



# SHEENCO

## TRAVEL



## FRANCHISE DISCLOSURE DOCUMENT

SHEENCO TRAVEL FRANCHISE, INC.  
(A Texas corporation)  
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SHEENCO TRAVEL®

As a SHEENCO TRAVEL franchisee you will be a Luxury Travel Specialist offering bespoke travel services for vacations and business trips to Ireland, the United Kingdom and additional destinations. The total investment necessary to begin the operation of a SHEENCO TRAVEL Franchised Business is \$32,450 to \$50,710. This includes \$22,400 that must be paid to the franchisor or its affiliate.

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive 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 government agency has verified the information contained in the document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Sheenco Travel Franchise, Inc., 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093, (857) 277-5110, [opportunities@sheencotravel.com](mailto:opportunities@sheencotravel.com)

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising such as "[A Consumer Guide to Buying a Franchise](#)," which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue NW, Washington, DC 20580. You can also visit the FTC's home page at [www.ftc.gov](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 of this Franchise Disclosure Document: March 8, 2024.

## How to Use This Franchise Disclosure Document

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

| QUESTION                                                                                 | WHERE TO FIND INFORMATION                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <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 J. |
| <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 B 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 SHEENCO TRAVEL 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 have been involved in material litigation or bankruptcy proceedings.                                                                                                                      |
| <b>What's it like to be a SHEENCO TRAVEL franchisee?</b>                                 | Item 20 or Exhibit J 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 mediation, arbitration and/or litigation only in Texas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Texas than in your own state.
2. **Early Stage Development.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
4. **Mandatory minimum payments**  
You must make minimum royalty, advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

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

To simplify the language in this Disclosure Document, “we,” “us,” “our” or “Sheenco Travel Franchise, Inc.” means the franchisor, Sheenco Travel Franchise, Inc. Similarly, “you” or “your” means the person or entity that purchases the right to operate a SHEENCO TRAVEL business as a franchisee. If you are a corporation, a limited liability company, or a partnership, each of your owners must sign a personal guaranty agreeing to comply with all provisions of the Franchise Agreement.

**The Franchisor**

The Franchisor is Sheenco Travel Franchise, Inc., a corporation organized under the laws of the State of Texas on May 7, 2020, with a principal business address located at 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093. Our telephone number is (857) 277-5110. We conduct business under our corporate name, and under the trade name and service mark “SHEENCO TRAVEL”. We have never operated a business similar to the Franchised Business. We have offered franchises for SHEENCO TRAVEL businesses since October 15, 2021.

**Parent**

In July 2020, ownership of our company was transferred to Sheenco Holdings, Ltd., an Irish corporation formed in June 2020, our parent company. Its principal business address is Goleen, Skibbereen, Co. Cork, Ireland. The original owner of our company owns all of the ownership interest in Sheenco Holdings, Ltd. and therefore directly continues to own the beneficial interest in our company and each of our affiliates.

**Predecessor and Affiliates**

Our predecessor and affiliate, Sheenco Travel Ltd., was formed in Ireland in August 2012. It has, but currently does not operate a business similar to the franchises offered in this Disclosure Document. Sheenco Travel Ltd. is a destination management company (“DMC”) which provides all support services to Sheenco Travel, Inc. (“STI”). Its principal business address is Goleen, Skibbereen, Co. Cork, Ireland.

Our affiliate, Sheenco Travel, Inc. is a luxury trip planning company that provides travel services for use by our franchisees. STI was formed in Texas in May 2019 and maintains its principal business address at 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093. STI operates one business similar to the franchises offered in this Disclosure Document.

Our parent, predecessor and affiliates have never offered franchises for a business similar to SHEENCO TRAVEL or any other line of business. Except as provided above, we have no parent, predecessor or affiliates required to be disclosed in this Item 1.

**Agents for Service of Process**

Our agent for service is disclosed in Exhibit A.

**The Franchised Business Offered**

We are offering the opportunity to become a franchisee to develop a SHEENCO TRAVEL

business and operate as a SHEENCO TRAVEL Luxury Travel Specialist offering bespoke travel services to Guests (“Guests”) for vacations and business trips to Ireland, the United Kingdom (“U.K.”) and additional destinations (“Franchised Business”). Point of Entry to Point of Departure services include arranging luxury hotel and castle accommodations, sightseeing, dining, train journeys, golf vacations, honeymoons, chauffeur and self-drive transportation, and other related services. The additional destination trips will be offered through third-party providers and will likely involve less effort, but pay significantly less commissions.

The Franchised Business operates under the trade name and service mark “SHEENCO TRAVEL”, uniform resource locators (URLs), domain names, Website addresses, email addresses, digital cellular addresses, wireless web addresses and the like and associated logos, designs, symbols, and trade dress (collectively, the “Marks”). We may designate other trade names, trademarks, and service marks as Marks.

In order to become a SHEENCO TRAVEL franchisee, you must complete our application process then, if accepted, you must sign a franchise agreement (“Franchise Agreement”) and operate your business in accordance with our system standards and specifications. Your receipt of this Disclosure Document does not mean you will be accepted as a franchisee or that you may open or develop a SHEENCO TRAVEL franchise.

### **The SHEENCO TRAVEL System**

A SHEENCO TRAVEL franchised business operates in accordance with a prescribed system of specifications and operating procedures that we have developed and will continue to develop (“System”). The distinguishing characteristics of the System include our software; our Website; the Marks; uniform operating methods, procedures and techniques; vendor relationships; methods and techniques for record keeping and reporting; procedures and techniques for marketing, sales promotion and advertising; Guest service standards, protocols and methods; and the mandatory and suggested policies, procedures, standards, specifications, rules, and requirements (“System Standards”) set out in our confidential operations manuals (“Operations Manual”). We may change, improve, add to, and further develop the elements of the System from time to time.

### **Market Competition**

The primary market for your SHEENCO TRAVEL Franchised Business will be leisure travelers seeking luxury vacations and related travel products and services. A secondary market will be travelers who are looking for more comfortable accommodations while in Ireland or the U.K. on business, and who may also want to combine a vacation with their business travels. You will compete with those operating other local, regional and national retail and non-retail or home-based travel businesses; specialized and full-service travel agencies; travel suppliers; and web-based travel reservation businesses. The services our franchisees sell is well recognized by consumers and widely available from other sources. The market for our franchisees’ services is well developed. Our services are sold to individuals, as well as to businesses in the form of corporate group bookings. Your competitive advantage in the marketplace will be our experience in serving the luxury travel market, our contacts in Ireland, the U.K. and additional destinations, your adherence to our standards and guidelines, as well as your entrepreneurial and managerial abilities and your ability to provide excellent Guest services. SHEENCO TRAVEL is a year-round business, but it will fluctuate to some degree depending on the time of year.

## **Regulations**

You must comply with all local, state and federal laws and regulations that apply to your Franchised Business.

Some states have laws regulating certain sellers of travel. If the state where your Franchised Business is located has any such law, we will obtain a “seller of travel” license for that state, under which you may operate as a sublicensee. However, you must obtain and pay for any additional licenses, permits, and fees needed to lawfully operate the Franchised Business. For example, in some states, you may be required to comply with individual seller of travel laws, and we agree to register for this and license you under our permit. Since SHEENCO TRAVEL does not provide air travel booking services, you must not procure or use your own Airline Reporting Corporation (ARC) and/or International Air Transportation Association (“IATA”) numbers for the Franchised Business.

Because you will accept credit cards which will be processed by STI, you will also have to comply with any general laws and regulations relating to the acceptance of credit cards, including the Payment Card Industry (“PCI”) Data Security Standard (“DSS”). Compliance with the PCI DSS is your responsibility. You must also comply with data privacy laws that affect the safekeeping of Guest information, and regulations that apply to electronic marketing, like faxes, emails, text messaging and telemarketing.

## **Item 2 BUSINESS EXPERIENCE**

### **CEO/President** – Genevieve Sheehan, CFE

Ms. Sheehan has been our CEO/President since our formation on May 7, 2020. Since June 2020, Ms. Sheehan has also served as the Managing Director of Sheenco Holdings, Ltd., located in Goleen, Ireland. Since May 2019, Ms. Sheehan has been President of Sheenco Travel, Inc., located in Plano, Texas. Since August 2012, Ms. Sheehan has also served as the Managing Director of Sheenco Travel Ltd., located in Goleen, Ireland.

### **Management Team for Sheenco Travel Ltd. who provide support to all US franchisees.**

#### **General Manager** – Gary Gorman

Gary became the General Manager for our affiliate Sheenco Travel, Ltd. in December 2021. Gary oversees the ongoing management and support of the team in Ireland who provide all support services to you. Prior to joining Sheenco Travel, Ltd., from June 2019 until December 2021, Gary was a Talent Acquisition Specialist for Pharmaforce/Pharmed Group Company in Westmeath, Ireland.

#### **Finance Manager** – Fiona Carson

Fiona joined our affiliate Sheenco Travel, Ltd in September 2020. From August 2016 until December 2020, Fiona was the Financial Accountant for Glounthaune Property Development, Ltd in Kinsale, Ireland.

### **Operations Manager – Rieke Voss**

Rieke became the lead Operations and Training Support for us since we began franchising in October 2021. Rieke joined Sheenco Travel, Ltd in 2017 as a Luxury Travel Specialist before becoming the Operations Manager in February 2021 in Goleen, Ireland.

### **Supply Chain Manager – Megan Carey**

Megan joined our affiliate, Sheenco Travel, Ltd in April 2022. From 2011 until April 2022, Megan worked with Cork Media Enterprises as a Radio Advertising Traffic Coordinator.

### **Guest Relations Manager – Rebecca Buckley**

Rebecca became the Guest Relations Manager in January 2020 for our affiliate, Sheenco Travel, Ltd. From November 2017 to January 2020, Rebecca has also been a Luxury Travel Specialist for Sheenco Travel Ltd., located in Goleen, Ireland.

### **Sales Manager – Shonni Grady**

Shonni became Sales Manager for our affiliate Sheenco Travel, Inc. in September 2023. Shonni heads up our corporate sales team and facilitates sales meetings as well as providing sales training and support to our Franchisees. From November 2022 to August 2023, Shonni was a Luxury Travel Specialist for Sheenco Travel Inc. Prior to joining Sheenco, Shonni was a Catering & Events Coordinator for Milan Catering and Events/Sarasota Wedding Gallery from August 2021 to November 2022. Before this, Shonni worked with the Oklahoma City Dodgers as Special Events and Catering Coordinator from July 2019 to August 2021.

## **Item 3 LITIGATION**

No litigation is required to be disclosed in this Item.

## **Item 4 BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

## **Item 5 INITIAL FEES**

### **Franchise Fee**

The Initial Franchise Fee is \$20,000. You must pay the Franchise Fee in a lump sum when you sign the Franchise Agreement. In consideration for the Franchise Fee, we grant you a franchise to operate a SHEENCO TRAVEL Business and provide you with initial training and a custom web page to identify your Franchised Business. The Franchise Fee is fully earned and non-refundable when paid.

All fees are non-refundable and uniform to all franchisees except for the first five (5) franchisees awarded who will receive a 50% discount off the initial franchise fee. This discount supersedes

the Veteran discount if both are applicable.

In 2023, one franchisee received a 50% discount off the initial franchise fee (\$10,000) because they were one of the first five (5) franchisees to sign a Franchise Agreement for SHEENCO TRAVEL.

### **Veterans**

We offer a veteran initiative program. Under this program, active members and honorably discharged veterans of the United States armed forces and their spouses receive a 25% discount on the Franchise Fee.

### **Referral Fees**

We pay a \$1,000 referral fee to any current franchisee for each candidate referred to us who meets our qualifications and signs a franchise agreement. We reserve the right to change, modify or discontinue this program at any time.

### **Technology and Support Fee**

We will charge you \$850 per month and \$500 per month for each additional person working in the franchised business. This fee is for the Sheenco Trip Planning Software, travel bookings and billing services, Customer Relationship Management (CRM) system, Voice Over Internet Phone (VOIP), e-mail account (name@sheencotravel.com), webpage on the main website.

## **Item 6 OTHER FEES**

| <b>TYPE OF FEE<sup>1</sup></b>                  | <b>AMOUNT</b>                                                                                                       | <b>DUE DATE</b>                                                                                                                                                                                                          | <b>REMARKS</b>                                                                                                                                                                                                                                                                |
|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Technology and Support Fee ("TSF") <sup>2</sup> | \$850 per month for one person<br><br>\$500 per month for each additional person working in the franchised business | On the 1 <sup>st</sup> of each month, when system is set up for your location. Payment will be made out of your Commissions if those are sufficient to cover this fee, and if not, by electronic payment from you to us. | Our affiliate STI provides all of your Guest travel bookings and billing services. It remits your commission ("Commission") to us to process for you each month less our fees. <sup>3, 4</sup> The TSF fee will be due by Electronic Funds Transfer. This will be paid to Us. |

|                                     |                                                                                                                            |                                                                                                                                                                                                                   |                                                                                                                                                                    |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Royalty Fee                         | 1% of Gross Sales or \$500 per month whichever is greater                                                                  | Deducted from your Commission prior to processing your monthly payment.                                                                                                                                           | 1% begins from day one of opening for business. Minimum. \$500 per month will begin 90 days after opening                                                          |
| Brand Fund                          | 1% of Gross Sales or \$500 per month whichever is greater                                                                  | Due on the 1 <sup>st</sup> of each month. If your Commissions are sufficient to cover these payments, they will be deducted from Commissions, and if not these will be paid by electronic payment from you to us. | Begins from day one of opening for business. You will receive 5 complimentary leads per week.                                                                      |
| Local Advertising and Promotions    | Not less than \$500 per month                                                                                              | As incurred                                                                                                                                                                                                       | We recommend that You spend at least this amount to promote your business in your local market                                                                     |
| Website Based Guest Inquiries/Leads | \$15 (per lead) for a "Send me info" lead<br>\$25 (per lead) for a "Plan my trip" lead                                     | Deducted from your Commission prior to processing your monthly payment, or invoiced prior to earning commissions                                                                                                  | Leads generated from the sheencotravel.com website that you have the option to purchase.                                                                           |
| Product/ Supplier Approval Costs    | \$500 fee per occurrence                                                                                                   | When billed                                                                                                                                                                                                       | We require you to pay us a fee for the review of a new product or supplier you request, plus any costs incurred related to the review.                             |
| FAM Trip                            | \$1,000 per person<br>*Covers all lodging, transportation, most meals and activities but does not cover airfare or alcohol | As billed                                                                                                                                                                                                         | Your first FAM trip for one person is included with your initial franchise fee. *Typically held in the off-season. Attendees must work in the franchised business. |

|                                       |                                                                                       |                                                                                          |                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Additional Training                   | \$2,500 per person                                                                    | When scheduled and billed                                                                | You must pay us \$2,500 to provide training and initial coaching for each additional person working in the franchised business                                                                                                                                                                                                         |
| Annual Convention                     | Not to exceed \$700 per attendee for the event.                                       | When billed                                                                              | Your convention fee will cover the event, educational programs and materials, keynote speakers and breakfast and lunch each day of the event. You will be responsible for travel, lodging and all other meals and related expenses. *We intend to host a convention when there are a minimum of twenty (20) franchisees in the system. |
| Failure to Maintain Insurance         | Cost of insurance if not obtained by you, our procurement expense.                    | As required and as incurred                                                              | Payable upon your failure to comply with the insurance requirements in the Franchise Agreement.                                                                                                                                                                                                                                        |
| Guest Complaints and Adjustment Costs | Reimbursement of our or our affiliate's time and expenses to satisfy your Guest.      | As incurred                                                                              | If we or our affiliate step in to resolve a complaint or issue from one of your Guests, you must pay us for our time and any expenses we incur.                                                                                                                                                                                        |
| Temporary Management Fee <sup>5</sup> | Commission earned during the period plus any direct out of pocket costs and expenses. | As incurred                                                                              | Payable if you request or we exercise our right to manage your Franchised Business.                                                                                                                                                                                                                                                    |
| Interest                              | Interest on overdue payment                                                           | As incurred                                                                              | Interest rate will be 1.5% per month or if the maximum interest rate permitted by state law is less, then interest will be charged at the lesser allowed rate. Interest begins from the date payment was due. You must also pay any expenses we incur in collecting the past duepayments.                                              |
| Late Fee                              | \$25 per day                                                                          | On demand, but only if you are delinquent in your payments to us or otherwise violate an | Payable the day after payment or other event (Ex: a required report) is due, in addition to the interest.                                                                                                                                                                                                                              |

|                         |                                                          |                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------|----------------------------------------------------------|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                         |                                                          | obligation under the Franchise Agreement |                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Transfer, Assignment    | \$1,000                                                  | Time of transfer                         | Payable if you sell your franchise. No fee charged if you transfer franchise to a corporation or other entity you control. New franchisee must pay for a TSF at time of transfer.                                                                                                                                                                                                                                                               |
| Renewal                 | \$5,000                                                  | Time of renewal                          | New franchise agreement, which may have different terms or conditions, must be signed by you and us.                                                                                                                                                                                                                                                                                                                                            |
| Costs & Attorneys' Fees | Cost of collection and attorneys' fees                   | As incurred                              | Payable upon your failure to comply with the Franchise Agreement.                                                                                                                                                                                                                                                                                                                                                                               |
| Indemnification         | Cost of liability                                        | As incurred                              | You must indemnify and hold us harmless against any claims, losses, costs, expenses, liabilities and damages, including costs and attorneys' fees arising from the operation of your Franchised Business.                                                                                                                                                                                                                                       |
| Non-Compliance          | 50% reduction of Commission on non-compliant transaction | As incurred                              | Reduction applies if any of the mandatory procedures related to the processing of sales leads or Guest bookings, as specified in our Operations Manual, are not adhered to. We also reserve the right to step in and take over the lead/Guest. If more than 10 sales leads or Guest bookings are transferred to us for processing during the term of your Franchise Agreement due to non-compliance, we may terminate your Franchise Agreement. |

**NOTES:**

(1) All fees are uniformly imposed by us. Fees that are not deducted from your Commissions will be paid directly to us or our designee and are payable through Electronic Funds Transfer. You must authorize your bank to accept automatic withdrawals for all fees due to us through EFT of the stated amount from your bank into our bank account when due. You must provide us with all documents necessary to direct your bank to honor these pre-authorized bank debits. (See Franchise Agreement, EFT Authorization). All fees are non-refundable. Interest is charged on late payments. Maximum interest permitted in California is 10% annually. Unless otherwise noted, there are no provisions for any of these fees to increase during the term of your Franchise Agreement. We do not finance any fee.

(2) Technology and Support Fee ("TSF") includes the Sheenco Trip Planning Software, travel bookings and billing services, Customer Relationship Management (CRM) system, Voice Over Internet Phone (VOIP), e-mail account (name@sheencotravel.com), webpage on the main website. This will be paid to Us.

(3) The term "Net Sales" is the total of all revenue from the sale of services and products to



Guests of the Franchised Business less cost of sales, credit card fees, and sales tax receipts or similar tax receipts which, by law, are chargeable to Guests, but only if the taxes are separately stated when the Guest is charged and the taxes are paid to the appropriate taxing authority; and the amount of any documented refunds, charge backs, credits and allowances approved by us which we or you give in good faith to Guests which results in the “margin”. Commission revenue for all trips is 40% of the margin of each concluded travel package sold by you. Brand Fund Fees may be deducted from your Commissions along with any other amounts owed to us, but Royalty and Brand Fund Fees must be paid by you by EFT each month if your Commissions are not sufficient to cover these fees.

(4) You will be permitted to establish pricing for Guest bookings as long as they meet our minimum pricing. For Ireland and the UK, the minimum margin for each trip will be 35%. For trips to additional destinations outside of Ireland and the United Kingdom that are booked by Sheenco Travel Inc. but operated by a third party, the minimum margin for each trip will be 15% to 20%. You will receive 50% of your estimated Commission on the 5<sup>th</sup> of the month following when the Guest makes their deposit. You will receive the balance of your commission on the 5<sup>th</sup> of the month following when the Guest has returned from the trip and all expenses are known and finalized. Your final payment will reflect any add-on sales or transaction losses.

(5) If you die or are disabled, or are in material breach of the Franchise Agreement, we have the right, but not the obligation to operate the Franchised Business until an assignee we approve assumes management and operation of the Franchised Business for as long as, in our reasonable judgment, it is necessary. If we manage the Franchised Business, you must pay us or our designee the Commissions you would have earned during the step-in period, in addition to all other amounts due and expenses including any direct expenses of managing the Franchised Business on your behalf during the time.

## Item 7 ESTIMATED INITIAL INVESTMENT

### YOUR ESTIMATED INITIAL INVESTMENT

| TYPE OF EXPENDITURE <sup>1</sup>        | LOW ESTIMATED AMOUNT | HIGH ESTIMATED AMOUNT | METHOD OF PAYMENT | WHEN DUE                             | TO WHOM PAYMENT IS TO BE MADE |
|-----------------------------------------|----------------------|-----------------------|-------------------|--------------------------------------|-------------------------------|
| Initial Franchise Fee <sup>2</sup>      | \$20,000             | \$20,000              | Lump sum          | When signing the Franchise Agreement | Us                            |
| Technology and Support Fee <sup>3</sup> | \$2,400              | \$2,400               | As Arranged       | Monthly                              | Us                            |
| Training Expense <sup>3</sup>           | \$800                | \$1,500               | As arranged       | As incurred                          | Travel suppliers              |
| Office Space <sup>4</sup>               | \$0                  | \$1,200               | As arranged       | Before and after opening             | Landlord                      |
| Office Furniture <sup>5</sup>           | \$0                  | \$500                 | As incurred       | Before opening                       | Various vendors               |

|                                                          |                 |                 |             |                          |                               |
|----------------------------------------------------------|-----------------|-----------------|-------------|--------------------------|-------------------------------|
| Computer and software <sup>6</sup>                       | \$1,000         | \$2,300         | As arranged | Before opening           | Various vendors               |
| Smart Phone <sup>7</sup>                                 | \$0             | \$1,000         | As arranged | Before opening           | Designated Vendor             |
| Smart Phone Service Plan <sup>8</sup> (3 months)         | \$0             | \$210           | As arranged | Before and after opening | Designated Vendor             |
| Business Class Internet and WiFi <sup>9</sup> (3 months) | \$0             | \$250           | As incurred | Before and after opening | Internet Service Provider     |
| Business Licenses & Permits <sup>10</sup>                | \$50            | \$150           | As incurred | As incurred              | State/local agencies, vendors |
| Office Supplies & Misc. Expense <sup>11</sup>            | \$100           | \$200           | As incurred | As incurred              | Various vendors               |
| Insurance <sup>12</sup>                                  | \$1,500         | \$4,000         | As arranged | Before and after opening | Insurance Company             |
| Professional Fees <sup>13</sup>                          | \$600           | \$2,000         | As arranged | Before opening           | Professional advisors         |
| Additional Funds <sup>14</sup> (3 months)                | \$6,000         | \$15,000        | As incurred | Before and after opening | Us, Various Vendors           |
| <b>TOTAL:</b>                                            | <b>\$32,450</b> | <b>\$50,710</b> |             |                          |                               |

Notes:

(1) We do not finance any fee. All payments to us are non-refundable. Any refund of payments made to various vendors will depend on the terms you arrange with those vendors.

(2) The Initial Franchise Fee is uniform and paid at the time of signing the Franchise Agreement. NOTE: We have offered a 50% discount to the first 5 franchisees awarded.

(3) Technology and Support Fee: We will charge you \$850 per month and \$500 per month for each additional person working in the franchised business. This fee is for the Sheenco Trip Planning Software, travel bookings and billing services, Customer Relationship Management (CRM) system, Voice Over Internet Phone (VOIP), e-mail account (name@sheencotravel.com), webpage on the main website.

(4) Training Expense: The main portion of training will be online and via webinars. You are required to experience a FAM (familiarization) trip to the UK and/or Ireland, and/or additional destinations to experience the luxury tours you will offer your Guests. The initial FAM trip is included with your initial franchise fee and includes all hotels, local travel to and from each property, organized events, and meals for one person. You will be required to pay for your airfare and any alcohol.

(5) Office Space: Most of your business will be online and over the phone so it is suggested that you operate from a home office with a desk, computer, and a blank wall to display materials and maps. This area must be clearly defined as a home-office. If you intend to meet with Guests

in this location, a separate/private entrance is required for professional reasons. This represents the low in the table above. If you choose to operate from a leased location rents can vary from city to city and the high represents a small 10' x 10' office space for the purpose of operating the franchised business if you prefer to work in a commercial setting.

(6) Office Furniture: You will need an office desk, chair, and other items to operate the business from home or a commercial location. The low represents that you already have these items and the high represents if you have to go out to purchase an office desk and office chair.

(7) Computer and Software: You will need a computer to connect to the online portal for booking the luxury trips for your Guest, email, and other communication. The low represents a small laptop and the high represents a laptop or desktop with faster processors and larger memory storage. You will need to have an Office 365 subscription.

(8) Smart Phone: You will need a smart phone to handle the day-to-day affairs of your business to include communicating with your Guests and our team members. The low represents that you already own a smart phone and the high represents a new phone with larger memories and features. You will receive a VOIP phone number to use with your business so it is reasonable that you will use your current smart phone with the VOIP number routed to you for your Guests.

(9) Smart Phone Service Plan: You will need an unlimited talk and text plan for your phone to operate your business. The low represents that you already have a Smart Phone plan, and the high is typical range of the different carriers and their plans.

(10) Business Class Internet and Wi-Fi: The operation of your business will require highspeed internet service and a secure Wi-Fi network either in your home office or commercially leased space.

(11) Business Licenses & Permits: Depending on your local municipalities you may be required to secure certain business licenses and other licenses as required by your state, city and/or county.

(12) Office Suppliers & Miscellaneous Expenses: You will need to have basic office supplies, notebooks, pens, pencils, stapler, etc. Large bulletin boards to hold maps and a large desk calendar to keep track of your agenda.

(13) You will need to check with your insurance carrier for actual premium quotes and costs, and for the actual amount of deposit. Insurance costs can vary widely, based on the area in which your business is located, your experience with the insurance carrier, if you operate from a home office or a commercial location, the number of deductibles and of coverage, and other factors beyond our control. You should obtain appropriate advice from your own insurance professional before signing any binding documents or making any investments or other commitments, whether to us or anyone else.

(14) This estimate is for legal, accounting, and miscellaneous other professional fees that you may incur before you open for business, including (among other things) to assist you in reviewing the Franchise Agreement. Your actual costs may vary, for example, depending on the degree to which you rely upon your advisors, type of financing, if any. The hourly rate for advisors, accountants, and legal professionals will also vary.

(15) This is an estimate of opening cash, working capital and other miscellaneous business

expenses, the cost of web-based leads, as available, marketing and entertainment expenses over and above those included in the table that may be incurred during the first 3 months of the Franchised Business' operations. These expenses include normal operating costs. This estimate for Additional Funds does not include franchisee salary, draw, or personal expenses.

Except as otherwise described in the Notes above, this table provides an estimate of your initial investment for a SHEENCO TRAVEL Franchise and the costs necessary to begin operation of your Franchised Business. All costs listed in the table are estimates only. We relied on our affiliate's experience to compile these estimates.

