion of and certification through the Training Program. Additionally, from time-to-time Website Closers will hold continuing education programs which are also required attendance for all brokers. Failure to attend these continued education programs are grounds for termination of this Agreement.

It is understood to be of mutual advantage of the Broker and Associate to form this independent relationship pursuant to the following:

1. Associate will comply with all applicable laws and is qualified to market, advertise, solicit and facilitate the sale of businesses and/or business opportunities and to participate in the transaction or sale of such businesses and/or opportunities, including, but not limited to, the following:

- (a) Internet companies, including but not limited to persons or entities that operate as eCommerce or service companies, B2C, B2B, wholesale, distribution or any other company that operates in any capacity whatsoever on or concerning the Internet, technology or software; companies that sell (either exclusively or in addition to other sales) on Amazon, eBay, cart platforms, and similar marketplaces; any companies that operate or provide operations assistance with websites or businesses that operate on websites or that provide goods and/or services for websites; digital technology companies; software and applications related businesses, affiliate marketers, marketing firms, advertising agencies; marketing or advertising management firms; and, other digital assets or digital business models of any kind (collectively, the (“**Digital Space**”); and
- (b) any opportunities traditionally known as bricks and mortar (“**B&M**”), which, for purposes of this Agreement, shall mean any and all companies or opportunities that are not in the Digital Space, as defined above.

All business opportunities and businesses, whether in the Digital Space or B&M, shall collectively be referred to herein singularly as a “**Business Opportunity**” or in the plural as “**Business Opportunities**”.

2. Associate desires to conduct a business activity of brokering the sale of Business Opportunities as an independent contractor for Company and to perform those activities in connection with, and as a business broker for, Broker. Associate agrees by signing this Agreement that it shall exclusively perform brokerage activities for Business Opportunities for Broker, and only for Broker.

3. The Parties hereby establish an independent contractor relationship, and Broker hereby appoints Associate a business broker associate for all Business Opportunities, and Associate accepts the appointment to become an exclusive business broker associate for all Business Opportunities, solely with Broker.

4. Associate agrees to (a) use best efforts to obtain listings on terms and conditions established by Website Closers for the sale of Business Opportunities, especially those in the Digital Space, engage buyers' interest in the purchase of Business Opportunities, engage sellers' interest in the sale of Business Opportunities and effect the sale of Business Opportunities all within the standards and practices of Broker, and not to affiliate with any other business broker or brokerage, or any activity related to selling Business Opportunities, so long as this Agreement is in effect, (b) obtain and record all information related to Business Opportunities, sellers and buyers necessary to conduct the business in a professional and ethical manner and to maintain the credibility of the database, (c) conduct

business in a reputable manner and in conformance with all laws, rules, regulations, and codes of ethics that are binding upon or applicable to real estate brokers, business brokers and sales associates, (d) indemnify and hold Broker harmless from and against any and all liability arising from Associate's acts or omissions, whether arising from violation of said laws, rules, regulations, and codes of ethics, or from Associate's negligence or Associate's overt acts, or otherwise and (e) to keep abreast of all legal and other issues which affect the sale of Business Opportunities as they may change from time to time.

5. Broker and Associate each acknowledge that Associate (a) is not subject to any direct control or direction by Broker or Website Closers and shall conduct activities within the operating standards of Broker and Website Closers, at such time, place and manner as Associate shall determine to be most effective to accomplish Associate's duties, (b) is not obligated to attempt to sell any specific business or provide service to a specific seller or buyer, (c) is not an employee and is not entitled to any benefit as an employee such as workman's compensation, or health or life insurance, and Associate is required to file tax returns for and pay his/her own Federal, State and Local income taxes and travel, meals, and entertainment expenses related to Associate's activities, including license fees and membership dues. Zero expenses shall be paid for Associate by Broker or by Website Closers.