## **Item 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

To ensure that the highest degree of quality and service is maintained, you must operate the Franchised Business in strict conformity with the methods and System Standards as we may periodically prescribe in the Operations Manual or otherwise in writing; and you must refrain from deviating from these methods and System Standards without our prior written consent. We may revise the contents of the Operations Manual, and you must comply with each new or changed standard and specification. You must at all times ensure that your copies of the Operations Manual are kept current and up to date.

The Franchise Agreement restricts the sources of products and services you utilize in establishing and operating a SHEENCO TRAVEL Franchised Business in three ways. Some items can be purchased only from us or our affiliates, some only from suppliers we have approved, and others only in accordance with our specifications and standards.

#### **Purchases from Us or Our Affiliate**

You are required to purchase certain products or services directly from us, our affiliates or our approved suppliers. Currently, we are the only approved supplier of Internet marketing and web-based lead generation. Our affiliate Sheenco Travel, Inc. is the only approved supplier of travel services.

We provide you with a list of suppliers in our Operations Manual. You may only offer and sell goods and services from suppliers that we have authorized in writing. We are the designated sole provider of the TSF which provides you with access to the Trip Planning Software, proprietary marketing materials, all of your Guest travel bookings, billing services, VOIP phone service, webpage and other support services. Our affiliate, STI, is the designated sole provider of travel services and earns a mark-up as your booking agent for all your Guests' Point of Entry to Point of Departure travel.

Your monthly TSF fee for you and any partner, co-owner, employee or other individual who works in the Franchised Business ("Employee") will be deducted from your commission on a monthly basis. If you have no earnings during any month, the TSF fee will be deducted from your assigned account via Electronic Funds Transfer (EFT) If you have Employees, you are required to purchase a TSF access for each of them as well. Under your TSF, we will provide online access to the CRM system which has automated marketing capabilities and email templates for the sales process, plus access to the Trip Planning Software which has regularly maintained supplier rates and customized reports for providing your Guests with detailed itineraries, along with other services; fulfill and account for all travel bookings placed by you on behalf of your Guests pursuant to the procedures provided in our Operations Manual and training materials. STI is obligated only to

fulfilling travel bookings at travel suppliers' published prices or current pricelist prices under its current payment and collection terms. STI is not obligated to fulfill orders for travel bookings at other than published prices and terms, or that have been discontinued by the travel suppliers. All travel bookings are subject to STI's acceptance. All orders may be canceled by you or your Guest as long as the terms of cancellation comply with the terms and conditions of STI's Cancellation Policy and indemnify us and STI against loss. STI will collect Guest payments on all bookings and remit your Commissions to us to process to you (less fees due to us, if any, although most fees will need to be paid directly by you to us on a monthly basis or as otherwise indicated).

We will earn revenue from franchisee's bookings of travel services. As of the date of this Disclosure Document neither we nor our affiliate have received any revenue from franchisees' required purchases, nor do we have history with which to calculate what percentage of sales these revenues will represent.

Except as described above, currently you are not required to purchase any other products or services from us or our affiliates. However, we reserve the right to designate ourselves and/or any of our affiliates as an approved supplier, and we may also designate ourselves or an affiliate as the sole supplier of one or more items, in which case you would have to buy those items from us or our affiliate at our or their then-current price.

### **Purchases according to Our System Standards**

You must operate the Franchised Business according to our mandatory System Standards which include specifications, operating procedures, protocols, and rules that we periodically prescribe for the development and operation of SHEENCO TRAVEL franchised businesses. System Standards may regulate, among other things, the types, models and brands of required furnishings, equipment, signs, smart phones, hardware, software, materials and supplies to be used in operating the Franchised Business, required or authorized products and product categories and designated or approved suppliers of such items (which may be limited to or include us or our affiliates). We do not make any express or implied warranties with respect to any products or goods we recommend for your use. Our System Standards may impose minimum requirements for quality, cost, performance, design and appearance, delivery capabilities, financing terms, and ability to service our Franchise System as a whole. We will notify you in our Operations Manuals or other communications of System Standards and/or names of approved suppliers.

You must purchase and install, at your expense, all furnishings, equipment (including computer system and printer), and signs as we may reasonably direct periodically; and refrain from installing or permitting to be installed on or about the premises of your Franchised Business, without our prior written consent, any furnishings, equipment, signs or other items not previously approved as meeting our System Standards.

We will inspect your Franchised Business as often as we deem necessary to ensure that our System Standards are maintained. If we find anything that does not meet our standards, you will be required to correct them within a reasonable period of time. If you fail to take corrective action, we may close the Franchised Business until the corrective action is taken or otherwise terminate your Franchise Agreement.

### **Purchases from Approved Suppliers**

In addition to the above, we may require that you, at your expense, enter into agreements with

suppliers approved by us. We may change approved and required suppliers from time to time.

We will provide you with a current list of approved suppliers (including required and recommended suppliers) through updates to the Operations Manual or other forms of communication.

### **Proportion of Purchases Subject to Specifications**

We estimate that approximately 10% of your expenditures for leases and purchases in establishing your franchised business will be for goods and services that must be purchased from us, or an approved supplier, or according to our standards and specifications. We estimate that approximately 90% of your expenditures on an ongoing basis will be for goods and services that must be purchased from us, an approved supplier or according to our standards and specifications.

Our CEO listed in Item 2 of this disclosure document owns one hundred percent (100%) of Sheenco Holdings, Ltd, which owns one hundred percent (100%) of Sheenco Travel, Ltd., Sheenco Travel, Inc. and Sheenco Travel Franchise, Inc.

### **Approval of Alternate Suppliers**

If you desire to purchase, lease or use any products, services or other items from a supplier we have not pre-approved, you must submit to us sufficient written information about the proposed new supplier to enable us to approve or reject either the supplier or the particular item(s). At our request, you must submit to us samples of the proposed product(s) for our examination so that we can determine whether they meet our quality standards. We also have the right to require that our representatives be permitted to inspect the proposed supplier's facilities, or to conduct appropriate testing of the proposed new product or service, at your expense. We do charge a fee for evaluating alternative suppliers, services and products; you must pay us \$500 for the review and/or inspection as well as any other fees we pay to third parties in furtherance of the evaluation. If we have not responded in writing within 30 days of our written receipt of such information or product samples from you, or of our inspection/testing if applicable, then the request will be deemed rejected by us. In providing such approval we may consider not just the quality standards of the products or services, but the delivery capabilities, financing terms and ability of the supplier to service our Franchise System as a whole.

We formulate and modify specifications and standards imposed upon franchisees by evaluating the market acceptance of products and the financial stability of suppliers. We do not have to issue our specifications and standards to franchisees and/or approved suppliers, nor are criteria for supplier approval made available to franchisees.

We may terminate the use of any products or services, or any supplier of such items or services, that does not meet our then-current standards by giving you written notice. If we do so, you must immediately stop purchasing from such supplier or using such products or services in your Franchised Business unless we notify you that such supplier or such products or services meet our quality standards. If we revoke an approved supplier, we will provide notice to that supplier and notify you in our Operations Manual or other forms of communication.

We may limit the number of approved suppliers with whom you may deal designate sources that you must use and/or refuse any request for alternative suppliers for any reason, including that we have already designated an exclusive source (which may be us or our affiliates) for any item or service if we believe doing so is in the best interest of our Franchise System.

You must adhere to our System Standards for the layout and general appearance of the Franchised Business, and our requirements for equipment. If we have designated an approved or required supplier (which may be us or our affiliate), you must obtain the items from such supplier. If we have not designated an approved/required supplier for certain items, then you may purchase them from any supplier that meets our System Standards, including our preferred suppliers. We may, at any time, change, delete, add to or modify any of our System Standards. These changes, deletions, additions or modifications, which will be uniform for all franchisees, may require additional expenditures by you.

### **Computer Hardware and Software**

You must use the computer software and hardware components and accessories ("Computer System") that we require. We have the right to designate a single supplier for the Computer System. We have the right to appoint additional suppliers or different suppliers for the Computer System. Neither we nor our affiliates currently derive revenue from your purchase of the Computer System; however, we are permitted and may do so from time to time. We may require you to maintain service support contracts and/or maintenance service contracts and implement and periodically make upgrades and changes to the computer hardware and software. We may designate the vendor(s) for these support service contracts and maintenance service contracts.

### **Insurance**

You must obtain and maintain insurance, at your expense, as we require, in addition to any other insurance required by law or otherwise. Currently, required insurance coverages include, without limitation, general business liability, data breach, employment practices liability, professional liability, errors and omissions, cyber liability and a blanket umbrella policy.

If you have Employees, you must purchase workers' compensation in the minimum amount required by state law. You must also purchase general business liability insurance, including broad form contractual liability, hired and non-owned auto, products and completed operations in the amount of \$1,000,000 per occurrence, in the aggregate of \$2,000,000; business personal property insurance of \$10,000 limit, \$1,000 deductible professional liability insurance in the amount of \$1,000,000 per occurrence, in the aggregate of \$1,000,000; cyber liability/data breach \$250,000 limit; employment practices liability insurance \$25,000 limit; and umbrella coverage policy in the amount of \$1,000,000 per occurrence, in the aggregate of \$1,000,000.

The policies must be written by an insurance company reasonably satisfactory to us with A.M. Best rating of "A-" or better and include the types, risks, amount of coverage and deductibles as stated in our Operations Manual. We may periodically change the types and amounts of coverage required under the insurance policies, based on changes in circumstances, if the changes apply to all SHEENCO TRAVEL Franchised Businesses. If you fail to purchase the mandatory insurance, we may obtain insurance for you, and you must reimburse us for its cost, which might be higher than the cost of insurance you could obtain for yourself. You must also reimburse us for any procurement expenses we incur in this process. All insurance policies must name us and any affiliates that we designate as additional insureds and give us at least 30 days' prior written notice of termination, amendment, or cancellation. You must provide us with certificates of insurance evidencing your insurance coverage no later than 10 days before your Franchised Business opens and annually as prescribed in our Operations Manual.

## Revenue from Franchisee Purchases

In the year ending December 31, 2023, we did not derive any revenues or other benefits from required purchases or leases, but we reserve the right to derive revenue from required franchisee purchases in any manner we determine.

## Supplier Rebates

We do not currently receive rebates or discounts as a result of franchisee purchases, but we reserve the right to receive such rebates and discounts in the future.

## Purchasing or Distribution Cooperatives

No purchasing or distribution cooperatives exist, but we reserve the right to establish a cooperative in the future. We may negotiate purchase arrangements or price terms with suppliers for the benefit of all franchisees.

## Material Benefits for Use of Approved Sources

We do not provide material benefits to you based upon your use of designated or approved sources.

## Specifications

We require that at all times you comply with the various operational manuals that we maintain and update for franchisee use, (collectively referred to by us as the Operations Manual or the Manual).

## Item 9 FRANCHISEE'S OBLIGATIONS

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

| Obligation                                             | Section in agreement         | Disclosure document item |
|--------------------------------------------------------|------------------------------|--------------------------|
| a. Site selection and acquisition/lease                | Section 4                    | Items 6, 7 and 11        |
| b. Pre-opening purchases/leases                        | Sections 7, 9, 14, 15 and 17 | Items 7 and 8            |
| c. Site development and other pre-opening requirements | Sections 4, 9 and 14         | Items 5, 7 and 11        |
| d. Initial and ongoing training                        | Sections 9 and 13            | Items 6, 7 and 11        |
| e. Opening                                             | Sections 9 and 14            | Item 11                  |
| f. Fees                                                | Section 7                    | Items 5, 6 and 7         |



|                                                             |                                       |                       |
|-------------------------------------------------------------|---------------------------------------|-----------------------|
| g. Compliance with standards and policies/ operating manual | Sections 11 and 17                    | Item 11               |
| h. Trademarks and proprietary information                   | Sections 3, 10, 18, 19, 25, 26 and 27 | Items 13 and 14       |
| i. Restrictions on products/ services offered               | Section 10                            | Items 8 and 16        |
| j. Warranty and customer service requirements               | Section 17                            | Item 15               |
| k. Territorial development and sales quotas                 | Sections 4                            | Item 12               |
| l. Ongoing product/service purchases                        | Sections 9 and 15                     | Items 8 and 16        |
| m. Maintenance, appearance and remodeling requirements      | Sections 14 and 15                    | Item 11               |
| n. Insurance                                                | Section 23                            | Items 6 and 7         |
| o. Advertising                                              | Section 21                            | Items 6, 7, 11 and 12 |
| p. Indemnification                                          | Section 23                            | Item 13               |
| q. Owner's participation/ management/staffing               | Sections 17 and 24                    | Item 15               |
| r. Records and reports                                      | Sections 7 and 22                     | Item 6                |
| s. Inspections and audits                                   | Sections 14 and 22                    | Items 6 and 11        |
| t. Transfer                                                 | Sections 28 and 29                    | Items 6 and 17        |
| u. Renewal                                                  | Section 6                             | Items 6 and 17        |
| v. Post-termination obligations                             | Section 35                            | Item 17               |
| w. Non-competition covenants                                | Sections 25 and 27                    | Item 17               |
| x. Dispute resolution                                       | Sections 34 and 37                    | Item 17               |
| y. Other: Guaranty of franchisee obligations                | Section 24 and Addendum C             | Item 15               |
| z. Other: Spousal Non-Compete                               | Section 24                            | Item 15 and Exhibit G |

**Item 10**  
**FINANCING**

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

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

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

**Before you open your business, we will:**

a) sub-license the Marks necessary to begin operating your SHEENCO TRAVEL Franchised Business (Franchise Agreement— Sections 2 and 3)

b) provide input regarding general plans for the office which may be home-based. If you intend to meet with guests at your home office, it must have a designated private entrance and area to meet with Guests. We will provide you with guidance as to equipment and furnishings needed to open. We do not provide delivery or installation of equipment, furnishings or operating supplies. You must make sure that your home-based business is in compliance with local building codes, zoning and regulations. We will inspect your office prior to your opening, either in-person or virtually. (Franchise Agreement— Section 4)

c) provide you access to our online Operations Manual, which contains mandatory and suggested specifications, standards, methods, protocols, reporting and procedures. Our customary practice is to provide you with access to the Operations Manual with your on-line Initial Training package. The Operations Manual will be in any medium capable of conveying the Operations Manual's contents. The Operations Manual is confidential and remains our property. We may amend, modify, or supplement the Operations Manual at any time, so long as such amendments, modifications, or supplements will, in our good faith opinion, benefit us and our existing and future franchisees or will otherwise improve the System. You must comply with revised standards and procedures within the reasonable time period we designate after we transmit the updates. (Franchise Agreement— Section 9)

The Operations Manual was most recently updated in January 2024. The Table of Contents of the Operations Manual appears as Exhibit J to this Disclosure Document. The total number of pages in our Operations Manual is 80 pages.

d) give you general assistance in the opening of your business. We will also make our personnel available to help you plan pre-opening and opening promotional programs. You will need to give us at least 30 days' notice of the planned opening date of your business if you wish us to provide you with assistance. (Franchise Agreement— Section 9)

e) provide you with mandatory Initial Training through our Training Portal and webinars. The Initial Training is described in detail later in this Item. (Franchise Agreement— Section 13)

f) provide access to all of the software, services and materials contained in the TSF. (Franchise Agreement— Section 7)

g) provide you with one thousand (1,000) business cards, five hundred (500) post cards, one

hundred hundred fifty (150) marketing brochures, and a voice over internet (VOIP) phone number.

**During the operation of your business, we will:**

- a) continue to provide access to one, view only, electronic copy of our confidential Operations Manual, and furnish you with any and all updates and other Manuals and training aids that are developed in the future. Any training media we make will be made available to you at our then-current rate. (Franchise Agreement— Section 9)
- b) if we deem it necessary or advisable, give you on-going individual or group guidance and assistance, by telephone, or by newsletters, brochures, reports or bulletins, or electronically. This help may include advice on maximizing sales and profits, marketing, Guest services, vendor relations, or any operating problems you may be experiencing. (Franchise Agreement— Section 9)
- c) allow you to participate in programs that may be developed and offered by us on a system-wide basis to our franchisees. (Franchise Agreement— Section 9)
- d) provide you with copies of our available advertising material, if you desire, at then-current rate. You may develop your own advertising, marketing and promotional materials and programs provided they are submitted to us in advance for review and approval. You must obtain our prior written approval of all advertising and promotional plans and materials that you desire to use at least 30 days before the implementation of such plans, unless such plans and materials have been previously approved by us. You may not use such plans or materials until they have been approved by us in writing and will promptly discontinue use of any advertising or promotional plans and materials upon our request. Any plans or materials submitted by you to us that have not been approved or disapproved, in writing, within 30 days of receipt by us, will be deemed disapproved. (Franchise Agreement— Section 21)
- e) provide you, at no additional charge, additional virtual training programs that we may develop in the future. (Franchise Agreement— Section 13)
- f) as we deem appropriate, evaluate and test new techniques in advertising and marketing; and evaluate and test new services, equipment or technologies, and if they meet our System Standards, we will make them available to you. (Franchise Agreement— Section 9)
- g) host a minimum of one page on the SHEENCO TRAVEL Website (your “Webpage”) with contact and other information specific to your Franchised Business and provide you with no less than one e-mail address, which you must use as the Franchised Business’ e-mail address. (Franchise Agreement— Section 9)
- h) if and when available, provide the opportunity for you to purchase Website-generated inquiries/sales leads at our then-current rate, which is currently \$15.00 each for “Send me info” leads and \$25.00 each “Plan my trip” leads. Guest inquiries generated directly from your Webpage are provided without charge. (Franchise Agreement— Section 9)
- i) continue efforts to establish and maintain high standards of Guest satisfaction and professionalism in the System. Your Commission will be reduced by 50% on non-compliant transactions. Reduction applies if any of the mandatory procedures related to the processing of leads or Guest bookings, as specified in our Operations Manual, are not adhered to. We also reserve the right to step in and take over the lead/Guest. If 10 or more leads or Guests are

transferred to us for processing during the term of your Franchise Agreement due to non-compliance, we may terminate your Franchise Agreement. (Franchise Agreement— Sections 17 and 38)

j) take initiatives and steps to protect the integrity of the Marks. (Franchise Agreement— Section 19)

k) continue to provide access to all the software, services and materials (Franchise Agreement – Section 7).

l) pay Commission revenue which is 40% of the margin of each concluded travel package sold by you. You will receive 50% of your estimated Commission when the Guest makes their deposit and the balance when the Guest has returned from the trip and all expenses are known and finalized. Your final payment will reflect any add-on sales or transaction losses. (Franchise Agreement— Section 7)

## **Advertising**

We have established a Brand Fund to promote the brand and the services you and other franchisees offer to the general public. We will charge you 1% of Gross Sales to fund it. The Brand Fund will be administered by our officers. We and our designees will have the sole authority to direct all advertising, marketing, and promotional programs of the Brand Fund and will have sole discretion over all aspects of those programs, including the concepts, materials, and media used and the placement and allocation of them.

The Brand Fund will be used, in our discretion, to pay for developing and conducting activities that we believe will enhance the goodwill associated with the Marks and the image of the SHEENCO TRAVEL System and to pay for the administration of the Brand Fund and its programs.

The purpose of the Brand Fund is to pool a small percentage of money from franchised businesses, U.S.-based SHEENCO TRAVEL affiliates who provide services the same as the Franchised Business and U.S.-based company-owned SHEENCO TRAVEL agencies so as to achieve greater benefits for all in promoting the System and Marks. All franchisees will contribute to the Brand Fund based on the terms of their franchise agreement.

For this reason, the Brand Fund is not obligated to make expenditures for you or any other franchisee which are equivalent or proportionate to your or another franchisee's contribution, or to ensure that any particular franchisee benefits directly or *pro rata* from the marketing or promotion conducted by the Brand Fund.

No portion of the Brand Funds collected will be used principally to sell franchises. However, a brief statement about availability of information regarding the purchase of SHEENCO TRAVEL franchises may be included in advertising, our Website and other items produced and/or distributed using the Brand Fund.

The Brand Fund may be used to pay for market research, media space, branding, public relations, sponsorships, partnerships, and other activities designed to promote the organization, the trade name and the Marks, as well as to pay for administrative time and expenses; travel and related miscellaneous expenses; print, radio, television, direct mail, or promotions; conducting Internet-based advertising campaigns; utilizing social and business networking media sites and other emerging media or promotional tactics; developing, maintaining, and updating our Website on the Internet; hiring public relations agencies; providing promotional and other marketing materials and

services to the businesses operating under the SHEENCO TRAVEL System, or any combination of these. We will direct all programs financed by the Brand Fund, with sole discretion over the creative concepts and materials.

We will not use any contributions to the Brand Fund to defray our general operating expenses, except for reasonable administrative costs and overhead we incur in activities reasonably related to the administration of the Brand Fund or the management of Brand Fund-supported programs (including the pro-rata amount of salaries of our personnel who devote time to Brand Fund activities and retainers and fees for outside agencies).

In our most recent fiscal year, we collected \$500 in Brand Fund fees, but not expended, which remains in the Fund for use in 2024 or later years. 0% was used on the solicitation of franchisees.

We will maintain separate bookkeeping accounts for the Brand Fund and may but will not be required to cause Brand Fund contributions to be deposited into one or more separate bank accounts. The Brand Fund will not be audited; however the Brand Fund will prepare income and expense statements annually. Income and expense statements will be available to you upon written request. Excess funds not spent in any given fiscal year will be carried forward to the next fiscal year. Although once established the Brand Fund is intended to remain in existence, we reserve the right to terminate the Brand Fund only after all monies have been spent for advertising, marketing and promotion.

The Brand Fund will not be a trust, and we will not be a fiduciary or trustee of the Brand Fund or the monies in the Brand Fund. However, we may, in our discretion, separately incorporate the Brand Fund or create an Brand Fund trust, over which we may be the trustee, into which Brand Fund contributions may be deposited. We may place additional advertising at our own expense, but we are not obligated to do so. (Franchise Agreement— Section 21)

We recommend that you spend a minimum of five hundred (\$500) per month revenues on local advertising.

You agree that upon termination, transfer, or expiration of your Franchise Agreement, you will immediately remove all advertising that you control and notify all advertising sources that your advertising must be removed and/or canceled immediately. For advertising that cannot be immediately canceled, you are responsible for any and all costs related to such advertising until such time as it can be canceled, or it expires. (Franchise Agreement— Section 21)

We currently do not have an advertising council composed of franchisees to advise us on our advertising policies. We may decide to implement an advertising council in the future.

We currently do not have any advertising cooperatives and have no plans to form such cooperatives in the immediate future. However, you must join and actively participate in any organizations or associations of franchisees or advertising cooperatives that we establish or that are established at our direction for the purpose of promoting, coordinating, and purchasing advertising in local, regional, or national areas where there are multiple SHEENCO TRAVEL businesses.

You will be assigned a VOIP (voice over internet phone) number from Vonage that we establish for you. This will be the only number you will use for the operation of your SHEENCO TRAVEL business. We will own all rights to the telephone listings, and you will not set up a separate phone line for your business. If any phone lines, email addresses, domain names, other comparable

electronic identities and social media have been established in addition, you may not use, reference or promote the Sheenco Travel Marks or System in connection with any current or future form of social media networks or platforms, including, without limitation, Facebook, Twitter, LinkedIn, Instagram, TikTok, Pinterest and any and all other social media platforms.

## **Computer Hardware and Software**

You must record all transactions on a computer-based system that is fully compatible with our computer system and that includes an information interface capability to communicate electronically with our computer system. You are required to use Xero Accounts Package for all business record keeping. We will require you to upload monthly statements to a cloud-based program that will help you and us to automate data, consolidating it into easy-to-understand dashboards and analytics for benchmarking to help us and you analyze your business and identify where you are in comparison to other franchisees and how you can improve certain areas of your business.

You must purchase or lease your computer system to be used solely for the business and not to be shared with others or used for personal use. We do not require a particular brand and you can operate from a PC or Mac based system. We will set you up with access to our CRM cloud-based system to manage your emails, contacts and leads. We will also provide you with access to Our Trip planning cloud-based software for the online booking of all trips for your Guests. Depending on the model of the computer you select, your costs will range from \$1,000 - \$2,300. If you use a laptop you will need to also purchase a compatible monitor of at least 22" for your work. While most software upgrades with new computers are free, there may be additional costs you incur depending on any additional software you decide to install. The monthly Technology and Support Fee you pay us will cover the costs of CRM software and Trip Planning Software as well as your Voice Over Internet Phone ("VOIP"), your website on our main site, your email account and the travel booking support from our affiliate STI.

You are required to have Microsoft Office 365, a Basic Zoom and Calendly subscription, and Adobe PDF Editing Software.

You must have a suitable antivirus subscription from a recognized software provider i.e., Norton/AVG, McAfee, Avast or pre-approved similar vendor. Computers must be used solely for the business of your SHEENCO TRAVEL Franchised Business; personal or shared use is not permitted. All computers must be password-protected and set up/used in compliance with all System Standards.

Neither we nor any of our affiliates is required to provide ongoing maintenance, repairs, upgrades or updates to the CRM software, Trip Planning Software or computer products you will use in the business. CRM software and Trip Planning Software will manage all software upgrades for its cloud-based software, and you must obtain, at your own expense, ongoing maintenance, support, and upgrades for the desktop or laptop computer products you purchase to use in the operation of your business, and we have no obligation to assist you in obtaining hardware, software, equipment or related services. There are no contractual limits on the frequency or cost of your obligation to obtain these upgrades. We do not currently have any required or optional maintenance, repair, upgrade or update contracts for the computer system, but you can purchase protection for your computer as offered by the manufacturer. We have the right, and there are no contractual limits as to our access to your business operations in the CRM software and Trip Planning Software. We may access the system as often as we deem appropriate, including on a daily basis, all of your computer systems that you are required to maintain in connection with the

operation of the SHEENCO TRAVEL franchises and to retrieve all information relating to the SHEENCO TRAVEL franchise's operations. (Franchise Agreement- Sections 10 and 15)

You must subscribe to high-speed business class Internet access through T-1, cable or a service such as Verizon's FIOS or otherwise as we designate in our Operations Manual. The cost varies geographically from \$100 to \$200 to set-up and \$50 to \$150 per month. Your subscription to the on-line computer network will permit you to use our cloud-based software as well as to connect with our office, STI and with franchisees to share information, exchange ideas and transfer data.

### **Internet/e-commerce**

You must participate in our Internet Web Site, and you may not register a domain name or operate a website containing the Marks. We restrict, designate, and have the right to approve, or control all of your electronic media, including Internet activities, and e-mail marketing correspondence, digital content, and electronic communications if any, as it relates to the franchised business. This includes any websites and all Social Networking and Marketing activities, including Twitter, Facebook, Instagram, Foursquare, LinkedIn or any other social media outlets. This also includes any group or social buying platforms, promotions, or campaigns. You must follow the most recent rules and regulations published in our Operations Manuals or other manuals we have created regarding the upkeep and communications sent out via these channels. Social media follows you, so be sure your personal pages are in line with the luxury travel services you will offer and the Guest's you will provide services to.

You are not permitted to establish a Website on the Internet using any domain name containing the words SHEENCO or SHEENCOTRAVEL with any domains including com, .net, .biz, .org or any other top-level domain or variation thereof. We maintain the SHEENCOTRAVEL.com Website and provide you with access to our Website and a page contained within our Website for your Franchised Business. We may require that you utilize e-commerce products or services designated by us.

Any digital or electronic content published must be within brand communication standards and is subject to our approval. All digital imagery bearing our Marks are subject to our approval.

Due to the speed of electronic communication, all instructions by us which are deemed to restrict, designate or control e-commerce activities must be responded to within 24 hours.

We also reserve the right to restrict, designate and have the right to approve or control any existing or future (not yet developed) Fan Page or other advertising or social networking services of the Franchised Business, including the sending of bulk e-mail or facsimiles, other than in accordance with the guidelines in the Operations Manual or otherwise as we specify in writing. We have administrator privileges, at all times, to all your software, electronic mail, social media, marketing platforms, digital marketing and all e-commerce activities. (Franchise Agreement— Sections 10 and 15)

### **Your Office Selection**

You may operate your SHEENCO TRAVEL business as a home-based business. If you intend to meet with guests at your home office, you must have a designated private area with a private entrance to meet with Guests that conforms to our requirements. We do not require you to have Employees, but if you have partners, co-owners, employees or other individuals who work in the Franchised Business in any capacity, and also work remotely, they must also have a designated

office space to work from. We do not provide specifications for leased office space nor restrict the location of your office, except that it must comply with local zoning requirements. If you do not locate your office as a home-based business, renting a private furnished office with shared administrative services provides an alternative.

### **Length of Time to Open the Franchised Business**

The length of time between signing your Franchise Agreement and actually opening for business should be 45 to 90 days. This time period is generally determined by how long it takes you to complete the Initial Training Program, initiate marketing, obtain a satisfactory office location if you do not open as a home-based business, and other normal business start-up considerations. If you fail to open your SHEENCO TRAVEL Franchised Business within 120 days of signing the Franchise Agreement, we have the right to terminate the Franchise Agreement.

### **Conferences and Meetings**

We reserve the right to hold meetings for all franchisees, which meetings shall not occur more frequently than annually. We shall not be required to hold such meetings until we believe it is prudent to do so. These meetings may be used to provide additional training, introduce new products or changes to the System, or for other reasons. There may be a Fee for these meetings, not to exceed \$700 per person. Your convention fee will cover the event, educational programs and materials, keynote speakers and breakfast and lunch each day of the event. You will be responsible for travel, lodging and all other meals and related expenses.

### **Training**

You and any partners, co-owners and/or employees or other individuals working in the Franchised Business must be trained by us and complete the Initial Training Program to our satisfaction. We may extend the training program for anyone who fails to successfully complete it. The initial training for you is included in your franchise fee. We charge a training fee of \$2,500 for each additional person we train for you. (Franchise Agreement – Section 13).

We reserve the right to modify the length and timing of the Initial Training Program.

The Initial Training Program is a self-paced program conducted via the Internet. The time to complete the Initial Training varies depending on how much time you can devote to training and how quickly you are able to absorb the materials.

We expect Initial Training to take you approximately five weeks, 40-50 hours each week to complete. You must initiate Initial Training within 14 days after signing your Franchise Agreement.

Your Franchise Agreement will be terminated if, for any reason, you do not successfully complete the Initial Training Program to our reasonable satisfaction prior to opening but no later than 120 days after the payment of the Initial Franchise Fee which is non-refundable. We will not reimburse you any of your costs related to opening the Franchised Business.



An outline of the initial training program is as follows:

### **TRAINING PROGRAM**

| <b><u>Subject</u></b>        | <b><u>Hours of On-Line Training</u></b> | <b><u>Hours of On-The-Job Training</u></b> | <b><u>Location</u></b> |
|------------------------------|-----------------------------------------|--------------------------------------------|------------------------|
| Welcome Intro                | 4                                       | 4                                          | Webinar                |
| Wales                        | 10                                      | 0                                          | On-line/Webinar        |
| England                      | 15                                      | 0                                          | On-line/Webinar        |
| Scotland                     | 25                                      | 0                                          | On-line/Webinar        |
| Ireland                      | 30                                      | 0                                          | On-line/Webinar        |
| Phone & communication skills | 4                                       | 4                                          | On-line/Webinar        |
| Case Studies                 | 8                                       | 0                                          | On-line                |
| Trip Planning Software       | 40                                      | 10                                         | On-line/Webinar        |
| CRM                          | 4                                       | 4                                          | On-line/Webinar        |
| Sample Leads Training        | 40                                      | 10                                         | On-line/Webinar        |
| Terms and conditions         | 3                                       | 1                                          | On-line/Webinar        |
| Total                        | 183                                     | 33                                         |                        |

#### **NOTES:**

- (1) It is the nature of the Business that all aspects of training are integrated, that is, there are no definitive starting and stopping times. Time and content are subject to change without notice.
- (2) The instructional material used in the Initial Training Program is our confidential Operations and Training manuals, training videos and other materials as they may be developed.
- (3) The training program is supervised by Rieke Voss, the Operations manager for our affiliate, STI. Rieke has been with STI since 2017 as a Luxury Travel Specialist and Operations Manager since October 2021. Additional key training will be provided by key STI team members who have a minimum of 3 to 5 years of relevant work experience in luxury travel.

You will be responsible for your partners, co-owners, employee or other individual who works in the Franchised Business in any capacity ("Employees") and all acts of your Employees, and all employment-related decisions involving wages, benefits, hours of work, scheduling, hiring, firing, discipline, supervision, record keeping, withholding income tax, social security contributions, Medicare contributions, unemployment fund contributions and all other terms and conditions of employment. You must disclose to each of your Employees in writing, in a form approved by us in advance, that we are not a "joint employer" of your Employees and acknowledge that we do not control your personnel policies.

#### **FAM (Familiarization Trips)**

We will host, at the minimum, an annual FAM trip, which will be held at a location we determine. You are required to attend the initial one within 12 months of opening your business. Attendance

of one person is covered by your initial franchise fee, including hotel and meals (excluding airfare and alcohol).

## **Item 12 TERRITORY**

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own or from other channels of distribution or competitive brands that we control. We may establish other franchised, company-owned or affiliate-owned outlets that may or may not compete with your location.

There is no minimum sales quota. However, the grant of your Franchise is expressly conditioned upon your actively and aggressively marketing the products and services of your SHEENCO TRAVEL Franchised Business.

SHEENCO TRAVEL franchises are generally virtual businesses that are primarily operated from the franchisees' home office, but may be operated from an office, or other virtual place of business. If you choose to operate your business from an office outside of your home, you are solely responsible for selecting the location of your Franchised Business. You may operate your office for the Franchised Business from any location in the US and do not need our permission before relocating; however, you must notify us of your relocation 30 days in advance of your move.

You may advertise your Franchised Business on the Internet only through the SHEENCO TRAVEL Website in compliance with the Franchise Agreement.

We and our affiliates reserve the right, at our sole discretion, to use the Marks and system in connection with additional services and products, promotional and marketing efforts or related items, or in alternative channels of distribution (including the Internet), without regard to location, and to use the Marks and System, and license others to use the Marks and System, to engage in any other activities not expressly prohibited in the Franchise Agreement. Nothing in the Franchise Agreement provides you with the right to conduct or share in the revenue generated by any of these activities.

We reserve the right to acquire, be acquired by, or merge with other companies with existing travel services and related businesses, and other related services anywhere, even if such businesses are located near your Franchised Business, provided the other businesses operate under another name. We will not compensate you for any of our activities including soliciting or accepting business near your Franchised Business, even if they have an impact on your Franchised Business.

Neither we nor any affiliate has established or has any present plan to establish other franchises or company-owned outlets or other channels of distribution selling similar products or services under a different trademark, but we reserve the right to do so.

We do not grant options, rights of first refusal or similar rights to acquire additional franchises, as each franchise is awarded on a franchise-by-franchise basis. Accordingly, you may only acquire an additional franchised business from us if you meet our qualifications at the time you apply. We may limit the number of businesses owned by any franchise owner or its affiliates.

### Item 13 TRADEMARKS

You will be granted the non-exclusive right, and undertake the obligation, under the terms of the Franchise Agreement, to establish and operate a SHEENCO TRAVEL Franchised Business under the Proprietary Mark and System. You may also use other current or future Marks that we may designate to identify the goods and services associated with the SHEENCO TRAVEL System (the “Marks”).

We will license to you the following trademark which is our principal mark and has been registered with the United States Patent and Trademark Office (the “USPTO”) as indicated:

| Mark           | Registration No. | Registration Date | Principal or Supplemental Register |
|----------------|------------------|-------------------|------------------------------------|
| SHEENCO TRAVEL | 5,976,766        | February 4, 2020  | Principal                          |

Our affiliate, Sheenco Travel Ltd., owns the Proprietary Mark listed in the table above, and has granted to us the perpetual right to use and sublicense the Mark for the purpose of operating and franchising businesses in the United States, under a trademark license agreement between Sheenco Travel Ltd. and us, with an effective date of May 28, 2021. Sheenco Travel Ltd. may terminate the trademark license agreement if any misuse of the licensed trademarks materially impairs the goodwill associated with the trademark, if we violate any provision of the license agreement or do not comply with their instruction concerning the quality of their trademark. If the trademark license agreement is terminated, any then-existing sublicenses (franchises) will continue for the term of their franchise agreement provided that the franchisee complies with all other terms of their franchise agreements. The trademark license agreement contains no other limitations.

Sheenco Travel Ltd. plans to file all required affidavits and renewals with the USPTO. In view of its federal registration, they have not, and do not intend to, pursue any additional state registrations, in this or any other state. Sheenco Travel Ltd. has also obtained a trademark registration in Ireland and Australia and has applications pending in Canada.

There are presently no effective material determinations by the USPTO, Trademark Trial and Appeal Board, or any state trademark administrator or court; and any pending infringement, opposition, or cancellation proceedings; or any pending material litigation involving the Mark.

Except for the license from our affiliate, there are no agreements currently in effect which significantly limit our rights to use or license the use of the Mark in any manner material to the franchise, nor are there any superior rights or infringing uses actually known to us which would materially affect your use of the Mark.

We and our affiliate will take all steps that we deem reasonably appropriate to preserve and protect the ownership and validity of the Mark. Any decision to protect your right to use this Mark or to protect you against claims of infringement will be made by us and our affiliate. Should we elect to protect the Mark or protect you against claims of infringement, we will have the right to control any administrative proceeding or litigation. If litigation involving the Mark is filed or threatened against you, or you become aware of any infringement by a third party, you must tell

us promptly and cooperate with us fully in pursuing, defending or settling the litigation.

You must sign all documents requested by us or our counsel that are necessary to protect the Mark or to maintain its validity and enforceability. We may substitute different Marks to identify the business conducted under the SHEENCO TRAVEL System if we can no longer use or license the Mark, or if we decide that substitution of different Marks is beneficial for the System.

If that happens, we may, but are not obligated to, reimburse you for your tangible costs of complying (for example, changing advertising materials). You must not directly or indirectly contest our right to the Mark, trade secrets or business techniques that are part of our business.

Your Franchise Agreement provides that any use of the Mark that is not authorized is an infringement. You may not use the Mark as part of your corporate or other legal name, Website address, e-mail address, domain name or other identification in any print, electronic or other medium, or with any prefix, suffix or other modifying word, term, symbol or design without our consent. All rights in, and goodwill from, the use of the Mark accrues solely to Sheenco Travel Ltd.

You must display in a manner that we specify a sign containing the following notice or an alternative notice that we specify: "This business is owned and operated independently by [name of franchisee] who is an authorized licensed user of the trademark "SHEENCO TRAVEL", which is a registered trademark owned by Sheenco Travel Ltd." You must include this notice or other similar language that we specify on all forms, advertising, promotional materials, business cards, receipts, letterhead, contracts, stationery, and other written materials we designate.

We are not aware of any prior superior rights or infringing uses that would materially affect your use of the Mark.

We cannot prevent anyone who began using the name "SHEENCO TRAVEL" before our use of it from continuing their use of that name in the area of prior use. The name "SHEENCO TRAVEL" may be in use by other businesses in the United States which are not our franchisees or in any way affiliated with us. You are responsible for finding out whether the name "SHEENCO TRAVEL" is already being used in your area.

Because your telephone listings will be associated with the Mark, we will own all rights to the telephone listings, and all goodwill generated from the use of the telephone listing will inure to our benefit. See Items 9 and 11.

#### **Item 14**

### **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

#### **Patent Rights**

There are no patents that are material to the franchise. We do not have any pending patent applications that are material to the franchise.

#### **Copyrights**

We do not own any rights in, or to, any registered copyrights that are material to the franchise. However, we claim common law copyrights on certain forms, advertisements, promotional materials and other written materials.

## Proprietary Information

In order to protect our reputation and goodwill and to maintain high standards of operation under the System, you must operate the Franchised Business in accordance with the standards, methods, policies, and procedures in our confidential Operations Manual or otherwise in writing.

We will loan you one copy of the Operations Manual, which we will make available only to you through a password protected Website, for the term of your Franchise Agreement.

You must treat the Operations Manual, and any other manuals created for or approved for use in the operation of the Franchised Business, and the information contained in the Operations Manual, as confidential, and you must use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record, or otherwise reproduce these materials, in whole or in part, or otherwise make them available to anyone not a party to the Franchise Agreement. The Operations Manual is and will remain our sole property and must be kept secure according to our current System Standards.

The Operations Manual includes methods, formats, specifications, standards, systems, protocols, procedures, sales and marketing techniques used, and knowledge of and experience in developing and operating SHEENCO TRAVEL businesses; marketing and advertising programs for SHEENCO TRAVEL businesses; knowledge of specifications for and suppliers of certain services, products, materials and supplies; and knowledge of the operating results and financial performance of SHEENCO TRAVEL businesses other than your SHEENCO TRAVEL Business.

We may revise the contents of the Operations Manual, and you must comply with each new or changed standard. You must ensure that the Operations Manual is kept current at all times. In the event of any disputes as to the contents of the Operations Manual, the terms of the master copy maintained by us at our home office will be controlling.

You must not, during the term of the Franchise Agreement or after its term, communicate, divulge, or use for the benefit of any other person, partnership, association, or business entity any confidential information, knowledge, or know how concerning the methods of operation of the business franchised under the Franchise Agreement, including the Operations Manual, and other proprietary information which may be communicated to you or of which you may be apprised by virtue of your operation under the terms of the Franchise Agreement.

We require your partners, co-owners, employees or other individuals working with you in the Franchised Business to sign one of two agreements: our then-current form of Non-Disclosure, Non-Solicitation and Non-Competition Agreement (current form attached as Exhibit E to this Disclosure Document); or our then-current form of Confidentiality Agreement (current form attached as Exhibit F to this Disclosure Document).

You may compile and maintain Guest lists for your Franchised Business in accordance with our System Standards. All Guest lists are our property and may only be used for the normal conduct of the Franchised Business during the term of the Franchise Agreement.

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

You must at all times faithfully, honestly and diligently perform your obligations under the Franchise Agreement and continuously exert your best efforts to promote and enhance your SHEENCO TRAVEL Franchised Business for the full term of the Franchise Agreement. If you are or become a business entity, we may limit the number of owners and/or require that the business entity designate a spokesperson to communicate with us, which would be your Operating Principal. At all times the Franchised Business must be under the personal supervision of either you or the Operating Principal.

If you purchase the Franchised Business as a business entity or if you are an individual and want to assign the Franchise Agreement to a business entity that business entity must only operate the SHEENCO TRAVEL Franchised Business and only if the business entity is newly organized by you and you own all of the equity and control the voting power of the stock of the corporation or business entity. An assignment is made by executing an assignment agreement in a form approved by us in which you, individually, and the business entity must be bound jointly and severally by all the provisions of the Franchise Agreement and must provide information and documentation concerning the formation of the business entity, its articles, bylaws, resolutions, stockholders, members, directors and officers to us. Further, all issued and outstanding share certificates of this corporation must bear a legend stating that the shares are bound by the terms of the Franchise Agreement.

You or your Operating Principal and any partners, co-owners, employees or others working in the Franchised Business must successfully complete our Initial Training Program and any other training programs that we may require. You may not permit your Franchised Business to be operated, managed, directed, or controlled by any other person without our prior written consent.

Your Operating Principal must have at least a 51% ownership interest in you and must have authority over all business decisions related to the Franchised Business and must have the power to bind you in all dealings with us. If you request and we approve the hiring of a day-to-day manager, then we have the right to approve your manager ("Manager") (if not an owner) based on our review of their relevant experience and qualifications. Managers are not required to have an equity interest in the Franchise.

You must provide us with written notice of your Operating Principal at the signing of the Franchise Agreement prior to opening and may not change your Operating Principal without our prior approval. You must inform us of any changes in the management or operation of your Franchised Business.

Everyone who attends training will be identified in the Notice of Employees, attached as Addendum B to the Franchise Agreement. Anyone who attends training cannot have an interest in or business relationship with any business competitive with SHEENCO TRAVEL. They must also sign a Non-Disclosure, Non-Solicitation and Non-Competition Agreement, that requires them to maintain confidentiality of the proprietary information described in Item 14 and to conform with the covenants not to compete described in Item 17.

All owners of the Franchisee must personally guarantee all of the obligations of the Franchisee under the Franchise Agreement by signing the form attached as Addendum C to the Franchise

Agreement.

We do not require your spouse or domestic partner to sign the Franchise Agreement nor provide a personal guaranty, but we do require that your spouse or domestic partner sign a Non-Disclosure and Non-Competition Agreement; our current form is attached as Exhibit G to this Disclosure Document.

#### **Item 16**

### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must (1) sell or offer for sale only those products, merchandise and services as we have expressly approved in writing; (2) sell or offer for sale all types of products, merchandise, and services we specify; (3) refrain from any deviation from our System Standards without our prior written consent; and (4) discontinue selling and offering for sale any products, merchandise, and services which we may, in our discretion, disapprove in writing at any time. You must sell all products and merchandise at retail and not sell these products and merchandise at wholesale or for re-sale. All products, merchandise and services sold or offered for sale at the Franchised Business must meet our then-current System Standards, as established in the Operations Manual or otherwise in writing.

You must obtain permission from us to offer any goods and services that we have not approved. You may not engage in any business activities that compete with the services offered by us. You must maintain reasonable business times and hours so that you provide the level of Guest services and prompt attention as we may specify in the Operations Manual. You must take those steps as are necessary to ensure that your partner, co-owner, employee or other individual who works in the Franchised Business in any capacity are thoroughly trained; preserve good Guest relations; render competent, prompt, courteous and knowledgeable service; and meet our minimum standards, as we may establish periodically in the Operations Manual.

We have the right to establish minimum prices for the products and services you offer and sell. You must strictly adhere to the minimum prices we establish. We retain the right to modify the minimum prices from time-to-time in our reasonable discretion.

We have the right to add products and services, or to delete existing ones. There are no limits on our right to do so except that we cannot make any changes that will unreasonably increase your obligations or place an excessive economic burden on your operation. You will be notified of changes in approved products, merchandise and services through our Operations Manual or otherwise in writing.

You must comply with all of our policies regarding advertising and promotion. Except for the limitations on advertising, you have no restrictions on who your Guests are or where they come from.

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**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                   | Section 5                                      | Term is 5 years.                                                                                                                                                                                                                                                                                    |
| b. Renewal or extension of the term               | Section 6                                      | If you are in good standing, you can renew for one successive 5-year term.                                                                                                                                                                                                                          |
| c. Requirements for franchisee to renew or extend | Section 6                                      | Give timely notice, not in default, has not received 3 or more default notices in prior term, sign new agreement which may have materially different terms and conditions, including increased royalties and other fees, sign release, refresher training if required by us.                        |
| d. Termination by franchisee                      | Section 32                                     | We haven't cured breach within 60 days after notice or under any grounds permitted by law (subject to local state law).                                                                                                                                                                             |
| e. Termination by franchisor without cause        | Not Applicable                                 | Not Applicable                                                                                                                                                                                                                                                                                      |
| f. Termination by franchisor with cause           | Section 32                                     | Failure to cure material breach within 15 days (subject to local state law).                                                                                                                                                                                                                        |
| g. "Cause" defined-curable defaults               | Section 32                                     | Failure to make payments, non-compliance or failure to maintain Franchised Business according to mandatory System Standards, failure to submit reports, failure to follow Operations Manual, failure to get permission when needed, default in other terms and covenants not separately identified. |



|                                                                         |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| h. "Cause" defined-non-curable defaults                                 | Section 32 | Cessation of business for 3 consecutive business days, misuse of trademark or licensed rights, having interest in a competitor, repeated defaults even if cured, abandonment, deliberate understating of sales, selling non-approved products, bankruptcy, creditors attach or foreclose business property, conviction or "no contest" plea to a felony, false statements on franchise application, unauthorized transfer, failure to maintain independent contractor status with us. |
| i. Franchisee's obligations on termination/non-renewal                  | Section 35 | Payment of all amounts due, complete de-identification, cease using Marks and proprietary information and software, return of proprietary software and Operations Manual and other proprietary materials, assignment of telephone numbers, e-mail address, etc. to us (See also Item "r" below).                                                                                                                                                                                      |
| j. Assignment of contract by franchisor                                 | Section 28 | We may assign to anyone we believe is able to carry out terms of contract.                                                                                                                                                                                                                                                                                                                                                                                                            |
| k. "Transfer" by franchisee - defined                                   | Section 28 | Includes transfer of contract or assets or ownership change.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| l. Franchisor approval of transfer by franchisee                        | Section 28 | We must approve all transfers but will not unreasonably withhold approval.                                                                                                                                                                                                                                                                                                                                                                                                            |
| m. Conditions for franchisor approval of transfer                       | Section 28 | You must not be in default at time of transfer, you must sign a general release and pay transfer fee; the proposed transferee must meet new franchisee qualifications, sign the then-current franchise agreement, and complete training.                                                                                                                                                                                                                                              |
| n. Franchisor's right of first refusal to acquire franchisee's business | Section 31 | We have 30 days to match bona fide offers for your business.                                                                                                                                                                                                                                                                                                                                                                                                                          |

|                                                                           |                    |                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| o. Franchisor's option to purchase franchisee's business                  | Section 35         | Not Applicable                                                                                                                                                                                                                                                                             |
| p. Death or disability of franchisee                                      | Section 29         | May transfer franchise to spouse, heirs or relatives if they are qualified. Otherwise, your estate has 6 months to transfer to a qualified buyer.                                                                                                                                          |
| q. Non-competition covenants during the term of the franchise             | Section 27         | No direct or indirect involvement with competing or similar business is allowed anywhere in the United States (subject to state law).                                                                                                                                                      |
| r. Non-competition covenants after the franchise is terminated or expires | Sections 25 and 35 | Two-year restriction on competing business, you may not divert or attempt to divert any Guests or business from SHEENCO TRAVEL businesses. Permanent restriction on using licensed rights. (subject to state law)                                                                          |
| s. Modification of the Agreement                                          | Section 50         | No modification generally unless agreed to in writing by both parties, but we may modify the System.                                                                                                                                                                                       |
| t. Integration/merger clause                                              | Section 50         | Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises made outside of the Disclosure Document and Franchise Agreement may not be enforceable.                                      |
| u. Dispute resolution by arbitration or mediation                         | Section 37         | The parties must first submit the dispute to non-binding mediation (except for injunctive relief). Certain disputes and claims related to the Franchise Agreement, however, will be settled by arbitration under the rules of the American Arbitration Association (subject to state law). |

|                    |                    |                                                                                                                         |
|--------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------|
| v. Choice of forum | Section 37         | Arbitration must be in the county nearest our home office at the time, which currently is Texas (subject to state law). |
| w. Choice of law   | Sections 37 and 48 | Federal Arbitration Act and Texas law applies (subject to state law).                                                   |

## Item 18 PUBLIC FIGURES

We do not use any public figures to promote our franchises.

## Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC 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.

For the period including roughly the first 11 months of 2023, the average spent per person for a Sheenco Travel operated trip was \$5,387.71 USD per person (excluding air). This is based on total revenues of \$2,596,877.60 USD divided by 482 travelers originating from the USA.

**Some outlets have earned this amount. Your individual results may differ. There is no assurance that you will earn this much.**

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Genevieve Sheehan, Sheenco Travel Franchise, Inc., 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093, the Federal Trade Commission, and the appropriate state regulatory agencies.

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**Item 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1**  
**SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2021 TO 2023**

| Outlet Type    | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|----------------|------|----------------------------------|--------------------------------|------------|
| Franchised     | 2021 | 0                                | 0                              | 0          |
|                | 2022 | 0                                | 0                              | 0          |
|                | 2023 | 0                                | 1                              | +1         |
| Company-Owned* | 2021 | 0                                | 0                              | 0          |
|                | 2022 | 0                                | 2                              | +2         |
|                | 2023 | 2                                | 3                              | +1         |
| Total Outlets  | 2021 | 0                                | 0                              | 0          |
|                | 2022 | 0                                | 2                              | +2         |
|                | 2023 | 2                                | 4                              | +2         |

\*Our affiliate Sheenco Travel, Inc. operates three Company-Owned outlets as of December 2023.

**Table No. 2**  
**TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS**  
**(OTHER THAN THE FRANCHISOR)**  
**FOR YEARS 2021 to 2023**

| State         | Year | Number of Transfers |
|---------------|------|---------------------|
| <u>All</u>    | 2021 | 0                   |
|               | 2022 | 0                   |
|               | 2023 | 0                   |
| <u>Totals</u> | 2021 | 0                   |
|               | 2022 | 0                   |
|               | 2023 | 0                   |

**Table No. 3**  
**STATUS OF FRANCHISE OUTLETS**  
**FOR YEARS 2021 TO 2023**

| State  | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired By Franchisor | Ceased Operations – Other Reasons | Outlets at the End of the Year |
|--------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|--------------------------------|
| Alaska | 2021 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                              |
|        | 2022 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                              |
|        | 2023 | 0                        | 1              | 0            | 0            | 0                        | 0                                 | 1                              |
| Totals | 2021 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                              |
|        | 2022 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                              |
|        | 2023 | 0                        | 1              | 0            | 0            | 0                        | 0                                 | 1                              |

**Table No. 4**  
**STATUS OF COMPANY-OWNED OUTLETS**  
**FOR YEARS 2021 TO 2023**

| State        | Year | Outlets at Start of the Year | Outlets Opened | Outlets Reacquired From Franchisees | Outlets Closed | Outlets Sold to Franchisees | Outlets at End of the Year |
|--------------|------|------------------------------|----------------|-------------------------------------|----------------|-----------------------------|----------------------------|
| Florida      | 2021 | 0                            | 0              | 0                                   | 0              | 0                           | 0                          |
|              | 2022 | 0                            | 1              | 0                                   | 0              | 0                           | 1                          |
|              | 2023 | 1                            | 0              | 0                                   | 0              | 0                           | 1                          |
| Georgia      | 2021 | 0                            | 0              | 0                                   | 0              | 0                           | 0                          |
|              | 2022 | 0                            | 0              | 0                                   | 0              | 0                           | 0                          |
|              | 2023 | 0                            | 1              | 0                                   | 0              | 0                           | 1                          |
| New York     | 2021 | 0                            | 0              | 0                                   | 0              | 0                           | 0                          |
|              | 2022 | 0                            | 1              | 0                                   | 0              | 0                           | 1                          |
|              | 2023 | 1                            | 0              | 0                                   | 1              | 0                           | 0                          |
| South Dakota | 2021 | 0                            | 0              | 0                                   | 0              | 0                           | 0                          |
|              | 2022 | 0                            | 0              | 0                                   | 0              | 0                           | 0                          |
|              | 2023 | 0                            | 1              | 0                                   | 0              | 0                           | 1                          |
| Virginia*    | 2021 | 0                            | 0              | 0                                   | 0              | 0                           | 0                          |
|              | 2022 | 0                            | 0              | 0                                   | 0              | 0                           | 0                          |
|              | 2023 | 0                            | 1              | 0                                   | 1              | 0                           | 0                          |
| Totals       | 2021 | 0                            | 0              | 0                                   | 0              | 0                           | 0                          |
|              | 2022 | 0                            | 2              | 0                                   | 0              | 0                           | 2                          |
|              | 2023 | 2                            | 3              | 0                                   | 2              | 0                           | 3                          |

\*The employee/manager of our Virginia company-owned unit left Virginia in 2023, so we no longer operate that outlet. The same individual moved to Alaska and purchased a franchise in 2023.