6. Associate shall perform all duties without supervision or control by Broker or any of Broker's employees, owners, directors, officers or agents. Notwithstanding this provision, Associate shall be deemed to be working under the supervision of Broker in the context of state laws, if applicable. Associate shall not be prohibited from pursuing other interests unrelated to the sale, solicitation or marketing of Business Opportunities as long as Associate does not (a) conduct those activities inside Broker's premises or (b) use (directly or indirectly) the Broker's office or trade name.

**ASSOCIATE REPRESENTS, WARRANTS AND PERSONALLY GUARANTEES THAT, AS LONG AS THIS AGREEMENT IS IN FULL FORCE AND EFFECT, HE/SHE WILL NOT (A) PURSUE ANY BUSINESS OPPORTUNITY (AS DEFINED HEREIN) WHETHER IN THE DIGITAL SPACE OR IN B&M, UNLESS SUCH BUSINESS OPPORTUNITY HAS BEEN SPECIFICALLY APPROVED AND ASSIGNED BY BROKER, OR (B) ATTEMPT TO MARKET, SELL OR OTHERWISE LIST OR REPRESENT ANY BUSINESS ANYWHERE IN THE UNITED STATES OTHER THAN AS AN ASSOCIATE OR REPRESENTATIVE OF BROKER.**

**ASSOCIATE REPRESENTS, WARRANTS AND PERSONALLY GUARANTEES THAT HE/SHE WILL NOT ATTEMPT TO MARKET, SELL OR OTHERWISE LIST OR REPRESENT ANY BUSINESS IN THE DIGITAL SPACE FOR A PERIOD OF TWO (2) YEARS AFTER THIS AGREEMENT IS TERMINATED, REGARDLESS OF THE REASON FOR SUCH TERMINATION.**

**ASSOCIATE REPRESENTS, WARRANTS AND PERSONALLY GUARANTEES THAT HE/SHE WILL NOT PURSUE ANY BUSINESS OPPORTUNITY THAT WAS PROCURED BY, OR IN ANY WAY DUE TO ACTIVITY BY, COMPANY, ITS LISTINGS, AGENTS, OWNERS, AFFILIATES, WEBSITE CLOSERS, OR ANY EMPLOYEES, WITHOUT PRIOR, WRITTEN AUTHORIZATION FROM COMPANY.**

Each lead and appointment coordinated by the Broker, and any lead developed by the Associate, is considered a valuable asset of Website Closers. All such leads and appointments are solely owned by Website Closers, in its sole discretion, and as such, Associate is expected to pursue such opportunity solely for Website Closers (and never for himself or for others); Broker and Website Closers each reserve the right to reassign opportunities which it deems in its sole and absolute discretion are not being properly handled in a timely and professional manner. Associate may schedule vacations as they please and be off work as they see fit, but

Broker would appreciate professionalism as it relates to time off so that closings, work progress, diligence and appointments can be scheduled around such time off.

7. Website Closers is the central depository for all commission funds earned on a transaction and shall manage the flow of commission funds to Broker and Associate for all transactions. Following Broker's receipt of cleared commission funds from the sale of a Business Opportunity where Associate was involved in the transaction, Website Closers shall pay to Associate, and Associate agrees to accept as sole compensation for Associate's services, a portion of the commission received on the sale of such Business Opportunity as set forth in the commission schedule below:

Commission Schedule	Website Closers	Broker	Associate
Buyer & Seller Listing	50%	_____ %	_____ %
Buyer-Side Listing	50%	_____ %	_____ %
Seller-Side Listing	50%	_____ %	_____ %

For the avoidance of doubt, the following shall be definitions of each of the above commission schedules:

1. **Buyer & Seller Listing:** a listing for a Business Opportunity where Associate manages on his/her own both parties of a transaction (both the Buyer and Seller side of the transaction).
2. **Buyer-Side Listing:** a listing where Associate manages only the Buyer-side of a transaction, but the Seller of such transaction is managed by another broker within the Website Closers network.
3. **Seller-Side Listing:** a listing where Associate manages only the Seller-side of a transaction, but the Buyer of such transaction is managed by another broker within the Website Closers network.