**Table No. 5**  
**PROJECTED OPENINGS**  
**AS OF DECEMBER 31, 2023**

| STATE          | FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPEN | PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR | PROJECTED NEW COMPANY-OWNED OUTLETS IN THE NEXT FISCAL YEAR |
|----------------|-------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|
| California     | 0                                               | 1                                                        | 0                                                           |
| Florida        | 0                                               | 1                                                        | 0                                                           |
| North Carolina | 0                                               | 1                                                        | 0                                                           |
| Texas          | 0                                               | 1                                                        | 0                                                           |
| TOTALS         | 0                                               | 4                                                        | 0                                                           |

The names, addresses and telephone numbers of our current franchisees, as of the issuance date of this Disclosure Document, are listed in Exhibit I. This list includes any franchisees who signed a franchise agreement prior to our last fiscal year end but had not opened their SHEENCO TRAVEL franchise as of that date.

Also listed in Exhibit I are the names, city and state, and telephone number, of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year, or who has not communicated with the franchisor 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.

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

During the last three fiscal years, no current or former franchisees have signed a confidentiality clause that restrict them from discussing with you their experience as a franchisee in our franchise system.

We have not created, sponsored or endorsed any trademark-specific franchisee organization nor have any independent franchisee organizations asked to be included in this disclosure document.

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

## **Item 21 FINANCIAL STATEMENTS**

Our audited financial statements for the periods ending December 31, 2023, December 31, 2022, and December 31, 2021, are attached as Exhibit B. Our fiscal year ends December 31st. We were incorporated on May 7, 2020.

## **Item 22 CONTRACTS**

The following agreements are attached as exhibits to this Disclosure Document:

SHEENCO TRAVEL Franchise Agreement with exhibits and addenda - Exhibit D  
Form of Non-Disclosure, Non-Solicitation and Non-Competition Agreement - Exhibit E  
Form of Confidentiality Agreement - Exhibit F  
Form of Spousal Non-Disclosure and Non-Competition Agreement - Exhibit G  
Form of General Release - Exhibit K

## **Item 23 RECEIPTS**

The last two pages of this Disclosure Document, attached as Exhibit N, are detachable documents acknowledging receipt of this Disclosure Document. Please sign and date both receipts and return one to us.

## EXHIBIT A TO THE DISCLOSURE DOCUMENT

### AGENT FOR SERVICE OF PROCESS AND STATE FRANCHISE ADMINISTRATORS

Our registered agent in the State of Texas:  
Corporate Creations Network, Inc.  
5444 Westheimer #1000, Suite 250, Houston, Texas 75056

| STATE                                                                                    | AGENCY                                                                                                                                                                                                                                                                                                                                                                    | PROCESS, IF DIFFERENT                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| California<br>Toll-free (866) 275-2677<br>Email: Ask.DFPI@dfpi.ca.gov<br>www.dfpi.ca.gov | Department of Financial Protection<br>and Innovation<br>1(866) ASK-CORP<br><br>Los Angeles<br>320 West 4th Street, Suite 750<br>Los Angeles, CA 90013<br><br>Sacramento<br>2101 Arena Blvd.<br>Sacramento, CA 95834<br><br>San Diego<br>1455 Frazee Road, Suite 315<br>San Diego, CA 92108<br><br>San Francisco<br>1 Sansome Street, Suite 600<br>San Francisco, CA 94104 | Commissioner of Financial<br>Protection and Innovation<br><br>Los Angeles<br>320 West 4th Street, Suite 750<br>Los Angeles, CA 90013<br><br>Sacramento<br>2101 Arena Blvd.<br>Sacramento, CA 95834<br><br>San Diego<br>1455 Frazee Road, Suite 315<br>San Diego, CA 92108<br><br>San Francisco<br>1 Sansome Street, Suite 600<br>San Francisco, CA 94104 |
| Hawaii                                                                                   | Securities Examiner<br>335 Merchant Street, Room 203<br>Honolulu, HI 96813                                                                                                                                                                                                                                                                                                | Commissioner of Securities<br>335 Merchant Street, Room 203<br>Honolulu, HI 96813                                                                                                                                                                                                                                                                        |
| Illinois                                                                                 | Franchise Division<br>Office of Attorney General<br>500 South Second Street<br>Springfield, IL 62706                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                          |
| Indiana                                                                                  | Franchise Section<br>Indiana Securities Division<br>Secretary of State, Room E-111<br>302 W. Washington Street<br>Indianapolis, IN 46204                                                                                                                                                                                                                                  | Administrative Office of the<br>Secretary of State<br>201 State House<br>Indianapolis, IN 46204                                                                                                                                                                                                                                                          |
| Maryland                                                                                 | Office of Attorney General<br>Securities Division<br>200 St. Paul Place<br>Baltimore, MD 21202-2021                                                                                                                                                                                                                                                                       | Maryland Securities Commissioner<br>200 St. Paul Place<br>Baltimore, MD 21202-2021                                                                                                                                                                                                                                                                       |
| Michigan                                                                                 | Consumer Protection Division<br>Antitrust and Franchise Franchised<br>Business                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                          |

| STATE        | AGENCY                                                                                                                                                     | PROCESS, IF DIFFERENT                                                                                                                                      |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | Michigan Dept of Attorney General<br>670 G. Mennen Williams Building<br>525 West Ottawa<br>Lansing, MI 48933                                               | Corporations Division<br>Bureau of Commercial Services<br>Department of Labor and Economic<br>Growth<br>P.O. Box 30054<br>Lansing, Michigan 48909          |
| Minnesota    | Minnesota Department of Commerce<br>85 7 <sup>th</sup> Place East, Suite 280<br>St. Paul, MN 55101-2198                                                    | Commissioner of Commerce<br>Minnesota Department of Commerce<br>85 7 <sup>th</sup> Place East, Suite 280<br>St. Paul, MN 55101-2198                        |
| New York     | New York State Department of Law<br>Investor Protection Bureau<br>28 Liberty Street, 21st Floor<br>New York, NY 10005<br>212-416-8222                      | Secretary of State, State of New York<br>One Commerce Plaza<br>99 Washington Avenue<br>Albany, NY 12231-0001                                               |
| North Dakota | Office of Securities Commissioner<br>5th Floor 600 East Boulevard<br>Bismarck, ND 58505                                                                    |                                                                                                                                                            |
| Oregon       | Department of Insurance and Finance<br>Corporate Securities Section<br>Labor and Industries Building<br>Salem, OR 97310                                    |                                                                                                                                                            |
| Rhode Island | Division of Securities<br>Department of Business Regulations<br>Bldg. 69, 1st Floor<br>John O. Pastore Center<br>1511 Pontiac Avenue<br>Cranston, RI 02920 |                                                                                                                                                            |
| South Dakota | Department of Labor and Regulation<br>Division of Securities<br>124 S Euclid, Suite 104<br>Pierre, SD 57501                                                |                                                                                                                                                            |
| Virginia     | State Corporation Commission<br>Division of Securities and<br>Retail Franchising<br>1300 East Main Street, 9th Floor<br>Richmond, VA 23219                 | Clerk of the<br>State Corporation Commission<br>1300 East Main Street, 1 <sup>st</sup> Floor<br>Richmond, VA 23219                                         |
| Washington   | Department of Financial Institutions<br>Securities Division<br>P.O. Box 41200<br>Olympia, WA 98504-1200<br>(360) 902-8760                                  | Department of Financial Institutions<br>Securities Division<br>150 Israel Road SW<br>Tumwater, WA 98501<br>(360) 902-8760                                  |
| Wisconsin    | Securities and Franchise Registration<br>Division of Securities<br>4 <sup>th</sup> Floor 345 W. Washington Ave<br>Madison, WI 53703                        | Administrator, Division of Securities<br>Department of Financial Institutions<br>345 W. Washington Ave., 4 <sup>th</sup> Floor<br>Madison, Wisconsin 53703 |



**EXHIBIT B TO THE DISCLOSURE DOCUMENT**

**FINANCIALS**



### **Independent Auditor's Report**

***To the Shareholder of  
Sheenco Travel Franchise, Inc.***

#### ***Opinion***

We have audited the financial statements of Sheenco Travel Franchise, Inc., which comprise the balance sheets as of December 31, 2023, 2022 and 2021, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Sheenco Travel Franchise, Inc. as of December 31, 2023, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Sheenco Travel Franchise, Inc.'s ability to continue as a going concern for one year from the date of the that the financial statements are issued..

#### ***Auditor's Responsibilities/or the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report

CDM Financials, LLC | P.O. Box 1028 | Fairburn, GA 30213 | email: [info@cdmfinancials.com](mailto:info@cdmfinancials.com) | [www.cdmfinancials.com](http://www.cdmfinancials.com)

that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, *there is a substantial likelihood that*, individually or in the aggregate, they *would* influence the *judgment made by a reasonable user based on the* financial statements.

In performing an audit in accordance with GAAS, we:

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

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

*CDM Financials, LLC*

CDM Financials, LLC  
Fairburn, GA  
January 19, 2024

CDM Financials, LLC | P.O. Box 1028 | Fairburn, GA 30213 | email: [info@cdmfinancials.com](mailto:info@cdmfinancials.com) | [www.cdmfinancials.com](http://www.cdmfinancials.com)

SHEENCO TRAVEL FRANCHISE, INC.  
BALANCE SHEET  
DECEMBER 31, 2023, 2022 and 2021

ASSETS

|                     | <u>2023</u>      | <u>2022</u>      | <u>2021</u>      |
|---------------------|------------------|------------------|------------------|
| Current Assets      |                  |                  |                  |
| Cash                | \$101,520        | 98,207           | 120,139          |
| Accounts Receivable | 2,014            | -                | -                |
| Prepaid Expense     | 5,390            | 13,359           | 25,937           |
| Total Assets        | <u>\$108,924</u> | <u>\$111,566</u> | <u>\$146,076</u> |

LIABILITIES and SHAREHOLDER'S EQUITY

Liabilities

|                                       |                  |                  |                  |
|---------------------------------------|------------------|------------------|------------------|
| Accounts Payable and Accrued Expenses | \$ 4,820         | \$ 4,052         | \$ -             |
| Note Payable - Related Party          | 20,784           | 269,878          | 189,437          |
| Total Liabilities                     | <u>\$ 25,604</u> | <u>\$273,930</u> | <u>\$189,437</u> |

Shareholder's Equity

|                                            |                  |                  |                  |
|--------------------------------------------|------------------|------------------|------------------|
| Additional Paid in Capital                 | \$365,000        | \$ -             | \$ -             |
| Retained Earnings                          | <u>(281,680)</u> | <u>(162,364)</u> | <u>(43,361)</u>  |
| Total Shareholder's Equity                 | 83,320           | (162,364)        | (43,361)         |
| Total Liabilities and Shareholder's Equity | <u>\$108,924</u> | <u>\$111,566</u> | <u>\$146,076</u> |

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

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SHEENCO TRAVEL FRANCHISE, INC.  
INCOME STATEMENT  
FOR THE PERIODS ENDING DECEMBER 31, 2023, 2022 and 2021

|                                 | <u>2023</u>               | <u>2022</u>               | <u>2021</u>               |
|---------------------------------|---------------------------|---------------------------|---------------------------|
| REVENUE                         |                           |                           |                           |
| Sales                           | \$ 10,000                 | \$ -                      | \$ -                      |
| Brand Fund Fees                 | 500                       | -                         | -                         |
| Technology Fees                 | 1,700                     | -                         | -                         |
| Commission Fees                 | 1,164                     | -                         | -                         |
| TOTAL REVENUE                   | <u>\$ 13,364</u>          | <u>\$ -</u>               | <u>\$ -</u>               |
| EXPENSE                         |                           |                           |                           |
| Professional Fees               | \$ 76,555                 | \$ 15,098                 | \$ 14,302                 |
| Tradeshaw                       | 34,983                    | 47,080                    | -                         |
| Dues and Subscriptions          | 11,792                    | 5,758                     | 797                       |
| Software                        | 7,280                     | -                         | -                         |
| Commission Expense              | 1,020                     | -                         | -                         |
| Payroll Expense                 | 469                       | 4,096                     | -                         |
| Advertising                     | 411                       | 41,230                    | 10,691                    |
| Bank Service Fees               | 119                       | 84                        | 61                        |
| Travel                          | -                         | 5,457                     | -                         |
| Miscellaneous                   | 51                        | 200                       | -                         |
| TOTAL EXPENSES                  | <u>132,680</u>            | <u>119,003</u>            | <u>25,851</u>             |
| NET LOSS                        | <u><u>\$(119,316)</u></u> | <u><u>\$(119,003)</u></u> | <u><u>\$ (25,851)</u></u> |
| Change in Shareholder's Equity  |                           |                           |                           |
| Beginning Balance               | \$(162,364)               | \$ (43,361)               | \$ (17,510)               |
| Debt to Equity Reclassification | 365,000                   | -                         | -                         |
| Net Income / (Loss)             | <u>(119,316)</u>          | <u>(119,003)</u>          | <u>(25,851)</u>           |
| Ending Balance                  | <u><u>\$ 83,320</u></u>   | <u><u>\$(162,364)</u></u> | <u><u>\$ (43,361)</u></u> |

SHEENCO TRAVEL FRANCHISE, INC.  
STATEMENT OF CASH FLOWS  
DECEMBER 31, 2023, 2022 and 2021

|                                                | <u>2023</u>        | <u>2022</u>        | <u>2021</u>        |
|------------------------------------------------|--------------------|--------------------|--------------------|
| OPERATING ACTIVITIES                           |                    |                    |                    |
| Net Loss                                       | \$(119,316)        | \$(119,003)        | \$ (25,851)        |
| Change in Current Assets                       | 5,955              | 12,578             | (25,937)           |
| Change in Current Liabilities                  | 768                | 4,052              |                    |
| Net Cash used for Operating Activities         | <u>\$(112,593)</u> | <u>\$(102,373)</u> | <u>\$ (51,788)</u> |
| INVESTING ACTIVITIES                           |                    |                    |                    |
|                                                | \$ -               | \$ -               | \$ -               |
| Net Cash Used for Investing Activities         | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        |
| FINANCING ACTIVITIES                           |                    |                    |                    |
| Contributions                                  | \$ 115,906         | \$ -               | \$ -               |
| Proceeds from Loans Payable                    | <u>80,441</u>      | <u>80,441</u>      | <u>51,927</u>      |
| Net Cash From Provided by Financing Activities | <u>\$ 115,906</u>  | <u>\$ 80,441</u>   | <u>\$ 51,927</u>   |
| Net Change in Cash                             | \$ 3,313           | \$ (21,932)        | \$ 139             |
| Cash at Beginning of Period                    | 98,207             | \$ 120,139         | 120,000            |
| Cash at End of Period                          | <u>\$ 101,520</u>  | <u>\$ 98,207</u>   | <u>\$ 120,139</u>  |

SHEENCO TRAVEL FRANCHISE, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023, 2022 and 2021

Note 1 - Nature of Business

Sheenco Travel Franchise, Inc. is a Texas S Corporation established in 2020. The Company operates as a destination management franchising company which offers franchisees the opportunity to operate their own luxury travel service under the Sheenco Travel name.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements for Sheenco Travel Franchise, Inc. were prepared using the accrual basis of accounting. Under this method income is recorded when earned and expenses are recorded when incurred.

Reporting Period

For tax and reporting purposes, Sheenco Travel Franchise, Inc. operates on a calendar year consisting of a full twelve months beginning with January 1 and ending December 31.

Use of Estimates

The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For financial statement purposes, cash and cash equivalents are considered to be unrestricted highly liquid investments with maturities of three months or less at the time of acquisition.

Note 3 - Revenue Recognition

The Company adopted ASU 2014-09 Revenue from Contracts with Customers and all subsequent amendments to the ASU (collectively, "ASU 606") which creates a single framework for recognizing revenue from contracts with customers that fall within its scope.

Initial franchise fees are used to cover franchisee training and orientation. Franchise sales are only recognized when the Company satisfies all its performance obligations to its franchisees. Accordingly, for the year ending December 31, 2023 and for the periods prior to adoption of ASC 606, the company had no unearned income to report.

SHEENCO TRAVEL FRANCHISE, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2023, 2022 and 2021

Note 4 - Note Payable - Related Party

Note Payable consisted of an amount payable to a related party. During 2023, a portion of this note was converted to equity and is no longer payable to this related party. The amount converted to equity was \$365,000. The remaining amount due is \$20,784. There is no interest being charged and payments will be made as funds become available.

Note 5 - Provision for Income Taxes

Sheenco Travel Franchise, Inc. has elected C Corporation status. For the years ending December 31, 2023, 2022 and 2021 the Company reported a net loss of \$119,316, \$119,003 and \$25,851 respectively. Thus, no income tax provisions have been made at the Company level.

Note 6 – Subsequent Events

The Company has evaluated subsequent events through the date which the financial statements were available to be issued, and no such events have occurred.



**EXHIBIT C TO THE DISCLOSURE DOCUMENT**

**STATE SPECIFIC ADDENDA**

**ADDENDUM TO THE SHEENCO TRAVEL FRANCHISE, INC.  
DISCLOSURE DOCUMENT  
REQUIRED BY THE STATE OF CALIFORNIA**

**The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.**

The following paragraphs are added at the end of Item 17 of the Disclosure Document pursuant to regulations promulgated under the California Franchise Investment Law:

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the disclosure document.
2. Neither the Franchisor nor any person or franchise broker in Item 2 of the 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 such association or exchange.
3. California Business and Professions Code 20000 through 20043 provide rights to franchisees 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.
4. 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.).
5. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the respective Agreement. This provision may not be enforceable under California law.
6. The Franchise Agreement requires binding arbitration. The arbitration is to occur in Texas with the costs being borne by the non-prevailing party. 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. This provision may not be enforceable under generally applicable contract defenses such as fraud, duress or unconscionability.
7. The franchise agreement requires application of the laws of the state of Texas. This provision may not be enforceable under California law.
8. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

9. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).
10. California's Franchise Investment Law (Corporations Code section 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law."
11. 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.
12. 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).
13. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
14. The franchise agreement contains a provision requiring you to waive your right to punitive or exemplary damages against the franchisor or any of its representatives, limiting your recovery to actual damages. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE, INC.  
DISCLOSURE DOCUMENT  
REQUIRED BY THE STATE OF HAWAII**

**THESE FRANCHISES 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, WHICHEVER OCCURS FIRST, A COPY OF THE FDD, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.**

**THIS FDD 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, State of Hawaii, 335 Merchant Street, Honolulu, Hawaii 96813**

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE, INC.  
DISCLOSURE DOCUMENT  
REQUIRED BY THE STATE OF ILLINOIS**

**1. Item 17, Additional Disclosures.** The following statements are added to Item 17:

The Illinois Franchise Disclosure Act provides that any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside of Illinois is void with respect to any action which is otherwise enforceable in Illinois.

The Illinois Franchise Disclosure Act requires that Illinois law apply to any claim arising under the Illinois Franchise Disclosure Act.

The conditions under which your Franchise Agreement can be terminated and your rights upon nonrenewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to these Additional Disclosures. The Additional Disclosures shall have no force or effect if such jurisdictional requirements are not met.

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE,  
INC. DISCLOSURE DOCUMENT  
REQUIRED BY THE STATE OF INDIANA**

1. **Item 17, Additional Disclosures.** The following statements are added to Item 17:

The Indiana Deceptive Franchise Practices Law (Indiana Code 23-2-2.7 et seq.) in general governs the relationship between the franchisor and the franchisee by forbidding certain provisions in the franchise agreement and related documents and by preventing the franchisor from engaging in certain acts and practices which could be considered coercive or oppressive to the franchisee. If any of the provisions of the Franchise Agreement conflicts with this law, this law will control.

Any provisions requiring you to sign a general release of claims against us, including upon execution of a successor Franchise Agreement, refund of initial fees, or transfer, does not release any claim you may have under the Indiana Deceptive Franchise Practices Law.

The Franchise Agreement provides that suit must be brought in Georgia. These provisions may not be enforceable under Indiana law.

Indiana franchise laws will govern the Franchise Agreement and any and all other related documents.

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Deceptive Franchise Practices Law are met independently without reference to these Additional Disclosures. The Additional Disclosures shall have no force or effect if such jurisdictional requirements are not met.

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE,  
INC. DISCLOSURE DOCUMENT**

**REQUIRED BY THE STATE OF MARYLAND**

**Item 17, Additional Disclosures.** The following statements are added to Item 17:

The Franchise Agreement provides for termination upon bankruptcy. These provisions may not be enforceable under federal bankruptcy law.

Any provisions requiring you to sign a general release of claims against us, including upon execution of the Franchise Agreement or a successor Franchise Agreement, refund of initial fees, or transfer, does not release any claim you may have 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.

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

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

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE, INC.  
DISCLOSURE DOCUMENT  
REQUIRED BY THE STATE OF MICHIGAN**

**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 protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful 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 Marks, 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 subfranchisor.
  - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.



(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchisee 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 franchisee for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

**THE FACT 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 shall be directed to the Department of Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, Michigan 48913, (517) 373-7117.

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE, INC.**  
**DISCLOSURE DOCUMENT**  
**REQUIRED BY THE STATE OF MINNESOTA**

“With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subds. 3, 4, and 5, which require (except in certain specified cases) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.”

“Minnesota Statutes, Section 80C.21 and Minnesota Rule 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 any of franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.”

Minnesota Rule 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. Rule 2860.4400J. Also, a court will determine if a bond is required.

Any limitations of claims must comply with Minnesota Statutes, Section 80C.17, Subd. 5

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE, INC.  
DISCLOSURE DOCUMENT  
REQUIRED BY THE STATE OF NEW YORK**

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

**INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR 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 THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

2. The following is 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

THIS NEW YORK ADDENDUM APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF NEW YORK OR LOCATE THEIR FRANCHISES IN NEW YORK.

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE, INC.  
DISCLOSURE DOCUMENT  
REQUIRED BY THE STATE OF VIRGINIA**

**Item 17, Additional Disclosure.** The following statement is added to Item 17:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does 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.

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.

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE, INC.**  
**DISCLOSURE DOCUMENT**  
**REQUIRED BY THE STATE OF WASHINGTON**

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.

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.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
FRANCHISOR

\_\_\_\_\_  
FRANCHISEE

Exhibit C-13

**ADDENDUM TO SHEENCO TRAVEL FRANCHISE, INC.  
DISCLOSURE DOCUMENT  
REQUIRED BY THE STATE OF WISCONSIN**

Franchise Disclosure Document for Sheenco Travel Franchise, Inc. for use in the State of Wisconsin shall be amended as follows:

State Cover Page:

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

**THIS DISCLOSURE DOCUMENT AND THE FRANCHISE AGREEMENTS ARE SUBJECT TO THE WISCONSIN FRANCHISE INVESTMENT LAW.**

The Securities Commissioner of the State of Wisconsin requires that certain provisions contained in franchise documents be amended to be consistent with Wisconsin Fair Dealership Law, Wisconsin Statutes, Chapter 135 ("Fair Dealership Law"). To the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

a. "To the extent that the provisions regarding renewal described in this section are inconsistent with the requirements of the Wisconsin Fair Dealership Law (which, among other things, grants You the right, in most circumstances, to 90 days prior written notice of termination and 60 days within which to remedy any claim deficiencies), the renewal provisions will be superseded by the requirements of the Wisconsin Fair Dealership Law and will have no force or effect."

b. "To the extent that the provisions regarding termination described in this section are inconsistent with the requirements of the Wisconsin Fair Dealership Law (which, among other things, grants You the right, in most circumstances, to 90 days prior written notice of termination and 60 days within which to remedy any claim deficiencies), the termination provision will be superseded by the requirements of the Wisconsin Fair Dealership Law and will have no force or effect."

c. "If the franchise agreement requires that it be governed by a state's law, other than the State of Wisconsin, to the extent that any provision of the franchise agreement conflicts with the Wisconsin Fair Dealership Law such provision shall be supersede by the law's requirement."

d. "Covenants not to compete during the term of and upon termination or expiration of a

Franchise Agreement are enforceable only under certain conditions according to Wisconsin Law.”

Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Wisconsin law applicable to the provision are met independent of the Addendum. This Addendum shall have no force or effect if such jurisdictional requirements are not met.



**EXHIBIT D TO THE DISCLOSURE DOCUMENT**

**SHEENCO TRAVEL FRANCHISE, INC.  
FRANCHISE AGREEMENT**

**SHEENCO TRAVEL FRANCHISE, INC.**  
**FRANCHISE AGREEMENT**

# FRANCHISE AGREEMENT

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#### **LIST OF ADDENDA**

- A Franchisee's Accepted Site**
- B Notice of Employees**
- C Guaranty Agreement**
- D Principal Owner's Statement**
- E Acknowledgement Clause**
- F Electronic Funds Transfer Agreement**
- G Veteran Amendment**
- H State Specific Addenda**

## **SHEENCO TRAVEL FRANCHISE, INC.**

### **FRANCHISE AGREEMENT**

**THIS FRANCHISE AGREEMENT** (the "Agreement") is made at Plano, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, (the "Effective Date") by and between Sheenco Travel Franchise, Inc., a Texas corporation with its principal place of business at 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093 (hereinafter referred to as "We," "Us," "Our" or "Franchisor"), and \_\_\_\_\_ [a/an] [Individual/Name of Entity] with its principal address at \_\_\_\_\_, (hereinafter referred to as "You," "Your," or "Franchisee") and, if Franchisee is a partnership, corporation, trust, or limited liability company, including each of its partners, shareholders, trustees, or members.