For any listing handled by Associate, if another broker within the Website Closers network is involved on the buyer-side (co-broking), Associate shall split his/her commission with the other broker unless otherwise agreed in writing by Website Closers. Commission shall only be paid to Associate once (a) Website Closers has received all commission due on the transaction, (b) all necessary documents related to the transaction have been submitted in their entirety, and (c) there are no further activities necessary by Website Closers, Broker or Associate for such transaction. Associate must directly represent a buyer, a seller or both to qualify for a commission under the schedule above.

**Bonus Commission.** On an ongoing basis, Broker's franchise shall be reviewed to identify whether it is eligible for a bonus commission during any part of a year ("**Bonus**"). Among other things, in order to be eligible, Broker's franchise must have (a) at least one (1) associate broker that is running active deals as a listing agent, and (b) Gross Commission (defined below) of all associate brokers that work for the Franchisee, combined, must represent a minimum of ten percent (10%) of the Annual Accumulated Gross Commissions ("**AAGC**") for Broker's franchise. When those two (2) requirements ("**Requirements**") are met, as long as all other Website Closers requirements have been fulfilled (which may be in addition to the Requirements), the Bonus becomes available for the balance of that year for Broker's franchise as long as the Requirements continue to be met. The Requirements will be measured each time a transaction that is run by Broker or one of its associate brokers closes to determine whether a Bonus is appropriate for that particular transaction. For the avoidance of doubt, AAGC is calculated at any point in a year by adding the total Gross Commissions earned by the Franchisee and his/her associate brokers together starting on January 1 of the calculated year up to the date of the point of calculation. AAGC is reset to zero for all franchises and their associate brokers on January 1st of each new year.

Once the Requirements are achieved in any given calendar year (January 1 to December 31), if in that same

year Broker's franchise achieves certain AAGC Tiers ("**Tiers**") as required by Website Closers, which as of the date of this Agreement are as set forth in Table 1 below, for the remaining part of that year, if the Requirements continue to be met, the following increased commission splits in Table 2 below will be available:

**Table 1**

**AAGC Tiers**

Tier 1	\$1,000,000 to \$1,500,000
Tier 2	\$1,500,001 to \$2,000,000
Tier 3	\$2,000,001 to \$4,000,000
Tier 4	Over \$4,000,000

**Table 2**

<b>Commission Schedule</b>	<b>Associate</b>
----------------------------	------------------

**Tier 1 Bonus**

Buyer & Seller Listing	_____ %
Buyer-Side Listing	_____ %
Seller-Side Listing	_____ %

**Tier 2 Bonus**

Buyer & Seller Listing	_____ %
Buyer-Side Listing	_____ %
Seller-Side Listing	_____ %

**Tier 3 Bonus**

Buyer & Seller Listing	_____ %
Buyer-Side Listing	_____ %
Seller-Side Listing	_____ %

**Tier 4 Bonus**

Buyer & Seller Listing	_____ %
Buyer-Side Listing	_____ %
Seller-Side Listing	_____ %

For purposes of the calculation of AAGC only, "**Gross Commission**" shall be defined as all fees earned by Broker's franchise (including Broker and all associate broker(s) within that franchise) whether as the listing broker of a transaction or as the buyer side broker in a transaction where a buyer is presented to another broker's transaction that operates outside of Franchisee's franchise. In such case where an associate broker or Broker in a franchise represented only the buyer side in a transaction, then Gross Commissions will only include those commission earned by such Broker or associate broker, and will not include commissions to Website Closers, the listing broker or any other broker involved in the transaction. Bonuses, when earned, are specific to a Broker's franchise and do not affect the commissions of other brokers and/or franchises within Website Closers.

8. Broker and Associate agree that "calendar year" as discussed in this Agreement begins January 1st and ends December 31<sup>st</sup>, regardless of the date Associate begins affiliation with Broker.