### **RECITALS**

1. We and Our affiliates and/or predecessors have developed a system for establishing, operating and marketing a luxury travel services business for vacation and business trips to Ireland, the United Kingdom and additional destinations to residents of the community under the trade name and/or trademark "SHEENCO TRAVEL" and We are currently marketing and selling franchises under that name and/or mark;
2. Through the expenditure of time, effort and money, We have acquired unique experience, special skills, techniques and knowledge, marks, concepts, and proprietary information and have created and developed a unique business system for providing luxury travel to Ireland, the United Kingdom and additional destinations ("Franchisor's System" or "System"), which System includes standards, specifications, methods, procedures, techniques, know-how, management directives, identification schemes, and proprietary marks and information in connection with the operation of the SHEENCO TRAVEL business ("System Standards" or "Standards"), which System Standards may be further developed by Us;
3. Our System is used in connection with the name SHEENCO TRAVEL, SHEENCO TRAVEL design trademark, other trademarks, service marks, trade names and trade symbols, trade dress, signs, slogans, logos, designs, emblems, URLs, domain names, website addresses, email addresses, digital cellular addresses, wireless web addresses and the like ("e-marks") and copyrights (hereinafter referred to collectively as "Marks"), as We have adopted and designated, or may subsequent to the date of this Franchise Agreement acquire and/or develop and designate for use by You in connection with Our System ("Licensed Rights");
4. We are a Licensee of the Marks from Sheenco Travel Ltd., an Irish corporation, and are permitted by an Agreement with Sheenco Travel Ltd. to use and to license the Marks to You, subject to certain restrictions and obligations;
5. All of the enumerated Licensed Rights are recognized by the public as distinctive and valuable, and You recognize the potential benefits to be derived from being associated with and licensed by Us and from utilizing the Licensed Rights as We make available to Our franchisees through and under franchise agreements;
6. By establishing and maintaining uniformity and high standards of quality and service, We have developed an excellent reputation and significant goodwill with the public with respect to the products and services available through SHEENCO TRAVEL businesses,

which will continue to be a major benefit to Us and those associated with Us;

7. You desire to use Our System, Marks and goodwill to establish and operate a SHEENCO TRAVEL franchised business and operate as a SHEENCO TRAVEL Luxury Travel Specialist offering bespoke travel services to clients ("Guests") for vacations and business trips to Ireland, the United Kingdom and additional destinations upon the terms and conditions set forth, in this Franchise Agreement;
8. The terms and conditions of this Agreement are reasonably necessary to maintain Our uniform System Standards of quality and service and to protect the goodwill of the Licensed Rights; and,
9. You acknowledge and agree that, in the administration of this Agreement and in taking actions with respect to Our relationship with You, We must take into account the needs of the System, and the effect upon the System as a whole, and the need to protect the Marks for the benefit of the System.

In consideration of the respective representations, warranties, covenants and agreements contained in this Agreement, the parties agree as follows:

### **1. INCORPORATION OF RECITALS**

The Recitals are incorporated herein by reference.

### **2. GRANT OF FRANCHISE**

On the terms and conditions of this Agreement, We hereby grant to You the right to establish and operate a SHEENCO TRAVEL franchise (the "Franchise" or "Franchised Business") and to use the Licensed Rights associated with the Franchised Business and developed by Us. The Franchise is granted for the location set out in the attached Addendum A to this Agreement, entitled Franchisee's Accepted Site.

### **3. GRANT OF LICENSED RIGHTS**

(a) Subject to the terms and conditions of this Agreement, We grant to You the right to use the Licensed Rights in the establishment and operation of the Franchised Business. You acknowledge Our and Our affiliate's sole and exclusive right (except for certain rights granted under existing and future license agreements) to use SHEENCO TRAVEL Marks in connection with the products and services to which they are or may be applied by Us, and represent, warrant and agree that, neither during the term of this Agreement nor after its expiration or other termination, shall You directly or indirectly contest, or aid in contesting, the validity or ownership of the Licensed Rights, or take any action whatsoever in derogation of the rights claimed by Us in this Agreement.

(b) Nothing contained in this Agreement shall be construed to vest in You any right, title or interest in or to the Licensed Rights, the goodwill now or hereafter associated with such rights, other than the rights and license expressly granted to You in this Agreement. Any and all goodwill associated with or identified by the Licensed Rights shall inure directly and exclusively to Our and Our affiliate's benefit and is Our affiliate's property.



(c) No advertising or other use of the SHEENCO TRAVEL Marks by You shall contain any statement or material which, in Our sole judgment, We consider to be in bad taste or inconsistent with SHEENCO TRAVEL's public image, or tends to bring disparagement, ridicule or scorn upon Us or Our affiliates or predecessors or successors or the SHEENCO TRAVEL Marks, or diminish Our associated goodwill. You shall not make any use of the SHEENCO TRAVEL Marks or any advertising or marketing material that We have disapproved for any of the reasons set forth in this Section.

(d) You shall adopt and use SHEENCO TRAVEL Licensed Rights only in the manner expressly approved by Us.

#### **4. ACCEPTED SITE**

(a) You shall have the right to operate a SHEENCO TRAVEL Franchised Business, and to use the Licensed Rights from one (1) office at a specific location which may be home-based. You must have a designated private area that conforms to Our requirements and is acceptable to Us. If you intend to meet Guests at your office, you must have a private entrance to a space set up exclusively for the business. You will operate the Franchised Business only at the location accepted by Us (the "Accepted Site"). We do not require you to have Employees, but if you have partners, co-owners, employees or other individuals ("Employees") who work in the Franchised Business in any capacity, and also work remotely, they must also have a designated office space to work from..

(b) You acknowledge and agree that the Franchised Business location will be a specific address at which the Franchised Business will be physically located. The Franchised Business location will not under any circumstances be defined as a geographic area or be described in terms other than a specific address from which You will operate the Franchised Business. We will inspect Your office prior to Your opening, either in-person or virtually.

(c) You further acknowledge and warrant that Our acceptance of the Franchised Business location does not constitute a guarantee, recommendation, or endorsement by Us of the location selected and that the success of the Franchised Business depends upon Your abilities as an independent businessperson.

(d) You acknowledge that the franchise granted under this Agreement is nonexclusive, that You have no territorial protection, and that We and all of Our affiliates retain the right: (1) to use, and to license others to use, the Marks and Licensed Rights for the operation of other SHEENCO TRAVEL businesses at any other location other than the Accepted Site; (2) to use the Marks and Licensed Rights in connection with services and products, in connection with promotional marketing efforts or related items, or in alternative channels of distribution, without regard to location; (3) to use and license the use of alternative proprietary marks or methods in connection with the operation of SHEENCO TRAVEL Franchised Businesses or other businesses under names which are not the same as, or confusingly similar to, the Marks, which businesses may be the same as, or similar to, or different from the SHEENCO TRAVEL Franchised Business; (4) to acquire, be acquired by, or merge with other companies with existing travel services and related businesses, and other related services anywhere, even if such businesses are located near Your Accepted Site, provided the other businesses continue to operate under another name. We will not compensate You for any of Our activities including soliciting or accepting business near Your Franchised Business, even if they have an impact on Your Franchised Business, and (5) to engage in other activities not expressly prohibited by this Agreement.

(e) You have no restrictions on who Your Guests are or where they come from. We may restrict You from marketing and promoting in certain venues that other SHEENCO TRAVEL franchisees are actively using for marketing and advertising programs. In some states Your Seller of Travel regulations may restrict where You may solicit and sell services; otherwise, Your Guests can come from anywhere.

## 5. TERM

The term of this Agreement shall commence on the date first set forth above and shall continue for a term expiring upon the date five (5) years following, unless earlier terminated pursuant to the terms of Section 32 of this Agreement.

## 6. RENEWAL

(a) You may renew the franchise to own and operate the Franchised Business and the right to use the Licensed Rights for one (1) additional successive five (5) year term; provided that, prior to the expiration of the applicable initial or renewal term You provide Us written notice of Your election to exercise the renewal option not less than six (6) months, nor more than twelve (12) months, prior to the end of the then-current term;

(b) When such notice is given, and thereafter up to and including the date of renewal, You are not in default of any provision of this Agreement, or any other agreement between You and Us or any of Our subsidiaries or affiliates, including any other franchise agreement, and have substantially complied with the terms and conditions of all such agreements during the term of this Agreement;

(c) You have not received three (3) or more notices of default from Us during the then-current term of this Agreement;

(d) All monetary obligations owed by You to Us and any of Our subsidiaries and affiliates have been satisfied and paid when due throughout the initial and all prior renewal terms of this Agreement;

(e) You execute Our then-current standard form of franchise agreement (with appropriate modifications to reflect that such agreement relates to the grant of a renewal franchise) being executed by franchisees for new SHEENCO TRAVEL franchised businesses, which agreement shall supersede in all respects this Agreement and which may contain terms and conditions substantially different from those set forth in this Agreement, including, without limitation, a royalty fee or different advertising expenditure requirements;

(f) You, except to the extent prohibited by state law, execute a general release, in a form prescribed by Us, of any and all claims You may have against Us and Our subsidiaries and affiliates, and their respective officers, directors, shareholders, members, managers, agents and employees;

(g) You, or a representative approved by Us or any other person who has an interest in You (if You are a group of individuals or a corporation, partnership, limited liability company, unincorporated association or similar entity) participate and satisfactorily complete such retraining or refresher training programs as We in Our sole discretion may require;

(h) You perform such replacements and upgrading as We may require to cause the

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Franchised Business' equipment and computer system to conform to the specifications being used for new SHEENCO TRAVEL franchised businesses on the renewal date; and You pay to Us a Renewal Fee of Five Thousand Dollars (\$5,000.00).

If You continue to operate after the end of the Term or any Renewal Term without exercising an option to renew and signing Our then-current franchise agreement, You shall be deemed to be operating on a month-to-month basis under the terms and conditions of Our then-current form of franchise agreement. In such circumstances, and notwithstanding the foregoing, We may, on ten (10) days written notice, terminate Your Franchise Agreement.

## **7. FRANCHISEE'S PAYMENTS**

(a) You shall pay to Us an Initial Franchise Fee of Twenty Thousand Dollars (\$20,000.00), less any Application Fee paid to Us by You. Such Initial Franchise Fee shall be due and payable in full upon the execution of this Agreement. You understand and acknowledge that the Initial Franchise Fee is non-refundable and is fully earned by Us at the time the parties execute this Agreement. All fees are non-refundable and uniform to all franchisees except for the first five (5) franchisees awarded who will receive a 50% discount off the initial franchise fee.

(b) You shall pay to Us a monthly Technology and Support Fee of Eight hundred and fifty Dollars (\$850.00) for You and five hundred dollars (\$500.00) per month for each partner, co-owner, employee or other individuals who work in the Franchised Business with you. Such monthly Technology and Support Fee ("Technology and Support Fee" or "TSF") shall be due and payable on the fifth (5<sup>th</sup>) of each month beginning from when your access to the system is established. The TSF includes custom CRM software and required tour operator software programs; sublicense to sell travel services, as required; luxury Destination Management Company ("DMC") services/support. You understand and acknowledge that the TSF is for Your use exclusively and that the Fee is non-refundable and fully earned by Us. You must purchase an additional TSF license and agree to the monthly payments for each partner, co-owner, employee or other individuals who work in the Franchised Business with you. The TSF will be paid from day one that you receive access to the technology system via Electronic Funds Transfer ("EFT") from a designated account. When travel bookings are sold and commissions received, we will deduct this fee from your monthly commission.

(c) To encourage You to actively market Your SHEENCO TRAVEL Franchised Business, and as long as You are in compliance with the terms and conditions of this Agreement, We will provide you with one free FAM trip (after your first FAM trip) including economy air, lodging, meals, transportation (not including alcohol) for each calendar year you achieve \$750,000 in travel sales. If you achieve \$1,000,000 in travel sales the same year, we will include the same FAM benefits for your spouse or partner on the same FAM trip in a shared room.

(d) You shall pay us a Royalty Fee equal to the greater of One Percent (1%) of Gross Sales or Five Hundred Dollars (\$500) per month. 1% begins from day one of opening for business. Minimum \$500 per month will begin 90 days after opening for business. This will be due and payable on the fifth (5<sup>th</sup>) day of each month. Prior to processing your monthly payment, or we may process payment by EFT from your designated account.

(e) As used in this Agreement, the term "Net Sales" is the total of all revenue from the sale of services and products to Guests of the Franchised Business less cost of sales, credit card fees, and sales tax receipts or similar tax receipts which, by law, are chargeable to Guests, but only if the taxes are separately stated when the Guest is charged and the taxes are paid to the

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appropriate taxing authority; and the amount of any documented refunds, charge backs, credits and allowances approved by Us which we or You give in good faith to Guests which results in the "margin". You will be paid Commission ("Commission") revenue for all trips based on forty percent (40%) of the margin of each concluded travel package originated by You. Brand Fund Fees are deducted from Your Commissions along with any other amounts owed to Us, but Royalty and Brand Fund Fees must be paid by you by EFT each month if your commissions are not sufficient to cover these fees.

(f) All barter and/or exchange transactions to which Franchised Business furnishes services and/or products in exchange for goods or services to be provided to Franchised Business by a vendor, supplier or Guest will be valued at the full value of the goods and/or services so provided to Franchised Business. You will be permitted to establish pricing for Guest bookings as long as they meet Our minimum pricing. The minimum margin for each trip operated by Sheenco Travel Inc. will be thirty five percent (35%). For trips to additional destinations outside of Ireland and the United Kingdom that are booked by Sheenco Travel Inc. but operated by a third party, the minimum margin for each trip will be 15% to 20%. You will receive fifty percent (50%) of Your estimated Commission when the Guest makes their initial deposit and the balance when the Guest has returned from the trip and all expenses are known and finalized. Your final payment will reflect any add-on sales or transaction losses. These payments will be made to You on the fifth (5<sup>th</sup>) day of the month following each Guest payment at deposit and at the completion of the trip transaction.

(g) We charge a Brand Fund Fee in an amount of one percent (1%) of the Franchised Business' monthly Gross Sales or \$500 per month, whichever is greater (as defined in Section 7(d) above) ("Brand Fund Fee"), in order to develop and maintain a local, regional or national advertising program. You must pay the Brand Fund Fee to us beginning on the day that you open your Franchised Business for the conduct of business. Brand Fund Fees will be deducted by Us from Your Commission on a monthly basis. In the event You do not have any Commissions due during any given month, You will pay to Us the Brand Fund Fee on or before the day of the month we designate in the Confidential Operations Manual ("Operations Manual") via EFT. We may change the frequency of payment and reporting, and if We do so, the Brand Fund Fee will be adjusted accordingly.

(i) Your Brand Fund Fee will also include five (5) complimentary leads per week.

(h) In addition to any other remedies We may have, if You are past the due date in paying any fees due under this Agreement, interest shall be payable on such fees from the date such payment was due at the rate of interest of 1.5% per month or if the maximum interest rate permitted by state law is less, then interest will be charged at the lesser allowed rate. In addition, You shall pay any and all of Our expenses in collecting overdue payments from You, including attorneys' fees and the fees of any collection agencies hired by Us. The foregoing shall be in addition to any other remedy We may possess, as permitted by law. You acknowledge that this Subsection shall not constitute agreement by Us to accept such payments after they are due, or a commitment by Us to extend credit to, or otherwise finance Your operation of the Franchised Business. Any acceptance of an amount which is less than the full amount due shall not be considered a waiver of Our right to (or Your obligation for) the full amount then due, or which may become due in the future.

(i) In addition to Our other rights and remedies, We may charge You a fee ("Late Fee") of Twenty Five Dollars (\$25.00) per day for any violation by You of any term or condition of this Agreement, payable upon receipt of such notice. This fee may be changed or eliminated by Us.

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These Late Fees are intended to reimburse Us for Our expenses and to compensate Us for Our inconvenience and do not constitute interest.

(j) You are required to submit periodic reports, signed by You, in a form to be prescribed by Us. Such reports shall include any sales, marketing, business, or other information of the Franchised Business that We may deem reasonably necessary to evaluate and support Your Franchised Business. This report shall be electronically transmitted to Us and provided to Us as set forth in Our Operations Manual.

(k) You must reimburse Us for any taxes that We must pay to any state taxing authority on account of either Your operation of the Franchised Business or payments that You make to Us.

(l) Notwithstanding any designation by You, We shall have the sole discretion to apply any payments by You to any past due amount You owe Us for Brand Fund Fees, purchases from Us and/or any of Our subsidiaries or affiliates, interest or any other indebtedness.

(m) You shall not withhold payment of any Brand Fund Fees, or any other amounts of money owed to Us and/or any of Our subsidiaries or affiliates for any reason on grounds of alleged nonperformance by Us of any obligation under this Agreement, and any Brand Fund Fees or any other amounts of money owed to Us and/or any of Our subsidiaries or affiliates that are withheld shall be deemed by Us to be unpaid.

(n) You authorize Us and Our subsidiaries and affiliates to initiate debit entries and credit correction entries to Your checking, savings or other accounts for all Fees and other amounts due from You to Us under this Agreement or otherwise. You must complete and sign the Electronic Funds Transfer Agreement attached to this Agreement as Addendum F. You shall comply with Our procedures and instructions in connection with the direct debit process and shall sign all documents or take any action that may be required to effect this authorization. We may require You to pay the Fees and other amounts due under this Agreement or otherwise by means other than automatic debit whenever We deem it appropriate, and You agree to comply with Our payment instructions.

(o) You shall, during the term of this Agreement and thereafter, promptly pay all sums owing to Us and Our subsidiaries and affiliates.

## **8. BUSINESS RELATIONSHIP**

(a) We and You agree and acknowledge that each of us is an independent business entity or person; that Our only relationship is as franchisor and franchisee as specified in this Agreement; that this Agreement does not create a fiduciary relationship between the parties. Neither of us is the employer, employee, agent, partner, fiduciary or co-venturer of or with the other, each being independent of the other. Neither party is liable or responsible for the other's debts or obligations and neither party shall be obligated for any damages to any person or property directly or indirectly arising out of the operation of the other party's business. We and You agree that neither of us will hold ourselves out to be the agent, employer, partner or co-venturer of the other, and that neither of us has the authority to create or assume in the other's name or on their behalf, any obligation, express or implied, or to act or purport to act as agent or representative for any purpose whatsoever and cannot bind or incur liability on behalf of the other.

(b) All Employees or agents hired or engaged by or working for You will be only Your Employees or agents and will not for any purpose be considered Our employees or agents or the

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owner of the Marks, nor subject to Our control, and in particular, We will have no authority to exercise control over the hiring or termination of Employees, independent contractors, or others who work for You, their compensation, working hours or conditions, or the day-to-day activities of those people, except to the extent necessary to protect the Marks. It is understood that You will have sole responsibility for Your Employees and all acts of Your Employees, and all employment-related decisions involving wages, benefits, hours of work, scheduling, hiring, firing, discipline, supervision, record keeping, withholding income tax, social security contributions, Medicare contributions, unemployment fund contributions and all other terms and conditions of employment. You must disclose to each of Your Employees in writing, in a form approved by Us in advance, that We are not a “joint employer” of the Franchisee's Employees. You acknowledge that We do not control Your personnel policies, including establishing wage and hour requirements, hiring, firing, setting wages, disciplining, supervising and record keeping of Your Employees. You will file Your own tax, regulatory and payroll reports with respect to Your Employees or agents and operations, saving and indemnifying Us of and from any liability of any nature whatsoever by virtue of it.

## **9. SERVICES TO BE PERFORMED BY FRANCHISOR**

We agree to make available to You the following:

- (a) General specifications for office layout and such equipment, furnishings and operating supplies as are typically identified with SHEENCO TRAVEL franchised businesses and which You are required to purchase and use in the operation of Your SHEENCO TRAVEL Franchised Business;
- (b) Initial training in Our System, including instruction with respect to SHEENCO TRAVEL's Standards, methods, procedures, and techniques, for each person identified in this Agreement, at such time and method as We may in Our discretion designate for Our training program. As of the date of this Agreement, the training program is virtual, self-paced and conducted via the Internet. Any training media and aids made by Us will be made available to You at Our then-current rate;
- (c) Provided at least thirty (30) days advance notice is given by You, such assistance as We deem necessary and appropriate in assisting You with the opening of Your Franchised Business, including assistance by Our personnel in the planning and developing of pre-opening and promotional programs;
- (d) Provide access to one, view-only electronic copy of Our confidential Operations Manual for Your use while the Franchise Agreement is in effect, and You are not in default. You acknowledge and agree that Our Operations Manual and other system communications will be in the English language only. The Operations Manual contains mandatory and suggested specifications, policies, methods, standards, operating procedures, and requirements prescribed from time to time by Us and information relative to other obligations of a franchisee, and to the operation of a Franchised Business. Any required System Standards exist to protect Our interests in Our System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to You. The Operations Manual also will include guidelines or recommendations in addition to required System Standards. In some instances, the required System Standards will include recommendations or guidelines to meet the required System Standards. You may follow the recommendations or guidelines or some other suitable alternative, provided You meet and comply with the required System Standards. In other instances, no suitable alternative may exist. In order to protect Our interests in the System and Marks, We

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reserve the right to determine if You are meeting a required System Standard and whether an alternative is suitable to any recommendations or guidelines. The Operations Manual will remain confidential and the property of Us, which constitutes a Trade Secret owned by Us. The Operations Manual is provided on loan to You and may not be loaned to any person or duplicated or copied in whole or in part in any manner. We have the right to amend, modify, or supplement the Operations Manual at any time, so long as such amendments, modifications, or supplements will, in Our good faith opinion, benefit Us and Our existing and future franchisees or will otherwise improve the System. You must comply with revised Standards and procedures within the time period We specify after We transmit the updates. You shall always follow the directives of the Operations Manual, as it may be modified by Us from time to time. You acknowledge that such compliance by You is necessary to protect the integrity and reputation of Our System;

(e) Such periodic continuing individual or group advice, consultation and assistance, rendered by personal visit, telephone, electronic transmission, webinar, newsletter, brochures, reports or bulletins as We may deem necessary or appropriate. Such advice, consultation and assistance may include such topics as marketing and advertising, management, maximizing sales and profits, Guest services, Employee training, vendor relations, operating problems and such other reasonable subjects as may be of interest to You, or in which You may be experiencing problems;

(f) New products, services, equipment or technologies, as they are located or developed in the marketplace, which may be tested and evaluated by Us, and, if they meet Our System Standards, are made available to all SHEENCO TRAVEL franchisees, either through an approved supplier or by Us directly;

(g) Maintain the SHEENCO TRAVEL Internet Website for the purpose of enhancing the goodwill and public image of the SHEENCO TRAVEL franchise system, and to attract prospective Guests for the benefit of the SHEENCO TRAVEL franchisees. We will host a minimum of one (1) page on the SHEENCO TRAVEL Internet Website with contact and other information specific to Your Franchised Business, Your "Sitelet", and provide You with no less than one (1) e-mail address, which You must use as the Franchised Business' e-mail address. We reserve the right to update or make changes or additions to the SHEENCO TRAVEL Internet Website without limitation. Unless otherwise indicated, the Website shall be accessible to third parties via the Internet twenty-four (24) hours a day, seven (7) days a week, except for scheduled maintenance, updates, changes, required repairs, and except for any loss or interruption of the SHEENCO TRAVEL Internet Website due to causes beyond Our control or which are not reasonably foreseeable by Us, including, but not limited to, interruption or failure of telecommunication or digital transmission links and Internet slow-downs or failures. In the event of any loss or interruption of any SHEENCO TRAVEL Internet Website, Our sole and exclusive liability shall be only for loss or interruption due to (i) causes resulting from Our failure to maintain and/or repair the Website, (ii) other causes exclusively within Our control, or (iii) causes reasonably foreseeable by the Us, and which loss or interruption of the SHEENCO TRAVEL Internet Website exceeds a continual period of twenty-four (24) hours. Your sole and exclusive remedy shall be a credit against future Hosting/Technology Fees required by Us, if any, equal to a pro rata portion of said Hosting/Technology Fees for the period of downtime;

(h) We shall have no liability for unauthorized access to, or alteration, theft, or destruction of, the Website or Your data files, programs, or information, if any, through accident, fraudulent means or devices. We shall have no liability with respect to Our obligations under this Agreement or otherwise for consequential, exemplary, special, incidental, or punitive damages even if We have been advised of the possibility of such damages;

(i) We may, at Our option, maintain, either a series of “private” pages on Our Website or an intranet through either of which We, Our franchisees, and their respective authorized employees may communicate with each other, and through which We may disseminate the Manual, updates to it and other Confidential Information. We will have sole discretion and control over all aspects of the intranet/extranet, including the content and functionality of it. We will have no obligation to maintain the intranet indefinitely, and may dismantle it at any time without liability to You;

(j) If and when available, provide the opportunity for You to purchase Website-generated inquiries and/or sales leads at Our then-current rate, based on the level of interest of the inquiry as further defined in the Operations Manual.

(k) If We establish an intranet, You will have the privilege to use the intranet, subject to Your strict compliance with the System Standards, protocols and restrictions (collectively, “Franchisor Protocols”) that We may establish from time to time. The Franchisor Protocols may relate to, among other things, (i) the use of abusive, slanderous or otherwise offensive language in electronic communications, (ii) communications between or among franchisees that endorse or encourage breach of any franchisee’s franchise or license agreement, (iii) confidential treatment of materials that We transmit via the intranet, (iv) password protocols and other security precautions, (v) grounds and procedures for Us suspending or revoking a franchisee’s access to the intranet, and (vi) a privacy policy governing Our access to and use of electronic communications that franchisees post to the intranet. You acknowledge that, as administrator of the intranet, We can technically access and view any communication that any person posts on the intranet. You further acknowledge that the intranet facility and all communications that are posted to it will become Our property, free of any claims of privacy or privilege that You or any other person or entity may assert; and,

(l) Confirmation of Performance. After We have completed Our pre-opening obligations to You under this Agreement, We may ask that You sign and deliver to Us a confirmation (the “Confirmation of Performance”), in a form We reasonably request, verifying that We have performed those obligations. If We ask You to provide Us with such a certificate, then You agree to sign and deliver the Confirmation of Performance to Us within three (3) business days after Our request. However, if You do not reasonably believe that We have performed all of Our pre-opening obligations, You must, within that same three (3) day period, give Us written notice specifically describing the obligations that We have not performed. Not later than three (3) business days after We complete all the obligations that You specified in that notice, You must sign and deliver the Confirmation of Performance to Us. The term “pre-opening obligations” means the obligations We have to You under this Agreement that must be performed before the date when Your Franchised Business starts its operations.

(m) You may not establish, use, reference or otherwise promote the Marks or System in connection with any current or future form of social media networks or platforms, including, without limitation, Facebook, Twitter, LinkedIn, TikTok, You Tube, Pinterest or any other internet and/or social media platforms. We will establish Social Media pages and handles for you related to the BUSINESS and provide you with access and training on the use of these platforms.

## **10. LIMITATIONS ON RIGHTS EXTENDED TO FRANCHISEE**

You acknowledge and agree that:

(a) You will use the Licensed Rights strictly in accordance with the terms of this Agreement. Any unauthorized use of the Licensed Rights is and shall be deemed an infringement of Our rights

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and a material breach of this Agreement.

(b) Except as expressly provided by this Agreement, You shall not acquire any right, title or interest to the Licensed Rights. Any and all goodwill associated with the Licensed Rights shall accrue exclusively to Our and Our affiliate's benefit. Upon the expiration or termination of this Agreement and any renewals, no monetary amount shall be attributable to goodwill associated with Your use of the Licensed Rights.

(c) The Franchised Business and Licensed Rights granted under this Agreement are non-exclusive, and We retain the right, in Our sole discretion:

(i) To continue to operate SHEENCO TRAVEL businesses and to use the Licensed Rights in any location, and to license others to do so; and,

(ii) To develop, use and franchise the rights to any trade names, trademarks, service marks, trade symbols, emblems, signs, slogans, insignias or copyrights not specifically designated by Us as Licensed Rights, for use with similar or different franchise systems in any location, on such terms and conditions as We may deem advisable, and without granting You any rights.

(d) You alone are responsible for operating the Franchised Business in full compliance with all System Standards, as modified from time to time. System Standards mean mandatory specifications, standards, operating procedures, and rules that We periodically prescribe for the development and operation of SHEENCO TRAVEL franchised businesses. All references in this Agreement to System Standards will include any modifications, deletions and/or additions to the System Standards which are authorized by this Agreement or the Operations Manual. Except as otherwise provided in this Agreement, System Standards may regulate any aspect of the operation and maintenance of SHEENCO TRAVEL franchised businesses, provided that all System Standards will apply uniformly to all similarly situated SHEENCO TRAVEL franchised businesses.