9. Associate shall be compensated solely through commissions as described in Paragraph 7 above. Such

compensation as an independent contractor shall be directly related to services rendered by Associated for Business Opportunity sales by Associate and not to hours worked by Associate. Associate is not an employee of Broker; as such, Associate shall not be provided a minimum salary, vacation pay, sick leave, insurance or any other benefit, including, but not limited to the payment of licensing and membership dues. Neither Broker nor Website Closers shall be liable to Associate for any acts of Associate or any expenses incurred by Associate, including, but not limited to, expenses related to phones, vehicles, fuel or travel. Associate shall have no authority to bind Broker by any promise or representation, oral or otherwise, unless specifically authorized in writing in a particular transaction.

10. In the event a third-party claim of any kind is levied against Broker or Website Closers or Associate in relation to any transaction in which Associate is or was involved, Associate, Website Closers and Broker shall each cooperate fully in the resolution and defense of such claim and each agrees to indemnify the other from liability or loss arising in connection with such claim from an unauthorized, illegal or negligent act or omission.

11. Associate is responsible for paying Associate's own estimated income tax payments, self-employment taxes and other taxes to the federal government. No federal income taxes, unemployment taxes or any other taxes or fees shall be withheld from commissions due to Associate, nor shall any worker's compensation be provided for Associate. Associate is responsible for any legal fees and/or court costs related in any way to any actions filed against Broker, Website Closers or Associate related to a transaction sold by Associate.

12. Associate agrees that each listing of a Business Opportunity, regardless of how it was obtained or procured, shall be in the name of Website Closers, filed with Website Closers within twenty-four (24) hours after receipt and be and remain the exclusive property of Website Closers, and all correspondence and copies thereof, listing information, memoranda, files, photographs, reports, legal opinions, accounting information and any and all other information related to a transaction are and shall remain the property of Website Closers. For the avoidance of doubt, the prior sentence includes any listings procured by or referred directly to Associate or Broker.

13. This Agreement shall continue until terminated. Termination is affected within ten (10) days written notice from either Party hereto to the other Party. Broker or Website Closers may terminate this Agreement without notice for wrongful conduct by Associate. Failure by Associate to maintain an active broker's license status pursuant to applicable law and or E&O insurance shall be deemed automatic termination. Associate shall not, after termination of this Agreement, use to his own advantage, or to the advantage of any other person or entity any information gained from the field or business of Website Closers, relating to the Business Opportunities. Associate acknowledges that all pending sales and listings of Business Opportunities taken during the term of this Agreement are the property of Website Closers. Associate further acknowledges that commissions are earned and accrue to Associate only upon the actual closing of a transaction. Notwithstanding anything in the foregoing sentence to the contrary, if a transaction where Associate represented the buyer, seller or both is under contract (purchase agreement has been signed by all interested parties) at the time this Agreement terminates, and Associate would otherwise be due a commission upon the closing of the transaction if this Agreement had not terminated, then if the transaction closes after the termination of this Agreement and Website Closers receives the full amount of all commissions due Broker, then Broker will provide Associate with Associate's share of commission. Associate will be fully compensated as set forth in Section 7 of this Agreement so long as at the time of Associate's termination, any transactions in question are substantially complete and can be reasonably expected to close without any considerable effort (over and above Website Closer's normal duties and activities) being expended by Website Closers. Should Website Closers or Broker be required to expend considerable effort (over and above their normal duties and activities)

in order to induce a closing for any of the transactions in question, Associate's commission may be reduced by up to one-half (1/2) of any commission that would have been due to Associate if this Agreement had not terminated pursuant to the terms and conditions of this Agreement, specifically, the schedule set forth in Section 7 hereof. Any reduction to Associate's commission will be reasonably based on the amount of additional efforts required by Broker or Website Closers to induce said transaction(s) to close. All programs, forms, data, keys, manuals, signs, and other paraphernalia relative to the business of Website Closers are the property of Website Closers and shall be returned to Website Closers, with no copies made by Associate, upon termination of this Agreement. Associate agrees never to disclose to any other person or entity the marketing, procurement knowhow and sales information and data, which Associate acknowledges along with the identity of business owners and prospective buyers learned during the term of this Agreement are confidential trade secrets of Website Closers. Associate acknowledges that a disclosure of such information will result in irreparable damage to Website Closers and Website Closers shall be entitled to an injunction to restrain the disclosure in addition to damages there from.

14. Broker is interested only in results obtained by Associate pursuant to this Agreement and compliance by Associate with all laws and regulations applicable to Associate's performance under this Agreement. Broker does not have the right to require Associate to collect accounts, follow prescribed itineraries, make adjustments, bind Broker, or do anything else which would jeopardize the relationship of independent contractor between Broker and Associate. Under no circumstances, except with the consent of Broker, shall Associate hire or engage any person or entity (including, without limitation, any employee, officer, director, independent contractor, agent, representative, consultant, partner, affiliate, servant, subcontractor or any other person or entity performing duties on behalf of Contractor) for the purpose of conducting any operations related in any way to this Agreement. Contractor is responsible for his own insurance of any kind, including, without limitation, any health, general liability, E&O, accident, vehicle and other insurance, none of which is the obligation of Company. Company has no responsibility or obligation to provide workers' compensation for Contractor or any agent or employee of Contractor. Where Contractor requires the use of a vehicle(s) in the performance of this Agreement, Contractor will, at all times during the term of this Agreement, and at his own expense, keep in full force and effect automobile insurance, in amounts acceptable to Company, for property damage, bodily injury and death. Associate is required to obtain an Errors & Omissions (E&O) policy in the amount of at least a \$1 Million aggregate limit. If Associate will be identified as an Additional Insured on an E&O Policy owned by Broker, then Broker's policy shall be a minimum of a \$2 Million aggregate limit. Associate (or Broker as the case may be) shall name Broker and Website Closers as an **Additional Insureds** on all related insurance policies including workers compensation, E&O, general liability and automobile.

15. In addition to any other indemnity requirements herein, Contractor shall defend, indemnify, and hold harmless Company, its shareholders, affiliates, officers, directors, managers, employees, agents, successors and assigns, from any and all liability, damage, loss or other expenses (including attorney fees) resulting from or arising out of any negligence or misconduct on Contractor's part, or from any breach or default of this Agreement which is caused or occasioned by the acts of Contractor. Contractor shall ensure that its employees, agents and affiliates, if any, take all actions necessary to comply with the terms and conditions set forth in this Agreement.

16. Contractor shall be responsible for errors or omissions made by the Contractor during the course of transacting business under this Agreement. This includes without limitation misquoting a buyer or seller or any misrepresentation made to a buyer or seller. Contractor shall be responsible for issues arising from business transactions as a result of the Contractor's negligence, fraud, misrepresentation and/or misconduct. If the Company or Website Closers incurs any loss of profit as a result of Contractor's errors, omissions or negligence, in addition to any and all other rights and

remedies that may exist in law, in equity or in arbitration, the Company and/or Website Closers will withhold any consideration due to the Contractor until the Company's or Website Closers profits are restored, as the case may be. If consideration is not due the Contractor, the Company or Website Closers will expect direct payment from the Contractor. In the event of termination in accordance with any of the provisions of this Agreement, neither Broker nor Website Closers shall be liable to Contractor due to the termination for compensation, reimbursement or damages on account of the loss of prospective profits or anticipated sales or on account of expenditures, investments, leases or commitments in connection with the business or goodwill. If any action at law, in equity or in arbitration is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, arbitration fees, expenses and necessary disbursements incurred both before and after judgment in addition to any other relief to which such party may be entitled.