(e) You shall offer for sale all of the products and/or services that We from time to time authorize. You shall not offer for sale, without Our prior written approval, any unauthorized products and/or services. You may not develop or sell other products or services on Your own without Our prior written consent.

(f) In order to allow Us to establish and enforce Standards of quality and uniformity for the sale of Our products and services, and in order to preserve incentive for other entities to become SHEENCO TRAVEL franchisees in the future, You shall not sell SHEENCO TRAVEL products and services other than on a retail basis to the general public, and not for resale by the purchasers thereof, without Our prior written consent and without executing a separate agreement with Us for the right to conduct such sales, if We request the execution of such an agreement.

(g) We have the right to determine, approve and supervise the quality of services and products sold by You from the Franchised Business, and to take all action We deem necessary to maintain the quality and Standards of the services and products, the Franchised Business and Our System. You are required to purchase certain services, equipment and operating supplies, as are more particularly set forth in the Operations Manual, from suppliers whose services, products and materials are approved, and not thereafter disapproved, by Us. If You desire to purchase any services or products from suppliers that We have not previously approved, You or the supplier must submit a written request for such approval to Us. As a condition of Our approval, which shall not be unreasonably withheld, We may require that Our representatives be allowed

to inspect the supplier's facilities and/or that a sample of its product be made available to Us or Our designee for testing. We require You to pay Us a fee of Five Hundred Dollars (\$500.00) for each product or supplier review and You must reimburse Us for any fees We pay to third parties as part of Our review. Within thirty (30) days of delivery of the test results, if testing is conducted, or the written request if testing is not conducted, We will issue a decision in writing. Such decision may be a determination that additional time is needed to complete the review. Any denial will state the reasons. In the event We do not provide You with a written decision, the request shall be deemed denied.

(h) If You as Franchisee are a corporation, limited liability company, or other business entity instead of an individual, Your Operating Principal must manage the Franchised Business. If You request and We approve the hiring of a day-to-day manager, then We have the right to approve Your manager ("Manager") (if not an owner) based on Our review of their relevant experience and qualifications. You shall keep Us informed at all times of the identity of any Employee(s) acting as Manager of the Franchised Business. You agree that You will at all times faithfully, honestly and diligently perform Your obligations hereunder and that You will not engage in any business or other activities that will conflict with Your obligations hereunder or Your SHEENCO TRAVEL Franchise.

(i) You have the sole responsibility for the performance of all obligations arising out of the operation of the Franchised Business pursuant to this Agreement. You shall secure and maintain in force, at Your expense, all required licenses, permits and certificates relating to the full and proper operation of the Franchised Business and shall operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations, including without limitation, zoning, access, signage, all government regulations relating to occupational hazards and health, fire, safety, consumer protection, equal opportunity, trade regulation, workers' compensation (if required for home based businesses in your local market), unemployment insurance, licenses to do business, sales tax permits, withholding and payment when due of any and all taxes levied or assessed by reason of the operation of the Franchised Business, and fictitious name filings and registrations, privacy laws and data protection or security laws as well as Payment Card Industry Data Security Standard (PCI DSS) compliance. You shall pay Us such amount as We require, for any identify theft or theft of personal information of a customer due to any security breach by You, Your agents, or Your Employees. Such fees shall be used to offset Our out-of-pocket costs and expenses incurred in responding to and remedying any such security breach.

(j) During the term of this Agreement, and any renewals or extensions hereof, You shall hold Yourself out to the public only as an independent contractor operating the Franchised Business pursuant to a franchise agreement with Us. You agree to take such affirmative actions as may be necessary to do so, including without limitation exhibiting a public notice of that fact, the content and display of which We shall have the right to specify from time to time.

(k) It is the express intention of Subsections (i) and (j) of this Section 10 to establish that You are an independent contractor, and as such are solely responsible for the day-to-day affairs, management, operations and financial control of the Franchised Business and for Your Employees and Your treatment of them.

(l) You shall not establish a website on the Internet using any domain name containing the words SHEENCO and/or SHEENCOTRAVEL.com, .net, .biz, .us, .org or any variation. We retain the sole right to control all Internet activity and create websites using any of the foregoing or other domain names. We may require You to utilize e-commerce products or services designated by Us, which We may change from time to time. You acknowledge that We are the owner of all right, title and interest in and to such domain names as We shall designate and all uniform resource locators

(URLs), future addresses and sub-addresses (including the Franchisee Page sub-addresses), software, content prepared for or used on Our website, and all intellectual property rights in or to any of them. We retain the right to control Your use of linking and framing between Your web pages and all other websites. Any digital or electronic content You publish must comply with Our brand communication standards and is subject to Our approval. All digital imagery bearing the Marks are subject to Our approval. Due to the speed of electronic communication, You must respond to all instructions by Us which are deemed to restrict, designate or control e-commerce activities within twenty-four (24) hours. We also reserve the right to restrict, designate and to approve or control any existing or future (not yet developed) Fan Page or other advertising or social networking services of the Franchised Business, including the sending of bulk e-mail or facsimiles, except as are in accordance with the guidelines in the Operations Manual or otherwise as We may specify in writing.

## **11. VARIATIONS IN STANDARDS**

Because complete uniformity under varying conditions may be impossible or impractical, We reserve the right to vary the standards of eligibility, including financial terms and conditions, for any franchisee, including You, existing business practices, or any other conditions which We determine to have, or potentially have, a significant effect on the successful operation of such franchisee's business. Variations from standard specifications and practices granted to other franchisees shall not under any circumstances be cause to require Us to grant to You a like or similar variation hereunder, either now or in the future.

## **12. EMPLOYEES**

A "Employee" as used in this Agreement is anyone who is an owner, partner, member, employee or other individual who works in the Franchised Business in any capacity. You shall identify all of Your Employees and any other individuals who will work in the business in Addendum B of this Agreement, and/or provide us with an updated list when you hire new Employees to allow us to set them up for training and provide login details to the online Trip Planning Software. Each individual listed in Addendum B as an Employee no matter when so listed, at Our option, shall participate in Our Initial Training Program, and shall thereafter be jointly and severally responsible for operating the Franchised Business in accordance with Our System Standards and this Agreement. You represent and warrant that each of the individuals designated in Addendum B will at all times abide by the System Standards of Our System, this Agreement, and the Licensed Rights; that You will at all times assume personal responsibility for their continued compliance with those System Standards; and that You will promptly notify Us if any of them shall at any time during the term of this Agreement divest themselves of ownership, partnership, membership, or employment, as the case may be, with You. You shall amend Addendum B and submit the amended Addendum to Us whenever there is any change in Your list of Employees.

We possess certain proprietary Confidential Information consisting of the Marks, the Intellectual Property, Our System Standards, and other methods, techniques, formats, specifications, procedures, information, systems, methods of business management, sales and promotion techniques and knowledge of and experience in the operation and franchising of SHEENCO TRAVEL franchised businesses (the "Confidential Information"). Every owner, partner, member, employee or other individual who works in the Franchised Business in any capacity must sign a non-disclosure, non-solicitation and non-competition agreement in a form approved by Us or as We otherwise provide. You must provide a copy of each Employee's signed non-disclosure, non-solicitation and non-competition agreement to Us prior to such Employee beginning Our Initial

Training Program and prior to Your disclosing Our Confidential Information to such Employee.

### **13. FRANCHISOR TRAINING PROGRAM**

(a) The following persons shall satisfy all of the conditions established by Us for admission to, and graduation from, Our Initial Training Program, which is provided virtually, and shall satisfactorily complete any additional training programs that may be established by Us in the future:

- (i) You, if Franchisee is an individual; or
- (ii) If Franchisee is owned by a group of individuals or a corporation, limited liability company, partnership, unincorporated association or similar entity, Your Operating Principal; and
- (iii) Any owner, partner, member, employee or other individual who works in the Franchised Business in any capacity.

Any person or persons so designated to participate in the training program will be identified in Addendum B to this Agreement. Each such person shall complete Our Initial Training Program to Our satisfaction. Training for the first individual is included in the Franchise Fee. We require that You and all Employees or other individuals you hire or who will work in the Franchise Business to be trained by us. We charge a fee for each additional person trained. Currently the additional training fee is \$2,500 per person. Upon the failure of any such person to do so, We reserve the right to extend the training program. Satisfactory completion of all mandatory training sessions is required. Failure to do so shall result in a breach of this Agreement. The Initial Training Program will take You approximately four (4), forty (40) hour weeks to complete. You must initiate Initial Training within fourteen (14) days of signing the Franchise Agreement and You must complete the training and open for business no later than one-hundred-twenty (120) days after execution of the Franchise Agreement.

(b) You acknowledge that successful completion of the Initial Training Program will require that, among other things, each attendee be able to demonstrate that he/she can read, write, and converse in English.

(c) We may from time to time offer additional virtual training programs, workshops, seminars and the like, to franchisees and may require that franchisees, or their employees, as appropriate, attend such programs. These programs will be provided at no cost to You. In the event We develop and offer in-person training programs and require Your attendance, said programs will be provided at no cost to You, except that You will be responsible for the travel, hotel and all such other costs and expenses incurred to attend the program.

(d) We may, at Our option, from time to time conduct national or regional Conventions ("Convention") for all franchisees to attend. The duration, curriculum and location of the Networking Events will be determined by Us in Our sole and exclusive discretion. You are required to attend one (1) Convention annually and it will be provided to You at a fee not to exceed \$700 for the event, educational programs and materials, keynote speakers and breakfast and lunch each day of the event. You will be responsible for travel, lodging and all other meals and related expenses.

## **14. NOTICES AND APPROVAL OF OPENING**

(a) You shall give Us at least thirty (30) days prior written notice of the opening of the Franchised Business. If such notice is not given, We shall be relieved of Our obligations under this Agreement to provide assistance in connection with the opening of the Franchised Business and the planning and development of pre-opening promotions and programs.

(b) In order to maintain quality and uniformity and to ensure that the Franchised Business satisfies all of Our Standards, We retain the right to perform a final inspection of the Franchised Business prior to opening. If We reasonably determine that the Franchised Business does not conform with Our Standards of appearance, or You failed to apply for and obtain all licenses required for the operation of the Franchised Business from the appropriate governmental agencies, then We shall have the right to delay opening of the Franchised Business until such time as any deficiencies are corrected and brought into compliance with such System Standards or requirements. If any such deficiencies are detected, We will provide You with written notice stating the nature of the deficiency, and the corrective actions that You must take. Any evaluation or inspection We conduct is not intended to exercise, and does not constitute, control over Your day-to-day operation of the Franchised Business or to assume any responsibility for Your obligations under this Agreement.

## **15. EQUIPMENT, COMPUTERS, SIGNS AND FURNISHINGS**

(a) You shall only install and use such equipment, furnishings, computer hardware and software and other personal property at the Franchised Business location as are required under this Agreement, and which strictly conform to Our uniform System Standards as described in the Operations Manual.

(b) In the event You install any equipment, furnishings, computer hardware and software, or any other personal property that is not in conformity with Our System Standards, We may, in addition to any other remedies under this Agreement, demand that You close the Franchised Business and take the steps necessary to bring its equipment, computers and other personal property into conformity with Our System Standards. You shall not reopen the Franchised Business without Our prior written approval.

(c) Computers must be used solely for the business of Your SHEENCO TRAVEL Franchised Business; personal or shared use is not permitted. All computers must be password protected and comply with Our System Standards. We and Our affiliates have the right to remotely access Your computers and records to monitor Your productivity, install software, provide support and we have no limitations on Our ability to do so. We have administrator privileges, at all times, to all Your software, electronic mail, social media, marketing platforms, digital marketing and all e-commerce activities. You must provide Us with all current passwords for the Franchised Business for any media or platforms we have not established for you.

You are responsible for upkeep and maintenance of all hardware and other software. There is no limit on Our ability to require You to upgrade the computer system, add components and software to the computer system and replace components and software of the computer system.

## **16. RELOCATION**

You shall have the right to operate Your Franchised Business' office from Your home or other

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location that We have accepted. You shall have the right to relocate the Franchised Business to another location and do not need Our permission before relocating; however, You must notify Us of Your relocation thirty (30) days in advance of Your move and Your new office must comply with Our requirements. In the event You so decide to relocate the Franchised Business, the cost of any such relocation will be borne by You.

## **17. OPERATION OF THE FRANCHISED BUSINESS**

You covenant and agree that:

(a) You shall operate the Franchised Business in accordance with this Agreement and Our Operations Manual, a copy of which You acknowledge having received on loan from Us, for the term of this Agreement, and shall not make or allow unauthorized disclosures of the contents of the Operations Manual to any outside parties. You understand and acknowledge that We may revise the content of the Operations Manual, and You expressly agree to comply with each changed requirement within such reasonable time as We may require. Any new or different requirements imposed will not unreasonably increase Your obligations or place an excessive economic burden on Your operations, or otherwise alter Your fundamental status, rights or obligations under this Agreement. You shall at all times ensure that Your copy of the Operations Manual, and any other manuals loaned to You are kept current and up-to-date and, in the event of any dispute as to their contents, the terms of the master copies maintained by Us at Our principal place of business shall be controlling. The entire contents of the Operations Manual are and will remain confidential and Our property.

(b) In order to protect the Licensed Rights and associated goodwill, You shall:

(i) Operate under the name SHEENCO TRAVEL \*an independent franchisee, and advertise only under the Licensed Rights designated by Us, and use such rights without prefix or suffix, except where such use may conflict with a prior registration or use, in which event You shall operate and advertise only under such other names as We have previously approved in writing;

(ii) Feature and use the Licensed Rights solely in the manner We prescribe; and,

(iii) Observe such reasonable requirements with respect to the Marks and fictitious name registrations and copyright notices as We may direct in writing.

(iv) You will not, and will not allow Your Employees to, engage in conduct that, in Our sole determination, may result in or tends to (a) degrade, offend, shock or insult the community, (b) ridicule public morals or decency, or (c) prejudice Us, Our affiliates, the Trademarks or the System generally. You will (and will ensure that Your Employees) conduct Yourself with due regard to public conventions and morals.

(c) You shall cause sales of all products, goods and services to be properly recorded at the time of the sale.

(d) You shall comply with all laws, ordinances and regulations affecting the operation of the Franchised Business.

(e) You shall notify Us in writing within three (3) days of receipt of notice of the commencement

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of, or the threat of, any action, suit or proceeding against You, or of the issuance of or the threat of any inquiry, subpoena, order, writ, injunction, award or decree of any court, agency or other governmental instrumentality which arises out of, concerns, or may affect the operation or financial condition of the Franchised Business, Franchisor, or the goodwill associated with the Licensed Rights including, without limitation, any criminal action or proceedings brought by You against Your Employees, Guests, or other persons. You agree that You will not commence any action, suit or proceeding that affects Us, or the goodwill associated with the Licensed Rights, without Our prior written approval.

(f) You shall open and operate the Franchised Business and shall maintain sufficient business hours so that You provide the level of Guest services and attention prescribed by Us in the Operations Manual.

(g) You shall pay on a timely basis for all supplies, materials and expenses You incur in the operation of the Franchised Business. You acknowledge that You are solely responsible for all operating, selling, general and administrative expenses of the Franchised Business, and that any failure by You to make prompt payment to Your suppliers, vendors, contractors or Employees may cause irreparable harm to the reputation and credit of Franchisor and other franchisees.

(h) In order to preserve the validity and integrity of the Licensed Rights, and to assure that You are properly employing such rights in the operation of the Franchised Business, We or Our agents shall have the right to observe the manner in which You are offering Your products and services and conducting Your operations. We or Our agents shall have the right to confer with Your Employees and Guests, and to inspect equipment and related merchandise, trademarked product lines, other merchandise, equipment, supplies or inventory for evaluation purposes in order to make certain that the equipment and related merchandise, trademarked product lines, and other equipment, supplies, inventory, services and operations are satisfactory and meet the quality control provisions and performance standards as established by Us from time to time.

(i) You shall use Your best efforts in operating the Franchised Business and in recommending, promoting and encouraging patronage of all SHEENCO TRAVEL System services.

(j) You shall promptly respond to any and all Guest inquiries or complaints and achieve Guest satisfaction for reasonable complaints through refund of fees or other accommodation to Guest's satisfaction as may be appropriate, as well as taking such other steps as may be required by Us to ensure positive Guest relations and to maintain the goodwill of the SHEENCO TRAVEL System. If We reasonably determine that You have not fairly handled a Guest complaint, We may intervene in order to resolve the matter to the Guest's satisfaction. You must reimburse Us for Our time and for all costs We incur in satisfying Your Guest.

(k) You acknowledge and agree that exchanging information with Us by electronic transmission ("e-mail") is efficient and desirable for day-to-day communications and that We and You may utilize e-mail for such communications. You authorize the transmission of e-mail by Us and Our employees, vendors, and affiliates ("Official Senders") to You during the Term and any renewal thereof. You further agree that: (a) Official Senders are authorized to send e-mails to those of Your Employees as You may occasionally authorize for the purpose of communicating with Us; (b) You will cause Your officers, managers, directors, and Employees to give their consent to Official Senders' transmission of e-mails to them; (c) You will require such persons not to opt out or otherwise ask to no longer receive e-mails from Official Senders during the time that such person works for or is affiliated with You; and (d) You will not opt out or otherwise ask to no

longer receive e-mails from Official Senders during the Term and any renewal thereof. The consent given in this Subsection will not apply to the provision of notices by either party under this Agreement pursuant to Section 36 unless the parties otherwise agree in a written document signed by both parties.

## **18. PROPRIETARY INFORMATION**

(a) You acknowledge that Your entire knowledge of the operation of the Franchised Business, including without limitation the contents of the Operations Manual, list of vendors, and the specifications, equipment, standards, and operating procedures of the Franchised Business, is derived from information disclosed to You by Us, and that such Operations Manual and such other information is confidential and Our trade secret. You shall maintain the absolute confidentiality of the Operations Manual and all such other proprietary information You receive from Us, both during and after the term of the Franchise Agreement. You shall disclose Confidential Information only to those Employees or contractors who need such Confidential Information to perform their job functions, and only to the extent necessary for them to do so. Prior to disclosing any Confidential Information, You shall require all such Employees or contractors to sign Confidentiality Agreements in the form as required by Us, and shall forward a copy of same to Us. You agree that You shall not use the Operations Manual and such other information in any other business or in any manner not specifically authorized or approved in writing by Us.

(b) You agree to promptly disclose to Us all Innovations, whether or not protectable intellectual property, and whether created by or for You or Your Owners or Employees. All Innovations will be deemed Our sole and exclusive property and works made-for-hire for Us. We have the right to incorporate Innovations into the System and may use them and may authorize You and others to use them in the operation of SHEENCO TRAVEL businesses. Innovations will then also constitute Confidential Information. We will disclose to You Innovations that are made a part of the System Standards in this manner. To the extent any Innovation does not qualify as a work made-for-hire for Us, by this paragraph You assign ownership of that Innovation, and all intellectual property and other rights to the Innovation, to Us and agree to sign and deliver such instruments and documents, provide such assistance and perform such other acts as We periodically designate in order for Us or Our designee to obtain exclusive rights in such Innovations. We will have no obligation to make any lump sum or other payments to You or any other person with respect to any such Innovations. You will not use, nor will You allow any other person to use, any such Innovations, whether in connection with the Franchised Business or otherwise, without obtaining Our prior written approval. You also agree that if You shall develop any new trademarks, service marks, trade names and trade symbols, trade dress, signs, slogans, associated logos, designs, e-marks, copyrights, emblems, concepts, processes or improvements in the operation or promotion of the Franchised Business, We will immediately become sole owner and licensor.

(c) Any and all Guest lists, which includes current, former and prospective Guest information, and their contents relating to the Franchised Business, whether compiled or developed by You or any other person, must be stored only on Our CRM Software and are owned by Us, and are Our proprietary property (whether supplied by Us or not) and You shall not use the Guest lists for any purpose whatsoever other than in the normal conduct of the Franchised Business prior to any default under this Agreement, or termination or expiration of this Agreement. To the extent that You may have or claim any right, title or interest in or to such Guest lists and contents, You agree to, and do hereby, assign to Us all of Your right, title and interest therein. You will, upon demand, promptly deliver to Us a complete list of current and former Guests, including name, telephone number(s), e-mail address(es), complete mailing address, purchase history of products or services with dates and prices, and other information concerning such Guests as requested by

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Us. You expressly acknowledge that Your ability to operate, develop and expand the Franchised Business is based largely on the goodwill of the Marks and know-how embodied in the SHEENCO TRAVEL System Standards. Accordingly, You agree that We are the sole owner of all Guest lists and relationships and all other goodwill arising from Your operation of the Franchised Business. Any attempt by You to offer any services or products similar to those provided by the Franchised Business to any Guests, or former or prospective Guests of the Franchised Business following any expiration or termination of this Agreement shall be a violation of Our rights in such Guest lists and relationships and goodwill. You agree that in the event of any such action or threatened action by You, We shall be entitled to a preliminary or permanent injunction or other equitable relief to restrain such actions, and to recover Our damages equal to the amount of profits received by You from any such action in violation of Our rights.

## **19. MARKS**

(a) You acknowledge and agree that We are a Licensee of the Marks included in these Rights licensed to You under this Agreement and that Your right to use the Licensed Rights is derived solely from this Agreement and is limited to the conduct of the Franchised Business by You pursuant to and in compliance with this Agreement and all applicable standards, specifications, and operating procedures prescribed by Us from time to time during the term of this Agreement. Any unauthorized use of the Marks by You constitutes a material breach of this Agreement and an infringement of Our and Our affiliate's rights in and to the Marks. You acknowledge and agree that all usage of the Marks by You and any goodwill established by Your use of the Marks shall inure to Our and Our affiliate's exclusive benefit and that this Agreement does not confer any goodwill or other interests in or to the Marks upon You. You shall not, at any time during the term of this Agreement, or after its termination or expiration, contest the validity or ownership of any of the Marks or assist another person in contesting the validity or ownership of any of the Marks. All provisions of this Agreement applicable to the Marks apply to any additional trademarks, service marks, trade names, trade dress, trade symbols, signs, slogans, associated logos, designs, emblems, e-marks, copyrights, and commercial symbols authorized for use by and licensed to You by Us after the date of this Agreement.

(b) You shall not use any of the Marks as part of any corporate or trade name, or with any prefix, suffix, or other modifying words, terms, designs, or symbols, or in any modified form, nor may You use any of the Marks in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Us. You agree to give such notices of trademark and service mark registrations as We specify and to obtain such fictitious or assumed name registrations as may be required under applicable law or as requested by Us. You shall not use or seek to register any of the Marks in any manner that has not been specified or approved by Us in advance.

(c) You shall immediately notify Us in writing of any apparent infringement of or challenge to Your use of the Marks, of which You become aware, and of any claim by any person of any right in the Marks or any similar trade names, trademarks, or service marks, trade dress, trade symbols, signs, slogans, associated logos, designs, emblems, e-marks, copyrights and commercial symbols of which You become aware. You shall not directly or indirectly communicate with any person other than Us, Our affiliate and Our counsel in connection with any such infringement, challenge, or claim. We and Our affiliate shall have sole discretion to take such action as We deem appropriate and shall have the right to exclusively control any litigation, U.S. Patent and Trademark Office proceeding, or other judicial or administrative proceeding arising out of such infringement, challenge or claim or otherwise relating to the Marks. You agree to execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Our

counsel, be necessary or advisable to protect and maintain Our and Our affiliate's interests in any such litigation, U.S. Patent and Trademark Office proceeding, or other judicial or administrative proceeding, or to otherwise protect and maintain Our and Our affiliate's interest in the Marks.

(d) If it becomes advisable at any time in Our or Our affiliate's discretion for Us and/or You to modify or discontinue use of the Marks, and/or use one or more additional or substitute trade names, trademarks, service marks, trade dress, trade symbols, signs, slogans, associated logos, designs, emblems, e-marks, copyrights or other commercial symbols, You agree to comply with Our directions within the time period We specify after notice to You. We shall have no liability or obligation whatsoever with respect to Your modification or discontinuance of the Marks. We may, but will not be obligated to, reimburse You the tangible costs for modifying or changing the Marks, limited to changing advertising materials.

## **20. MODIFICATION OF THE SYSTEM**

You recognize and agree that from time to time We may change or modify Our System Standards and Our business in any manner that is not expressly and specifically prohibited by this Agreement including, but not limited to, the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new computer programs and systems, new types or brands of products or services, new equipment requirements or new techniques and that You will accept, use and/or display for the purpose of this Agreement any such changes in Our System, as if they were part of this Agreement at the time of execution. Whenever We have expressly reserved in this Agreement or are deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant You a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, We may make such decision or exercise Our right and/or discretion on the basis of Our judgment of what is in Our best interests, including without limitation Our judgment of what is in the best interests of the SHEENCO TRAVEL System, at the time Our decision is made or Our right or discretion is exercised. Any new or different requirements imposed will not unreasonably increase Your obligations or place an excessive economic burden on Your operations, or otherwise alter Your status or rights under this Agreement. You will make such expenditures for such changes or modifications in Our System as We may reasonably require. You shall not change, modify or alter in any way any material aspect of Our System, without Our prior written consent.

## **21. ADVERTISING AND PROMOTIONS**

(a) We charge a Brand Fund Fee as outlined in Section 7 (f) of this Agreement.

(b) The Brand Fund is administered by Us. We, in Our sole discretion will be responsible for (i) developing and placing advertising for the benefit of Our entire System; (ii) deciding which media to use and under what terms; (iii) preparing an in-house statement of the income and expenses of the Brand Fund which will be prepared annually and will be made available to You upon written request and the cost of preparing the statements will be paid by the Brand Fund; (iv) securing the services of advertising agencies or other marketing professionals; and (v) limiting expenditures from the Brand Fund, to the extent possible, to those areas in which franchisees are contributing to the Brand Fund. Funds not spent in any given fiscal year will be carried forward to the next year. We reserve the right to place additional local, regional or national advertising at Our expense. All U.S. based Franchisor-owned units or affiliate-owned units operating under the SHEENCO TRAVEL Mark will contribute to the Brand Fund on the same basis as franchised units. The Brand Fund may be used annually to reimburse Us or Our designees for advertising-related administrative and management costs, indirect expenses and subsidizing costs. As the

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SHEENCO TRAVEL System expands, We may establish an advertising council. No portion of the Brand Funds collected will be used principally to sell franchises. However, a brief statement about availability of information regarding the purchase of SHEENCO TRAVEL franchises may be included in advertising and other items produced and/or distributed using the Brand Fund. The Brand Fund may elect to assist in the marketing of franchises in otherwise weak markets, and to assist franchises that are slow to ramp up by providing additional marketing support.

(c) We will maintain separate bookkeeping accounts for the Brand Fund and may but will not be required to cause Brand Fund contributions to be deposited into one or more separate bank accounts. The Brand Fund is not a trust, and We are not a fiduciary or trustee of the Brand Fund or the monies in the Brand Fund. However, We may, in Our discretion, separately incorporate the Brand Fund or create an Brand Fund trust, over which We may be the trustee, into which Brand Fund contributions may be deposited.