**TO THE EXTENT ALLOWED BY APPLICABLE LAW, IN NO EVENT SHALL WEBSITE CLOSERS, COMPANY, OR THEIR SHAREHOLDERS, AFFILIATES, OFFICERS, DIRECTORS, MANAGERS, EMPLOYEES, SUCCESSORS OR ASSIGNS BE LIABLE FOR ANY DAMAGES WHATSOEVER, INCLUDING WITHOUT LIMITATION, ANY LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF USE OR DATA, INTERRUPTION OF BUSINESS, OR FOR INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER MULTIPLE OR EXEMPLARY DAMAGES OF ANY KIND, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. IN NO EVENT WILL WEBSITE CLOSERS OR THE COMPANY, THEIR SHAREHOLDERS, AFFILIATES, OFFICERS, DIRECTORS, MANAGERS, EMPLOYEES, SUCCESSORS OR ASSIGNS, BE LIABLE FOR ANY CLAIM AGAINST CONTRACTOR BY ANY THIRD PARTY OR FOR ANY REPRESENTATION OR WARRANTY MADE TO ANY THIRD PARTY BY CONTRACTOR, ITS EMPLOYEES, AGENTS OR AFFILIATES. THIS LIMITATION OF LIABILITY IS AN ESSENTIAL PART OF THE BARGAIN UNDER THIS AGREEMENT.**

17. Contractor shall be financially responsible for all of his business supplies and expenses, including but not limited to, day-to-day operations, promotional materials and events, advertising, phone, business cards, vehicle expenses, workspace expenses, leases, travel, etc. Contractor shall otherwise be responsible for all expenses incurred in performing his obligations under this Agreement. Contractor assumes the risk of incurring a loss if his consideration does not cover his expenses. Contractor shall provide himself with, and be solely responsible for, (i) such facilities and business organization, and (ii) such permits, licenses, and other forms of clearance from governmental or regulatory agencies, if any, as are necessary for the conduct of Contractor's business operations in accordance with this Agreement. In no event shall Contractor use any other form or document in a transaction or listing arrangement other than via Company's standard documents, which will be provided to Contractor by Company. Contractor shall promptly advise Company of any changes in Contractor's status, organization, personnel, and similar matters.

18. Contractor acknowledges that Website Closers operates its business with the use of various trademarks, trade names and service marks with images (which images are sometimes referred to as "**Logos**", collectively referred to herein as "**Proprietary Marks**"); and that Website Closers is the owner of the Proprietary Marks and Logos. Subject to the conditions set forth in this Agreement and only during the term of this Agreement, Website Closers grants to Contractor a limited license to (a) use written materials provided by Website Closers containing the Proprietary Marks and/or Logos of Website Closers in connection with the performance of the Services pursuant to this Agreement and (b) indicate to the public that it is an authorized agent of Website Closers. Contractor shall not, either during or after the term of this Agreement, do anything, or aid or assist any other person or entity to do anything that would infringe upon, impair or contest the rights of Website Closers in any of the Proprietary Marks, Logos or in any other mark or name which incorporates the

Proprietary Marks. Contractor agrees that nothing in this Agreement shall give Contractor any right, title, ownership or interest in the Proprietary Marks or Logos other than its limited right to use the Proprietary Marks and Logos in accordance with this Agreement as a Contractor. Contractor shall not register or use the Proprietary Marks, or any of them, or an abbreviation of the Proprietary Marks, or any of them, nor use any of the Proprietary Marks as part of an Internet domain name. The limited license granted by this Section shall not survive the termination of this Agreement and Website Closers reserves the right to cancel Contractor's limited license created herein at any time in its sole discretion.

19. This Agreement sets forth the entire agreement and understanding of the Parties relating to the subject matter herein and supersedes any prior discussions or agreements between them. No modification or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the Party to be charged. Any notices required or permitted by this Agreement shall be deemed delivered if sent by certified mail, postage prepaid, return receipt requested or by recognized overnight delivery service to the addresses listed above. Contractor agrees that its rights and obligations under this Agreement may not be transferred or assigned directly or indirectly. Company may freely transfer or assign its rights at any time without notice. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto, their successors and assigns. If any provision of this Agreement is held to be invalid by an arbitrator or court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect.

20. At all times during this engagement and thereafter, Contractor will hold in strictest confidence and will not disclose, use, lecture upon or publish any of Proprietary Information (defined below), except as such disclosure, use or publication may be required in connection with any work for the Company and/or incorporates any Proprietary Information. Contractor hereby assigns to Website Closers any rights Contractor has or acquires in such Proprietary Information and recognizes that all Proprietary Information shall be the sole property of Website Closers and its assigns. The term **"Proprietary Information"** shall mean (i) any and all confidential and/or proprietary knowledge, data, or information of Website Closers or Broker, (ii) any and all confidential and/or proprietary knowledge, data, or information of the Company's and/or Website Closers' customers, clients, affiliates or strategic partners which is disclosed to Contractor or to which Contractor has access as a result of this Agreement, and (iii) any other information designated by the Company or Website Closers as confidential or proprietary. By way of illustration but not limitation, **"Proprietary Information"** includes (a) trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques (hereinafter collectively referred to as **"Inventions"**); and (b) information regarding plans, budgets, and unpublished financial statements, licenses, price and costs, suppliers and customers (**"Plans"**); and (c) information regarding the skills and compensation of employees and/or consultants of Website Closers; and (d) Inventions and Plans which belong to customer, clients, affiliates or strategic partners of Website Closers which is disclosed to Contractor or to which Contractor has access as a result of Contractor's engagement herein. Notwithstanding the foregoing, it is understood that, at all such times, Contractor is free to use information which is generally known in the trade or industry, which is not gained as result of a breach of this Agreement, and Contractor's own, skill, knowledge, know-how, and experience to whatever extent and in whichever way Contractor desires. Contractor understands that the Company and Website Closers has received and in the future will receive from third parties confidential or proprietary information (**"Third Party Information"**) subject to a duty on the Company's and/or Website Closers' part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of Contractor's engagement

and thereafter, Contractor will hold Third Party Information in the strictest of confidence and will not disclose to anyone (other than Website Closers' or Company's Personnel who needs to know such information in connection with their work for the Company or Website Closers) or use, except in connection with Contractor's work for the Company or Website Closers, Third Party Information unless expressly authorized by an officer of Website Closers, in writing. During the period Contractor is engaged by the Company, Contractor will not improperly use or disclose any confidential information or trade secrets, if any, of any former employer or any other person to whom Contractor has an obligation of confidentiality, and Contractor will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom Contractor has an obligation of confidentiality unless consented to in writing by that former employer or person. Contractor will use in the performance of his duties only the information which is generally known and used by persons with the training and experience comparable to Contractor's own, which is common knowledge in the industry or otherwise legally in the public domain or which is otherwise provided or developed by the Company.

21. Contractor recognizes and acknowledges that one of the inducements for the Company and Website Closers to engage Contractor is the understanding that there will be no competition or interference, directly or indirectly, during and for a period of time after the expiration or termination of Contractor's engagement for any reason. Contractor further recognizes and acknowledges that, in consideration of the scope of the business of the Company and Website Closers, and the nature of the services Contractor provides hereunder, and in order to protect the Company's and Website Closers' legitimate business interests, Contractor's covenant not to compete must include the areas in which the Company and Website Closers currently does business, or is actively pursuing business. **In consideration of the covenants contained herein, Contractor agrees that for the period engaged by the Company and for two (2) years following the termination of this engagement with the Company for any reason whatsoever, Contractor shall not, within the Territory, in any manner, directly or indirectly or by assisting others, engage in the sale, discussions of sale, solicitation for sale, or marketing for sale of any business in the Digital Space or any other business conducted by Website Closers during the period of Contractor's engagement.** Notwithstanding the foregoing, Contractor is permitted to own up to 1% of any class of securities of any corporation that is traded on a national securities exchange or through NASDAQ.