(d) We recommend that You spend a minimum of five hundred (\$500) per month on local advertising and promotions as outlined in the Operations Manual. You may do Your own advertising, or hire an advertising agency, but in either event, You must obtain Our prior written approval of all advertising and promotional plans and materials that You desire to use at least thirty (30) days before the implementation of such plans, unless such plans and materials have been previously approved by Us. You shall submit such plans and materials to Us by personal delivery, email, through the mail, "Return Receipt Requested" or sent by overnight delivery paid for by sender. You shall not use such plans or materials until they have been approved by Us in writing and shall promptly discontinue use of any advertising or promotional plans and materials upon Our request. Any plans or materials submitted by You to Us that have not been approved or disapproved, in writing, within thirty (30) days of receipt thereof by Us, shall be deemed disapproved.

(e) You may participate, and are encouraged to participate, in other local, regional, and national programs related to sales promotions which We have established or approved. You will bear the cost of participating in any such program.

(f) Unless granted specific written permission to the contrary, Your advertising activity is limited to direct mail, print and broadcast media, speaking engagements, networking events and other types of activity designed to encourage and solicit business. You and all other SHEENCO TRAVEL franchisees will honor the integrity of any Guest Accounts acquired by others. Neither We nor You nor Our other SHEENCO TRAVEL franchisees will knowingly solicit any Guest Accounts that are presently being serviced by another SHEENCO TRAVEL Business. We may restrict You from marketing and promoting in certain venues that other SHEENCO TRAVEL franchisees are actively using for marketing and advertising programs. In some states Your Seller of Travel regulations may restrict where You may solicit and sell services; otherwise, Your Guests can come from anywhere. If You reside in an area where We have other franchisees that are actively promoting and marketing their business, We may restrict You from marketing and promoting in certain venues. Actively promoting and marketing means that the franchisee is engaging in regular and ongoing advertising and marketing activities.

(g) We reserve the right to require You to cooperate and participate in certain special promotional events or campaigns that may from time to time be sponsored by Us, other franchisees, or both.

(h) Immediately upon notification, You shall discontinue any advertising that would, in Our sole opinion, be detrimental to the SHEENCO TRAVEL System, Marks, Us, Our affiliates or other franchisees. You agree that upon termination, transfer, or expiration of this Agreement, You shall

immediately remove all advertising that You control and notify all advertising sources that Your advertising must be removed and/or canceled immediately. For advertising that cannot be immediately canceled, You are responsible for any and all costs related to such advertising until such time as it can be canceled or it expires.

(i) We have the power to require Advertising Cooperatives to be formed, changed, dissolved or merged. If an Advertising Cooperative is established, We may designate a geographic area in which three (3) or more Franchised Businesses are located as an area in which to establish an Advertising Cooperative. The Advertising Cooperative's members will include all SHEENCO TRAVEL businesses operating in the geographic area, including Us and Our affiliates, if applicable. We may also require that You join an existing Advertising Cooperative operating in a geographic area encompassing or near Your Franchised Business. We will determine how any Advertising Cooperative is organized and governed, but the Advertising Cooperative's members are responsible for its administration and determination of contribution levels. All Advertising Cooperatives will be governed by written documentation generated and/or designated by Us. Such documentation is available for Advertising Cooperative member review. If an advertising cooperative is established Your participation will be funded by You and may be considered part of Your recommended local advertising spend as required in Section 21(d) hereof. The terms of the cooperative advertising will be established by Us at the time it is established. Funds contributed to an Advertising Cooperative will not be utilized to solicit new franchise sales.

(j) You, Your Owners and each of Your Employees agree that We and Our affiliates have the right and permission to make, use and publish the photographs/film/videotapes/electronic representations and/or sound recordings made in connection with Our training, marketing, events, and other materials utilized or developed in connection with the System and We and Our affiliates are authorized to reproduce, copyright, exhibit, broadcast, and distribute the photographs/film/videotapes/electronic representations and/or sound recordings at Our discretion without limitation and compensation. You will cooperate in securing photographs, video and voice recordings including obtaining consents from any persons appearing in photographs, video and voice recordings.

## **22. FINANCIAL INFORMATION, AUDITS**

(a) You shall keep and maintain during the term of this Agreement and any renewal periods and shall preserve for a minimum of seven (7) years thereafter, full, complete and accurate books of account in accordance with generally accepted accounting standards and practices, which books shall accurately reflect all revenue of the Franchised Business; and any and all deductions expressly permitted by this Agreement; marketing activities; payroll; and accounts payable.

(b) You shall, at Your expense, deliver to Us within thirty (30) days of the end of each of Your fiscal years, a complete financial statement for such fiscal year in such form as We may require, including, without limitation, both an income statement and balance sheet, which may be unaudited, together with reports of all revenue of the Franchised Business from that year's operations and all amounts expended on advertising as well as such other information as We require. Each financial statement shall be signed by You or by Your Treasurer, Managing Member or Chief Financial Officer, who shall attest that the statement is true and correct and prepared in accordance with Our requirements.

(c) You shall permit Our authorized personnel to inspect, examine, compile, review and/or audit all of Your business records relating to Your Franchised Business, including but not limited to financial documents and tax returns, at any time during normal business hours without any

prior notice.

(d) You shall also permit accountants designated by Us to audit Your books of accounts. In the event that We find that You have understated the amount due to Us by five percent (5%) or more, or that any such understatement has been made deliberately, such understatement shall constitute an Event of Default and be considered a Material Breach of this Agreement as defined in Section 32(d)(iv) of this Agreement.

(e) Any inspection or audit of business records or books of accounts is solely for determining Your compliance with Your contractual obligations and does not constitute control over Your day-to-day operation of the Franchised Business.

(f) The provisions of this Section 22 shall survive the termination or expiration of this Agreement.

### **23. INDEMNIFICATION; INSURANCE**

(a) You understand and agree that nothing in this Agreement authorizes You to make any contract, agreement, warranty or representation on Our behalf, or to incur any debt or other obligation in Our name. You further understand and agree that We shall in no event assume liability for or be deemed liable under this Agreement as a result of, any such action or by reason of any act or omission of Yours in Your conduct of the Franchised Business or otherwise, or for any claim or judgment against Us arising from Your operation of the Franchised Business. You shall indemnify, defend and hold Us harmless and hold harmless Our officers, directors, shareholders, members, managers and Employees, and agents from and against any and all claims, costs, obligations, and causes of action, arising directly or indirectly from any act or omission of Yours or any of Your shareholders, directors, members, managers, officers, Employees, representatives or agents, as a result of, or in connection with, Your operation of the Franchised Business, the actions of any of Your shareholders, directors, members, managers, officers, Employees, representatives or agents, or any action arising from an allegation of a violation of labor or employment law; or by reason of any act occurring on, at or from the premises of the Franchised Business or by reason of an omission relating to the operation of the Franchised Business, as well as the costs, including reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses We incur in defending against such claims or actions. As between Us and You, You are solely responsible for the safety and well-being of Your Employees and the Guests of the Franchised Business. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement or any renewal term.

(b) You agree to maintain insurance as follows:

(i) With respect to all insurable properties, You shall maintain or cause to be maintained, all-risk property insurance against loss or damage to business and personal property of the Franchised Business in amounts not less than the replacement cost of such property;

(ii) You shall maintain or cause to be maintained commercial general liability insurance, including premises liability, hired and non-owned-auto, products and completed operations and contractual liability, covering claims for bodily injury or property damage caused as a result of the operation of the Franchised Business and pursuant to this

Agreement in amounts not less than One Million Dollars (\$1,000,000.00) for each occurrence and Two Million Dollars (\$2,000,000.00) general aggregate. Coverage must be written on an occurrence basis only, not claims-made;

(iii) You shall maintain or cause to be maintained workers' compensation insurance without exclusion of principal owners who actively work in the Franchised Business, in such amounts as may now or hereafter be required by any applicable law, and shall withhold from the pay of any of Your Employees and pay any and all amounts required to be so paid for unemployment compensation, disability, Social Security, and other such federal, state and/or local taxes imposed upon You as an employer;

(iv) You shall maintain or cause to be maintained an umbrella policy as extended coverage to the commercial general liability and employer's liability insurance in amounts not less than One Million Dollars (\$1,000,000.00) for each occurrence and One Million Dollars (\$1,000,000.00) general aggregate;

(v) You shall maintain or cause to be maintained a professional liability insurance which must include privacy in amounts not less than One Million Dollars (\$1,000,000.00) for each occurrence and One Million Dollars (\$1,000,000.00) general aggregate;

(vi) You shall maintain or cause to be maintained data breach/cyber liability insurance in amounts not less than Two Hundred Fifty Thousand Dollar (\$250,000.00);

(vii) You shall maintain or cause to be maintained employment practices liability insurance in amounts not less than Twenty-Five Thousand Dollar (\$25,000.00);

(viii) If these insurance policies are claims-made, You shall maintain an extended reporting period for a minimum of three (3) years after expiration or termination of this Agreement; and,

(ix) Such other insurance that may be required by the statutes or other laws of the state or province or any local governmental entity in which Your Franchised Business is located and operated.

(c) All insurance policies required under this Agreement shall be written by an insurance company satisfactory to Us. All policies of liability insurance shall insure and name Us as an additional insured/loss payee and shall protect Us against any liability that may accrue by reason of the ownership, maintenance or operation by You of the Franchised Business.

(d) We reserve the right to increase the minimum limits listed above as well as to change or add new types of required coverage as set forth in greater detail in the Operations Manual.

(e) Your obligation to obtain and maintain or cause to be maintained the foregoing policy or policies of insurance shall not be limited in any way by reason of any insurance that may be maintained by Us, nor shall Your performance of this obligation relieve You of liability under the indemnity provision set forth in this Agreement. You shall deliver to Us certificates of insurance evidencing Your compliance no less than ten (10) days prior to opening the Franchised Business. Such proof of insurance shall include a statement by the insurer that the policy or policies will not be cancelled or materially altered without giving at least thirty (30) days prior written notice to Us. You must submit to Us at least annually, and otherwise upon request by Us, a copy of the certificate of renewal or other evidence of the renewal, existence or extension of such insurance policies.

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(f) Should You, for any reason, fail to procure or maintain the insurance required by this Agreement, You shall be considered in Material Breach of this Agreement. In such event, We shall then have the right and authority (but not the obligation) to procure such insurance and to charge the cost of such insurance to You, which charges, together with a reasonable fee for Our expenses in taking such action, shall be payable by You immediately upon notice from Us.

## **24. BUSINESS ORGANIZATION AND PERSONAL GUARANTY(S)**

(a) If You are an individual or individuals, then You acknowledge and agree that the grant of license in Section 3 is made by Us in reliance on Your personal attributes and in consideration of the trust and confidence which We place in You, and on Your representation that You will actively and substantially participate personally in the beneficial ownership and management of the SHEENCO TRAVEL Franchised Business.

(b) In the event You are a business entity (including but not limited to a corporation, a limited liability corporation, a partnership, a limited liability partnership, a trust), in addition to being newly formed, You must complete and sign the Principal Owner's Statement attached to this Agreement as Addendum D and each individual with an ownership interest in You must also sign Addendum D. Further, You represent, warrant and covenant that:

(i) You are newly formed, duly organized and validly exist under the laws of the state in which You were formed;

(ii) You are duly qualified and are authorized to do business in each jurisdiction in which Your business activities or the nature of the properties owned by You require such qualification;

(iii) The execution of and transactions contemplated by this Agreement are within Your powers;

(iv) The ownership interests in You are accurately and fully listed in Addendum D;

(v) Each and every person with an ownership interest in You shall sign the Guaranty Agreement attached to this Agreement as Addendum C and You shall provide the original signed Guaranty Agreement to Us;

(vi) The stated purpose of the business entity shall consist only of the development, ownership, operation and maintenance of the SHEENCO TRAVEL Franchised Business;

(vii) You shall not issue any additional stock, membership, or interests in You and no individual with ownership interest in You shall transfer, assign or pledge any ownership interest in You without Our prior written consent, which shall not be unreasonably withheld, and a legend setting forth such restriction on transfers shall be contained in the business entity's organizational and governing documents and other appropriate documents such as certificates and stocks. In giving Our consent, We shall have the right (but not the obligation) to impose one or more reasonable conditions;

(viii) In the event the ownership interests in You changes, You must provide an updated Addendum D to Us prior to the change and the new recipient(s) of an ownership interest in You must sign the Guaranty Agreement attached to this Agreement as Addendum C;

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(ix) Prior to Our signing of this Agreement, You shall deliver to Us photocopies of the organizational and governing documents and other documents such as certificates and stocks reflecting compliance with the provisions of this Subsection 24(b); and,

(x) Operation of Franchised Business is within the use for which the business entity is authorized in the jurisdiction in which the Franchised Business shall be conducted.

(c) If You are a business entity, You must appoint an individual owner as Your operating principal ("Operating Principal") who must have authority over all business decisions related to Your Franchised Business and must have the power to bind You in all dealings with Us. Your Operating Principal must have at least a fifty one percent (51%) ownership interest in Your business entity. You must provide Us with written notice of Your Operating Principal at least thirty (30) days prior to opening and may not change Your Operating Principal without Our prior written approval.

(d) We do not require Your spouse or domestic partner to sign this Agreement or Guaranty Agreement, but We do require that Your spouse or domestic partner sign a Non-Disclosure and Non-Competition Agreement, in the form We designate.

## **25. COVENANTS OF NON-SOLICITATION, NON-DISCLOSURE AND NON-COMPETITION**

(a) You, and persons controlling, controlled by or under common control with You, specifically acknowledge that, pursuant to this Agreement, You will receive valuable specialized training, trade secrets, and Confidential Information, including, without limitation, information regarding the management, operations, marketing, advertising, and related information, materials, methods and techniques of Franchisor and Our System which are beyond the present skills and experience of You and Your managers and Employees, and that the value of this information arises not only from the time, effort and money that went into its compilation but also from its usage by all franchisees. You acknowledge that such specialized training, trade secrets, and Confidential Information provide a competitive advantage and will be valuable to You in the operation of the Franchised Business, and that gaining access to such specialized training, trade secrets, and Confidential Information is therefore a primary reason why You are entering into this Agreement. In consideration for such specialized training, trade secrets, Confidential Information and exclusive rights described above, You and persons controlling, controlled by or under common control with You agree and covenant that during the term of this Agreement and for a continuous uninterrupted period commencing upon the effective date of expiration or termination of this Agreement or the date that You begin to comply with this Section, whichever is later, and for two (2) years thereafter, except as otherwise approved in writing by Us, You shall not, either directly or indirectly, for You, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or other business entity:

(i) solicit, divert or attempt to solicit or attempt to divert any business or Guest of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act deemed by Us to be injurious or prejudicial to the goodwill associated with the Licensed Rights and Our System; or

(ii) own, manage, maintain, operate, engage in, advise, consult with, invest in, be employed by or perform services as a director, officer, manager, representative, agent, or otherwise, or have any direct or indirect interest in any business (a) specializing, in whole or in part, in offering to the public substantially similar products and/or services to those



products and/or services offered by Your Franchised Business prior to the termination or expiration of this Agreement (a “Competitive Business”) or (b) which is granting franchises or licenses to others to operate a Competitive Business.

(b) At any time, during the term of this Agreement or thereafter, You shall not, either directly or indirectly, for You, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or other business entity, use, in connection with the operation of any business other than the Franchised Business, any of the Licensed Rights, or any other names, marks, systems, insignias, or symbols provided or approved by Us to You pursuant to this Agreement, or cause or permit any such business to look like, copy or imitate a SHEENCO TRAVEL Franchised Business or to be operated in a manner tending to have such effect.

(c) You expressly acknowledge that You possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, You acknowledge that enforcement of the covenants made in this Section will not deprive You of Your personal goodwill or ability to earn a living.

(d) It is the express intention of the parties to this Agreement to comply with all laws applicable to the covenants contained in this Agreement. If any of the covenants contained in this Section are found to exceed in duration, geography or scope those permitted by applicable law, the parties expressly agree that such restrictive covenant may be reformed or modified by the final judgment of a court of competent jurisdiction or other lawful constituted authority to reflect a lawful and enforceable restriction, whether in duration, geography or scope, and that the covenants contained in this Section 25 shall automatically be deemed to be amended and modified so as to comply with the judgment or order of such court or authority to the maximum extent permitted. If any one or more of the provisions contained in this Section 25 shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if it never contained such invalid, illegal or unenforceable provisions.

(e) You understand and acknowledge that We shall have the right, in Our sole discretion, to reduce or limit the duration, geography or scope of any covenant set forth in this Section of this Agreement, or any portion thereof, without Your consent, effective immediately upon notice to You; and You agree that You shall comply from that point forward with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 50 hereof.

(f) You expressly agree that the existence of any claims You may have against Us, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Us of the covenants in this Section. You further agree that We shall be entitled to set off from any amount owed by Us to You any loss or damage to Us resulting from Your breach of this Agreement.

(g) You understand and agree that the restrictions contained in this Section are reasonable and necessary to protect Our legitimate business interests.

(h) Nothing contained in this Agreement shall prevent You from owning less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly traded corporation listed on a recognized national stock exchange or NASDAQ.

(i) You acknowledge and agree that any failure by You to comply with the requirements of this Section shall constitute a material Event of Default under this Agreement; that such failure will cause Us irreparable injury and that money damages will not adequately compensate Us; and

that We are entitled to enforce this Section by temporary restraining order and/or temporary, preliminary and/or permanent injunction, and/or specific performance, without the necessity of posting bond. This relief will be in addition to any other relief We may have under federal and/or state law. You agree to pay all court costs and reasonable attorneys' fees incurred by Us in enforcing Our rights under this Section.

(j) In addition to any other remedies or damages allowed under this Agreement and/or by law, if You breach any of the covenants set forth in Subsections 25(a) and (b), You shall pay Us a fee equal to Our then-current Initial Franchise Fee for each Competitive Business identified plus three percent (3%) of such Competitive Business' Net Sales until expiration of the non-competition period set forth in this Section.

(k) During the term of this Agreement, any of Our officers or area supervisors shall have the right to inspect any business interest in which You, a partner, co-owner or Employee has an interest, at reasonable times and during normal business hours, to the extent reasonably necessary to determine whether the conditions of this Section are being satisfied. If, by reason of such inspections or otherwise, We have reason to believe that You are in default of this Section 25, and You are so notified by Us, You shall have the burden of establishing that You are not in default. You shall respond to any default notice under this Section within five (5) days. With regard to any such default, We shall have the right to pursue any and all rights of remedy and enforcement available to Us, either at law or in equity, and You shall immediately take all steps to cure said default in a manner satisfactory to Us.

The provisions of this Section shall survive any termination or expiration of this Agreement or any renewals.

## **26. CONFIDENTIALITY**

(a) You, and persons controlling, controlled by or under common control with You, shall hold in confidence Our System and shall not disclose any part of Our System to any individual or entity. It is understood and agreed that Our System would, if used by other individuals or entities, confer on them a substantial competitive advantage, which advantage is presently enjoyed by Us. Accordingly, You agree that You shall not at any time, without Our prior written consent, disclose (except to such Employees or agents as must reasonably have access to such information in order to establish or operate the Franchised Business and who have signed confidentiality agreements, in a form approved by Us) or use or permit the use of Our System, or any part, except as may be required by applicable law or as authorized by this Agreement.

You acknowledge and agree that any form of confidentiality agreement is a form of agreement only and that it may or may not be enforceable in a particular jurisdiction. You agree that You are solely responsible for obtaining Your own professional advice with respect to the adequacy of the terms and provisions of any confidentiality agreement You require Your Employees, agents and independent contractors to sign.

(b) You, and persons controlling, controlled by or under common control with You, shall at all times use Your best efforts to keep confidential the Operations Manual, any other manuals or materials designated for use with Our System and such other information as We may designate for confidential use with Our System, as well as all other trade secrets, if any, and Confidential Information, knowledge and business know-how concerning the establishment or operation of the Franchised Business that may be imparted to, or acquired by, You in connection with this Agreement. You acknowledge that the unauthorized use or disclosure of such Confidential

Information (and trade secrets, if any) will cause incalculable and irreparable injury to Us. Any and all information, knowledge and know-how, not generally known in the travel business, about SHEENCO TRAVEL's products, equipment, services, standards, specifications, systems, procedures and techniques, and such other information or materials as We may designate as confidential, shall be deemed confidential and proprietary for purposes of this Agreement, except information that You can demonstrate came to Your attention prior to disclosure thereof by Us or that is or has become a part of the public domain through publication or authorized communication by others. The Operations Manual, any other manuals or materials designated for use with Our System, and all Confidential Information (and trade secrets, if any) shall at all times be deemed to be, and shall remain, Our sole property, and You shall acquire no rights, title or interest therein by virtue of Your authorization pursuant to this Agreement to possess and use them.

YOU ACKNOWLEDGE AND AGREE THAT OUR CONFIDENTIAL INFORMATION INCLUDES, BUT IS NOT LIMITED TO: THE TERMS AND CONDITIONS OF THIS AGREEMENT; THE CONTENTS OF THE OPERATIONS MANUALS, TRADE SECRETS, AND ANY COMPONENT OF OUR SYSTEM THAT DOES NOT CONSTITUTE A TRADE SECRET BUT THAT OTHERWISE MEETS THE DEFINITION OF "CONFIDENTIAL INFORMATION." The provisions of this Section shall survive any termination or expiration of this Agreement or any renewals thereof.

## **27. NON-DISCLOSURE AND NON-COMPETITION AGREEMENTS**

You shall cause any person who is actively involved as a partner, co-owner or Employee, as defined in Section 12 of this Agreement, in the Franchised Business, at the time such person enters Your employment, to enter into a non-disclosure, non-solicitation and non-competition agreement, in a form approved by Us or as We otherwise provide. You acknowledge and agree that any form of non-disclosure, non-solicitation and non-competition agreement is a form of agreement only and that it may or may not be enforceable in a particular jurisdiction. You agree that You are solely responsible for obtaining Your own professional advice with respect to the adequacy of the terms and provisions of any non-compete agreement You require Your Employees, agents and independent contractors to sign.

You shall use Your best efforts to prevent any such persons from using, in connection with the operation of any competing business wherever located, any of the Licensed Rights or from operating any competing business that looks like, copies or imitates any SHEENCO TRAVEL Franchised Business or operates in a manner tending to have such effect. If You have reason to believe that any such person has violated the provisions of the non-disclosure, non-solicitation and non-competition agreement, You shall immediately notify Us and shall cooperate with Us to protect Us against infringement or other unlawful use of the Licensed Rights, including, but not limited to, the prosecution of any lawsuits if, in the judgment of Our counsel, such action is necessary and advisable.

The provisions of this Section shall survive any termination or expiration of this Agreement or any renewals thereof.

## **28. ASSIGNMENT; CONDITIONS AND LIMITATIONS**

If You are not an individual, the terms of this Section and of Section 31 hereof, shall also be deemed to apply to any management agreement, sale, resale, pledge, assignment, transfer or encumbrance of voting stock of, or other ownership interest in You which would, alone or together with other related, previous, simultaneous or proposed transfers, result in a change of ownership

or management “control” of You.

As used in this Agreement, the term “transfer” includes Your (or an Owner’s) voluntary, involuntary, direct or indirect, assignment, sale, gift, or other disposition of any interest in (1) this Agreement, (2) the Franchisee entity, (3) the Franchised Business governed by this Agreement, or (4) all or a substantial portion of the assets of the Franchised Business. It also includes an assignment of day-to-day operational responsibilities for the Franchised Business pursuant to an operating agreement or otherwise. A transfer of the Franchised Business’ ownership, possession, or control, or all or a substantial portion of Your assets, may be made only with a transfer of this Agreement which complies with the terms of this Agreement.

(a) You shall not, directly or indirectly, sell, assign, transfer, or encumber this Agreement, the Franchise, the Licensed Rights, or any other interest hereunder, nor shall You suffer or permit any such assignment, transfer or encumbrance to occur, by operation of law or otherwise, without obtaining Our prior written consent and complying with the terms of Section 31.

(b) In the event You or Your successor is not an individual, You agree and acknowledge as follows:

(i) The Articles of Incorporation (or other corporate charter pursuant to which You were formed) and the Bylaws or Operating Agreement (or regulations or other instrument for the governance of the entity), or the Partnership Agreement, or other instruments pursuant to which You were created, reflects that the issuance and transfer of voting stock or other ownership interest therein (“securities”) is restricted by the terms of this Agreement. You shall furnish Us at the time of execution of this Agreement or of assignment to the corporation, limited liability company, partnership or other entity, an agreement executed by all stockholders, partners, members and other owners of any equity interest in You, stating that none of such entities will sell, assign or transfer voluntarily or by operation of law any securities of Franchisee to any other entity, other than existing stockholders or partners to the extent permitted hereunder, without Our prior written consent. All securities issued by You will bear a legend in substantially the following form, which shall be printed legibly and conspicuously thereon:

“TRANSFER OF THESE SECURITIES IS SUBJECT TO CERTAIN  
RESTRICTIONS CONTAINED IN A FRANCHISE AGREEMENT BETWEEN  
SHEENCO TRAVEL FRANCHISE, INC. AND  
\_\_\_\_\_, DATED \_\_\_\_\_, 20\_\_.”

A stop transfer order shall be in effect against the transfer of any securities on Your records except transfers permitted by this Agreement.

(c) You acknowledge and agree that the restrictions on transfer imposed herein are reasonable and are necessary to protect Our Franchise System; SHEENCO TRAVEL trade secrets and operating procedures; SHEENCO TRAVEL’s general high reputation and image; the Licensed Rights; as well as You and other SHEENCO TRAVEL franchisees. Any assignment or transfer permitted by this Agreement shall not be effective until We receive a completely executed copy of all transfer documents and consent to such transfer in writing. Under no circumstances will You have a right to transfer under this Agreement before the Franchised Business has commenced operations.

(d) Your performance is of vital importance to the market position and Our overall image, and there are many subjective factors that comprise the process by which We select a suitable

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franchisee. Our consent to a transfer or assignment by You of the Franchise and Franchised Business shall, in addition to the other restrictions and requirements herein noted, remain a subjective determination and shall consider, but not be limited to, whether:

- (i) All obligations of Yours under this Agreement and all other franchise documents, and the relationship created under those agreements are being assumed by the transferee;
- (ii) All ascertained debts of Yours to Us and Our affiliates have been paid;
- (iii) You, at the time of the request to transfer and as of the date of transfer, are not in default under this Agreement or any other franchise agreement;
- (iv) Except for other SHEENCO TRAVEL franchisees, the proposed transferee does not operate or participate in an entity that operates a franchise, license, or other business offering products and/or services similar to those offered by the Franchised Business;
- (v) The proposed transferee meets all of Our requirements for new franchisees, including, but not limited to, good reputation and character, experience, business acumen, operational ability, financial strength and stability, willingness and ability to devote full time and best efforts to the operation of the Franchised Business and other business considerations as We may reasonably apply in evaluating new franchisees. We must be provided all information about the proposed transferee as We may reasonably require;
- (vi) You provide Us with all information We may require concerning the proposed transaction (including a copy of the purchase agreement and all related documents), and the proposed transferee. We shall have the right to approve the material terms and conditions of the transfer, including, without limitation, the right to confirm that the price and terms of payment are not so burdensome as to affect adversely the transferee's operation of the Franchised Business.
- (vii) The proposed transferee executes or, in appropriate circumstances, causes all necessary parties to execute Our then-current standard form of franchise agreement (provided that such execution will not serve to extend the then-remaining term of the franchise) and such other then-current ancillary agreements being required by Us of new franchisees on the date of transfer;
- (viii) You, except to the extent prohibited by state law, have executed a general release of any and all claims against Us and Our subsidiaries and affiliates, and Our respective officers, directors, agents and employees;
- (ix) You or proposed transferee have paid to Us a non-refundable Transfer Fee equal to One Thousand Dollars (\$1,000.00) to cover Our reasonable costs in effecting the transfer and in providing training and other initial assistance to transferee;
- (x) If You are providing financing to the proposed transferee for any part of the purchase price, You have agreed that all of the proposed transferee's obligations under promissory notes, agreements or security interests reserved in the Franchised Business are subordinate to the proposed transferee's obligation to pay fees and other amounts due to Us and otherwise to comply with the Franchise Agreement; and,

- (xi) You will abide by all post-termination covenants including, without limitation, the covenant not to compete set forth in Section 25 and confidentiality set forth in Section 26.