22. For a period of two (2) years after the date Contractor's engagement expires or is terminated for any reason, Contractor will not, without the express prior written consent of the Company, individually or on behalf of any other person, corporation, firm or other entity, solicit the business of any client or customer of the Company or Website Closers, or prospective client or customer of the Company or Website Closers (other than on behalf of the Company or Website Closers and other than business not conducted by the Company or Website Closers at the time of such solicitation). For a period of two (2) years after the date Contractor's engagement expires or is terminated for any reason, Contractor will not, without the express prior written consent of Website Closers, individually or on behalf of any other person, corporation, firm or other entity, solicit or encourage any employee or other independent contractor of the Company or Website Closers or any subsidiary of the Company or Website Closers to terminate his or her employment or contract, as the case may be, with the Company, Website Closers or such subsidiary.

This Agreement shall be deemed to have been made in Florida and shall be governed and construed in accordance with the laws of the State of Florida. If a dispute, claim or controversy ("**Claim**") arises out of or in any way relating to this Agreement, the Parties, or Website Closers, shall first meet to settle such Claim in good faith. If this is unsuccessful, with the exception of any Claim arising or related to Sections 18, 20, 21 or 22 of

this Agreement, the Parties hereby covenant and agree that any Claim between them arising out of or in any way relating to this Agreement shall be resolved by **binding arbitration** in lieu of any complaint or other action being filed with any court or administrative agency. The arbitration shall be conducted by one (1) arbitrator pursuant to the rules of the American Arbitration Association. The arbitrator shall be a lawyer with at least ten (10) years of experience related to the Claim. The award of the arbitrator shall be final and binding and judgment may be entered in any court of competent jurisdiction for purposes of enforcing such judgment. The arbitration shall be held in Tampa, Florida. **COMPANY AND CONTRACTOR AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER, AND WEBSITE CLOSERS, ONLY IN ITS OR HIS/HER/ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING.** Further, unless both Contractor and Company agree otherwise, the arbitrator may not consolidate more than one person's Claims, and may not otherwise preside over any form of a class or representative proceeding. If this provision is held to be invalid or unenforceable, then any putative class or representative Claim may not be brought in arbitration, but instead shall be severed from the remainder of a party's Claims and instead be brought in a court of competent jurisdiction. **Contractor understands that arbitration is an alternative to a jury trial, and that, by entering into this Agreement, the Parties are each waiving its or his/her/its respective rights to a jury trial.**

**The Parties have executed this Agreement as of the Effective Date.**

**Website Closers, LLC**

**Associate**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## STATE EFFECTIVE DATES

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

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

State	Effective Date
California	
Hawaii	
Minnesota	
New York	

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

## RECEIPT

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

If Website Closers Franchise Company, 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 requires 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.

If Website Closers Franchise Company, 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).

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Jason Guerrettaz	7575 Kings Pointe Pkwy Ste2, Orlando FL 32819	800-251-1559
Ron Matheson	7575 Kings Pointe Pkwy Ste2, Orlando FL 32819	800-251-1559
Daniel Sandon	7575 Kings Pointe Pkwy Ste2, Orlando FL 32819	800-251-1559

Issuance Date: June 5, 2023. I received a disclosure document dated June 5, 2023, that included the following Exhibits:

- A. State Administrators and Agents for Service of Process
- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Form of General Release
- D. Financial Statements
- E. Brand Standards Manual Table of Contents
- F. Current and Former Franchisees
- G. State Addenda to Disclosure Document
- H. State Addenda to Agreements
- I. Associate Broker Independent Contractor Form

State Effective Dates

Receipts

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date Received: \_\_\_\_\_

**Keep This Copy For Your Records**

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State Effective Dates

Receipts

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date Received: \_\_\_\_\_

**Return This Copy To Us:**

**Website Closers Franchise Company, LLC - 7575 Kings Pointe Pkwy Ste2, Orlando FL 32819**