We may expand upon, and provide more details related to, the conditions for transfer and Our consent as described in this Section and may do so in the Operations Manual or otherwise in writing.

- (e) If You pursue but do not complete a transfer which has caused Us to incur costs and expenses in reviewing and documenting the proposed transfer, You must reimburse Us for these costs and expenses.

- (f) This Agreement shall inure to Our benefit, and Our successors and assigns, and We shall have the right to transfer or assign without Your consent all or any part of Our interest in this Agreement to any person or legal entity who in Our good faith judgment has the willingness and capacity to assume Our obligations.

- (g) Notwithstanding the provisions of Subsection (c) above, if You are an individual, You may request to transfer this Agreement to a business entity formed by You after the effective date of this Agreement in which You are the sole owner. Our consent will not be unreasonably withheld.

## **29. DEATH, DISABILITY OR PERMANENT INCAPACITY OF FRANCHISEE**

In the event of Your death or permanent disability or that of any person with a controlling interest in You, the executor, administrator, or personal representative of that person shall transfer his or her interest to a third party approved by Us within six (6) months after such death or permanent disability. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same restrictions and conditions as any *inter vivos* transfer. However, in the case of a transfer by devise or inheritance, if the heirs or beneficiaries of any deceased person are unable to fully satisfy the conditions contained in this Agreement, the personal representative of the deceased Franchisee shall have a reasonable time, in Our sole discretion, to dispose of the deceased's interest in the Franchise, which disposition will be subject to all the terms and conditions for transfer contained in this Agreement. If the deceased's interest is not transferred within a reasonable time, as determined by Us in Our sole discretion, We may terminate this Agreement. The term "permanent disability" shall mean a mental, physical or emotional disability, incapacity, impairment, or condition that is reasonably expected to prevent or actually does prevent You (or an Owner controlling You) from supervising the management and operation of the Franchised Business for a period of one hundred and twenty (120) days from the onset of such disability, incapacity, impairment or condition. In any event, the Franchised Business must at all times be managed by a designated manager who has complied with all of Our training requirements, regardless of any death or permanent disability covered by this Section.

## **30. OPERATION OF FRANCHISED BUSINESS IN THE EVENT OF ABSENCE, INCAPACITY OR DEATH**

In order to prevent any interruption of the business of the Franchised Business which would cause harm to such business and thereby depreciate its value, You authorize Us, in the event that You are absent or incapacitated or die, and are not, therefore, in Our sole judgment, able to operate the Franchised Business, to operate said business for so long as We deem necessary and practical, and without waiver of any other rights or remedies We may have under this Agreement; provided, however, that in the event that We commence to operate the Franchised Business, We shall not

be obligated to operate the Franchised Business for a period of more than one hundred twenty (120) days. All monies from the operation of the Franchised Business during the period of Our operation shall be maintained in a separate account. All Commissions earned on new travel bookings placed by Our representatives and the expenses of the Franchised Business, including reasonable compensation and expenses for Our representatives, shall be charged to such account. If, as provided in this Section 30, We temporarily operate the Franchised Business, You agree to indemnify and hold Us harmless, and hold harmless any representative of Ours who may operate the Franchised Business, from any and all claims arising from the acts and omissions of Us and Our representative arising from such operation.

### **31. FRANCHISOR RIGHT OF FIRST REFUSAL**

If You receive from a third party, and desire to accept, a bona fide written offer to purchase Your business, franchise and interests in the Franchised Business (or seek to effect a sale of the Franchised Business), We shall have a right of first refusal, exercisable by written notice to You furnished within thirty (30) days after written notice and receipt of a copy of such offer and the other information set forth in this Section, to purchase such business, franchise and interests on the same financial terms and conditions as offered to or by such third party; provided further that We may substitute cash for any other form of payment proposed in such offer. In order that We may have information sufficient to enable Us to determine whether to exercise Our right of first refusal, You shall deliver to Us, to the extent requested by Us, certified financial statements as of the end of Your most recent fiscal year, any financial statements prepared by or for You since the end of such fiscal year and such other information about the business and operations of Franchised Business as You have provided or will make available to such third party. If We do not exercise Our right under this Section 31, You may, within ninety (90) days from the expiration of the option period, sell, assign and transfer Your business, franchise and interests hereunder but only upon the same terms and conditions proposed to Us and provided We have consented to such transfer as required by Section 28 hereof.

If You fail to make such sale, assignment or transfer within this ninety (90) day period, or if there is any material change in the terms of the offer, it shall trigger a new right of first refusal period. Failure by Us to exercise the option afforded by this Section shall not constitute a waiver of any other provisions of this Agreement, including all of the requirements of Section 28 hereof, with respect to the proposed transfer.

If You are not an individual, this right of first refusal shall apply to any management agreement, sale, resale, pledge, assignment, transfer or encumbrance of the voting stock of, or other ownership interest in You which would, alone or together with other related, previous, simultaneous or proposed transfers, result in a change of "control" of Franchisee.

### **32. TERMINATION OF AGREEMENT.**

(a) BY YOU. If You and Your Owners are in compliance with this Agreement and We materially fail to comply with this Agreement and do not correct such failure within sixty (60) days after written notice of such material failure is delivered to Us, You may terminate this Agreement effective thirty (30) days after delivery to us of written notice of termination. Your termination of this Agreement for any other reason or without such notice will be deemed null and void.

(b) IMMEDIATE TERMINATION. You are in material breach of this Agreement, and this Agreement will automatically terminate without notice, if You:

- (i) become insolvent by reason of your inability to pay Your debts as they mature;
- (ii) if You are adjudicated bankrupt or insolvent;
- (iii) if You file a petition in bankruptcy, reorganization or similar proceeding under the bankruptcy laws of the United States or have such a petition filed against You which is not discharged within thirty (30) days;
- (iv) if a receiver or other custodian, permanent or temporary, is appointed for Your business, assets or property;
- (v) if You request the appointment of a receiver or make a general assignment for the benefit of creditors;
- (vi) if final judgment against You in the amount of Twenty-Five Thousand (\$25,000) Dollars or more remains unsatisfied of record for thirty (30) days or longer;
- (vii) if Your bank accounts, property or accounts receivable are attached;
- (viii) if execution is levied against Your business or property;
- (ix) if suit is filed to foreclose any lien or mortgage against any of Your assets and such suit is not dismissed within thirty (30) days;
- (x) if You voluntarily dissolve or liquidate or have a petition filed for corporate or partnership dissolution and such petition is not dismissed within thirty (30) days;

(c) TERMINATION UPON NOTICE. In addition to Our right to terminate pursuant to other provisions of this Agreement and under applicable law, We have the right to terminate this Agreement, effective upon delivery of notice of termination to You, if You or any of Your Owners or affiliates:

- (i) fail to open Your Franchised Business (unless delay approved by Us in writing), in the time period required under this Agreement;
- (ii) abandon or fail to actively operate Your Franchised Business for three (3) consecutive days with no forwarding notice to Us or Your Approved Manager to support the Guests;
- (iii) surrender or transfer control of the operation of Your Franchised Business without Our prior written consent;
- (iv) have made any material misrepresentation or omission in connection with Your purchase of the Franchise;
- (v) are convicted of, or plead no contest to, a felony or other crime or offense that We reasonably believe may adversely affect the System or the goodwill associated with the Marks;



- (vi) make an unauthorized assignment of this Agreement or of an ownership interest in You or the Franchised Business;
- (vii) make any unauthorized use or disclosure of any Confidential Information or use, duplicate or disclose any portion of the Operations Manual in violation of this Agreement;
- (viii) fail or refuse to comply with any mandatory specification, standard, or operating procedure prescribed by us relating to the professionalism, customer service, response and support of your Franchised Business or violate any health, safety or sanitation law, ordinance or regulation, that we reasonably believe may pose harm to the public or to your or our reputation, and do not correct such failure, refusal or violation within twenty-four (24) hours after written notice thereof is delivered to you;
- (ix) fail to establish, maintain and/or have sufficient funds available in the designated account as required by Section 7 (b). of this Agreement or fail to make payment of any amounts due Us or any of Our Affiliates, and do not correct such failure within ten (10) days after written notice of such failure is delivered to You;
- (x) fail to make a timely payment of any amount due to a supplier affiliated or unaffiliated with Us (other than payments which are subject to bona fide dispute), and do not correct such failure within thirty (30) days after We deliver to You notice of such failure to comply;
- (xi) fail to comply with any other provision of this Agreement or any other agreement between You (or any of Your Owners) and Us or Our affiliates, and do not correct such failure within thirty (30) days after notice of such failure to comply is delivered to You;
- (xii) fail on three (3) or more separate occasions within any period of twelve (12) consecutive months to submit when due reports or other data, information or supporting records or to pay when due TSF, Royalties, Brand Fund contributions or other payments due Us, any of Our Affiliates or any unaffiliated suppliers or otherwise fail to comply with this Agreement, whether or not such failure is corrected after notice is delivered to You;
- (xiii) fail to pay when due any federal or state income, service, sales, employment related or other taxes due on the operations of the Franchised Business, unless You are, in good faith, legally contesting Your liability for such taxes;
- (xiv) fail to request approval of an Approved Operator and/or Responsible Owner within thirty (30) days after Your death or permanent disability or the death or permanent disability of the Owner of a controlling interest in You or such Approved Operator and/or Responsible Owner fails to complete Our training within sixty (60) days after such request;
- (xv) violate Article 17 (b) (iv) herein and do not cure within seven (7) days;
- (xvi) if you made any material misrepresentation to us that was false, or there was any material omission in information you provided to us, as an inducement to our entering into this Agreement.

We have no obligation whatsoever to refund any portion of the franchise fee upon any termination of this Agreement.

### **33. STEP-IN RIGHTS**

(a) If a material default under this Agreement occurs and remains uncured, or is not subject to cure, or if Your actions jeopardize the integrity of the Marks or System, then You authorize Us or Our designee to operate the Franchised Business for as long as, in Our reasonable judgment, it is necessary or practical. You acknowledge that this right to step-in is necessary to preserve the value and integrity of the Marks and System. Even if We exercise this right to step in, You agree that We do not lose or waive a right to exercise any other rights or remedies which We may have legally under this Agreement. Among the reasons We may act under these step-in rights are:

- (i) We reasonably determine that You are unable to operate the Franchised Business because You are absent or incapacitated because of illness, accident, injury or death;
- (ii) You have not paid Your monetary obligations to Us or others when they are due;
- (iii) You have not removed non-consensual liens or encumbrances which have been placed against the Franchised Business; or
- (iv) We determine that material operational problems require that We operate the Franchised Business for a period of time.

(b) During a step-in period, We will maintain, in a separate bank account, all revenue of the Franchised Business. From that account We will pay all expenses of the Franchised Business, or other payments due, including all commissions earned on new travel bookings placed by Our representatives, as well as reasonable compensation and expenses for Our representatives. If these step-in rights are exercised, You agree to hold Us harmless and hold harmless Our representatives for all actions or omissions which occur during the course of the temporary operation. You agree to pay Our reasonable attorneys' fees and costs which might arise from the exercise of these step-in rights. Nothing in this Section 33 will prevent Us from exercising any other rights which We may have under this Agreement, including the right to terminate the Agreement.

### **34. CROSS-DEFAULT**

Any default by You of any other agreement between Us (and/or any of Our affiliates) and You (and/or any of Your affiliates) shall be deemed a default under this Agreement, and any default by You under this Agreement shall be deemed a default under any and all other agreements between the parties. If the nature of such default under any other agreement would have permitted Us to terminate this Agreement had such default occurred under this Agreement, We shall have the right to terminate all of the other agreements between Us and You or Us and any of Your affiliates in the same manner as provided herein for termination of this Agreement.

### **35. OBLIGATIONS OF FRANCHISEE UPON TERMINATION OR EXPIRATION**

(a) Upon termination of this Agreement for any reason or upon expiration of its term, You agree as follows:

- (i) To pay immediately to Us, Our subsidiaries and/or Our affiliates the full amount of all sums due under this Agreement including damages and costs incurred in enforcing this Agreement or otherwise;

- (ii) To cease immediately to operate the Franchised Business and cease to use the Licensed Rights provided by Us under this Agreement, including but not limited to SHEENCO TRAVEL Marks, or any other marks registered by Us and Our affiliates or any of Our trade secrets, signs, symbols, devices, materials constituting part of Our System, and any confusingly similar name, marks, e-marks, copyrights, systems, insignias, symbols and other rights, procedures or methods;
- (iii) To immediately return to Us all reproductions of Our Operations Manual and all other manuals, plans and specifications, designs, training aids, records, data, samples, programs, or handbooks and other materials loaned or provided to You by Us or any of Our subsidiaries or affiliates;
- (iv) To immediately turn over to Us any and all originals and copies of Guest lists, records, files, instructions, social media contact lists, correspondence including Guest related emails, brochures, computer software, and any and all Confidential Information in Your possession, custody or control concerning or relating to the operation of the Franchised Business and/or Our operations or business. The only documents that You shall be permitted to retain are Your copy of this Agreement, any correspondence between You and Us and any other documents that You reasonably need to comply with a provision of applicable law;
- (v) To cease immediately to hold Yourself out in any way as Our franchisee or to do anything that would indicate any past or present relationship between You and Us;
- (vi) To the extent possible, to immediately remove or permanently cover any and all structures, signs or advertisements identifiable in any way with Us or the SHEENCO TRAVEL name or image;
- (vii) To promptly take such action that may be required to cancel all fictitious or assumed names or equivalent registrations relating to Your use of any of the Marks or, at Our option, assign same to Us;
- (viii) Abide by all restrictive covenants set forth in Sections 25 through 27 of this Agreement;
- (ix) Assign any and all accounts receivable to Us or Our designee for collection. In connection therewith You hereby appoint Us as attorney-in-fact to engage in such collection activities following the termination or expiration of this Agreement and You specifically undertake to refrain from engaging in any such collection activities upon termination or expiration. We agree to employ good faith efforts, including, where appropriate in Our sole and exclusive judgment, the commencement of legal proceedings, to collect such accounts receivable. Nothing contained herein shall be construed or deemed to impose any duty or obligation upon Us to collect such accounts receivable and, if all or a portion of such accounts receivable are not collected by Us, You release and waive any claims thereto against Us. If We are successful in collecting all or a part of such accounts receivable, We shall remit to You such sums collected after first deducting any and all monies owed to Us; after deducting the pro rata cost of servicing the Guest(s) with respect to whom the receivables were collected; and, after further deducting Our costs of collection; and,
- (x) Immediately refrain from engaging in any and all contacts with Guests or former

Guests of the Franchised Business, whether with respect to collection of accounts receivable, to provide services to such Guests or former Guests pursuant to any business conducted by You, whether or not similar to the Franchised Business, or for any other purpose whatsoever.

(b) If termination of this Agreement arises out of a default or defaults by You in complying with terms of this Agreement, We shall have the option to purchase at fair market value all or part of Your supplies and products used by You in the Franchised Business. Such option shall be exercised, if at all, in whole or in part, by Us upon or within fifteen (15) days of termination of this Agreement. It is expressly understood that this provision is an option that We may or may not exercise, and that We are under no obligation to do so. We shall have the right to set off all amounts due from You against any payment We would otherwise make to You under this Subsection. If We and You cannot agree on the fair market value of the property, it will be determined by an independent appraisal paid for by both You and Us, with Our having the right to appoint the appraiser if You and we are unable to agree upon same. You shall have the right to maintain Your own property not bearing any of the Marks, including equipment and supplies, and are under no obligation to sell such property to Us.

### **36. NOTICES**

All approvals, requests, notices, and reports required or permitted under this Agreement will not be effective unless in writing and delivered to the party entitled to receive the notice in accordance with this Section. All such approvals, requests, notices, and reports, as well as all payments, will be deemed delivered at the time delivered by hand; or one (1) Business Day after sending by facsimile, e-mail or comparable electronic system or through a nationally recognized commercial courier service for next Business Day delivery; or three (3) Business Days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified and/or, with respect to any approvals and notices that We provide to You or Your Owners, at the Franchised Business's address. As of the Effective Date of this Agreement, notices should be addressed to the following addresses unless and until a different address has been designated by written notice to the other party:

(a) If to Us at:  
6275 West Plano Parkway, Suite 500A, Plano, Texas 75093

(b) If to You at:

### **37. DISPUTE RESOLUTION**

(a) We and You agree that it is in each of our best interests to resolve claims, controversies and disputes arising out of or relating to Your operation of the Franchised Business under this Agreement between Us in an orderly fashion and in a consistent manner. For that reason, We and You agree as follows:

(i) Except for matters where either party seeks equitable relief, neither party will seek a judicial resolution of a dispute between them without first requesting a meeting or telephone conference with the other party by written notice, which notice will designate a party who is a senior executive with authority to reach a resolution of the dispute on their behalf. The party receiving the notice will also designate a representative of similar

authority for the purpose of discussing the specific matter in dispute. If the Franchisee is an individual, You will be Your designated representative. At least one meeting or telephone conference of the designated representatives will be held in an effort to resolve the dispute. The parties will agree on a location, date and time for the meeting or telephone conference which must be within thirty (30) days of the initial notice. If the meeting(s) and/or telephone conferences do not resolve the dispute, either party may pursue mediation in accordance with Subsection 37(a)(ii).

(ii) If the dispute is not resolved pursuant to Subsection 37(a)(i), the parties shall submit the dispute to mediation in accordance with the Commercial Arbitration Rules and Mediation Procedures (Including Procedures for Large, Complex Commercial Disputes) of the American Arbitration Association ("AAA"). Each party will bear their own costs and fees of the mediation; however, the mediator's fee will be split equally between the parties.

(iii) If the parties have not resolved a claim, controversy or dispute by negotiation, mediation, or otherwise (which the parties will make a diligent effort to do) or if a claim, controversy or dispute arises subsequent to the termination or expiration of this Agreement, such claim, controversy or dispute shall be referred to Arbitration in accordance with the AAA's Commercial Arbitration Rules and Mediation Procedures (Including Procedures for Large, Complex Commercial Disputes), as amended (and specifically including the Optional Rules). If such Rules are in any way contrary to or in conflict with this Agreement, the terms of this Agreement shall control. The Arbitrator shall apply the Federal Rules of Civil Procedure and the Federal Rules of Evidence to the extent possible while, in Arbitrator's discretion, still effecting the arbitration goal of streamlined administrative procedure. The laws of the State of Texas shall govern the construction and interpretation of this Agreement in Arbitration.

(b) The Arbitration proceedings shall be conducted before a single Arbitrator, selected in accordance with AAA Rules, who has been actively engaged in the practice of law for at least ten (10) years and has franchise law experience. Prior to the commencement of hearings, the Arbitrator shall provide an oath of undertaking of impartiality.

(c) Arbitration shall be conducted in the city and state where We maintain Our principal place of business (or, if there is no AAA office in that city, at the location of the AAA office nearest to Our principal place of business, which is currently Plano, Texas). The award of the Arbitrator shall be final and judgment upon the award rendered in Arbitration may be entered in any court having jurisdiction thereof. The costs and expenses of Arbitration, including compensation and expenses of the Arbitrator, shall be borne by the non-prevailing party.

(d) Any party to this Agreement may bring an action, including a summary or expedited proceeding to compel Arbitration of any such dispute or controversy, in a court of competent jurisdiction in the state and judicial district where We maintain Our principal place of business and, further, may seek provisional or ancillary remedies including temporary or injunctive relief in connection with such dispute or controversy, without providing or posting any bond or security regardless of any legal requirements to do so, provided that the dispute or controversy is ultimately resolved through binding Arbitration conducted in accordance with the terms and conditions of this Agreement.

(e) In proceeding with Arbitration and in making determinations hereunder, the Arbitrator shall not extend, modify or suspend any terms of this Agreement or the reasonable standards of

business performance and operation established by Us in good faith. Notice of or request to or demand for arbitration shall not stay, postpone or rescind the effectiveness of any termination of this Agreement. In the event that either Party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such Party notwithstanding said failure to appear.

(f) Whenever We reserve or are deemed to have reserved discretion in a particular area or where We agree or are deemed to be required to exercise Our rights reasonably or in good faith, We will satisfy Our obligations whenever We exercise Reasonable Business Judgment in making Our decision or exercising Our rights. Our 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 Our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes Our financial or other individual interest. Examples of items that will promote or benefit the System include without limitation enhancing the value of the Marks, improving Guest service and satisfaction, improving service or product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System. We are not required to consider any of Your or any other franchisee's particular economic or other circumstances when exercising Our Reasonable Business Judgment. Decisions that We make using Our Reasonable Business Judgment will not affect all franchisees equally, and some may be benefited while others are not. Neither You nor any third party (including without limitation an arbitrator or a court of competent jurisdiction), shall substitute its judgment for Our Reasonable Business Judgment.

### **38. NON-COMPLIANCE FEE**

If any of the mandatory procedures related to the processing of sales leads or Guest bookings, as specified in Our Operations Manual, are not adhered to, We reserve the right in Our sole judgement to reduce Your Commission by fifty percent (50%) on the non-compliant transactions. We further reserve the right to step in and provide management and processing of the cited transactions. If more than ten (10) sales leads or Guest bookings are transferred to Us for processing during the term of Your Franchise Agreement due to non-compliance, We may terminate Your Franchise Agreement.

### **39. REMEDIES CUMULATIVE**

All rights and remedies of the parties hereto shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for in this Agreement or which may be available at law or in equity in case of any actual or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between You and Us or Our affiliates. The rights and remedies of the parties under this Agreement shall be continuing and may be exercised at any time or from time to time. The expiration, earlier termination, or exercise of Our rights pursuant to Section 32 of this Agreement shall not discharge or release You from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination, or the exercise of such rights under this Agreement.

### **40. LIMITATIONS OF CLAIMS**

Except with regard to Your obligation to pay Us and Our affiliates Brand Fund Fees and other fees or payments of every nature and kind due from You pursuant to this Agreement or otherwise, any claims between the parties must be commenced within one (1) year from the date on which

the party asserting the claim knew or should have known of the facts giving rise to the claim or such claim shall be barred. The parties understand that this time limit might be shorter than otherwise allowed by law. You agree that the sole recourse for claims arising between the parties shall be against Us or Our successors and assigns. You agree that Our shareholders, members, managers, directors, officers, employees and agents and Our affiliates shall not be personally liable nor named as a party in any action between Franchisee and Franchisor. You and We further agree that, in connection with any such proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim that is not submitted or filed as described above shall be forever barred. The parties agree that any proceeding will be conducted on an individual, not a class-wide, basis and that a proceeding between You and Us may not be consolidated with another proceeding between Us and any other person or entity. No previous course of dealing shall be admissible to explain, modify, or contradict the terms of this Agreement. No implied covenant of good faith and fair dealing shall be used to alter the express terms of this Agreement.

#### **41. INJUNCTIVE RELIEF**

(a) Nothing in this Agreement shall bar Our right to seek specific performance of the provisions of this Agreement and injunctive relief against threatened conduct that will cause Us loss or damages under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions. You specifically acknowledge that any failure by You to comply with the requirements of Sections 25, 26 and/or 27 of this Agreement will cause Us irreparable injury and that We shall be entitled to obtain specific performance of, and/or an injunction against any violation of, such requirements. You agree to pay all court costs and reasonable attorneys' fees incurred by Us in obtaining specific performance of, and/or an injunction against any violation of, the requirements of this Agreement. The foregoing remedies shall be in addition to any other legal or equitable remedies that We may possess.

(b) You agree that We will not be required to post a bond to obtain any injunctive relief and that Your only remedy if an injunction is entered against You will be to seek the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by reason of the wrongful issuance of such injunction being expressly waived hereby).

(c) Should legal proceedings be brought against You to enforce any non-competition covenant or for Your failure to maintain confidentiality and protect against infringement, the period of restriction shall be deemed to begin running on the date of entry of an order granting Us injunctive relief and shall continue uninterrupted for the entire period of restriction.

#### **42. DAMAGES AND WAIVER OF JURY TRIAL**

(a) The parties waive, to the extent permitted by law, any claim for punitive or exemplary damages against each other, regardless of each parties' respective right to such damages under the choice of law provision herein except with regard to claims involving Our Marks and Our Confidential Information. Only claims, controversies or disputes involving You and no claims for or on behalf of any other franchisee, franchisor or supplier may be brought by You hereunder.

**(b) YOU AND WE EACH IRREVOCABLY WAIVE OUR RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER PARTY. YOU AND WE ACKNOWLEDGE THAT THIS WAIVER OF**

**JURY TRIAL RIGHTS PROVIDES THE PARTIES WITH THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT AND RESOLUTION OF ANY DISPUTE ARISING OUT OF THIS AGREEMENT AND ANY ASPECT OF THE PARTIES' RELATIONSHIP. YOU AND WE FURTHER ACKNOWLEDGE THE SUFFICIENCY AND RECEIPT OF MUTUAL CONSIDERATION FOR SUCH BENEFIT.**

#### **43. ENFORCEMENT COSTS AND EXPENSES**

You shall pay Us on demand any and all costs and expenses We incur in enforcing the terms of this Agreement, including, but not limited to, Our overhead costs and Our expenses for Our staff's time and efforts to obtain overdue reports and/or payments or to address and/or resolve defaults; costs and commissions due a collection agency; attorneys' fees; and Our administrative costs. If a claim for amounts owed by You to Us or any of Our affiliates is asserted in any legal proceeding or if We are required to enforce this Agreement in a judicial or arbitration proceeding and We prevail, You must reimburse Us for Our costs and expenses, including court costs, arbitration and arbitrator costs, expert witness fees, discovery costs, and reasonable accounting and attorneys' fees and costs on appeal together with interest charges on all of the foregoing whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. All such costs and expenses shall be prorated to properly reflect any partial prevailing in the proceeding, as determined by the arbitrator or the court. Your duty to pay all of the above costs and expenses shall survive the termination or expiration of this Agreement.

#### **44. NO RIGHT TO SET OFF**

You shall not be allowed to set off amounts owed to Us or Our affiliates for Brand Fund Fees, or other amounts due against any monies owed to You, which right of set off is hereby expressly waived by You.

#### **45. WAIVER**

No waiver by Us or by You of any covenant or condition or the breach of any covenant or condition of this Agreement to be kept or performed by the other party shall constitute a waiver by the waiving party of any subsequent breach of such covenant or condition or authorize the breach or non-observance on any other occasion of the same or any other covenant or condition of this Agreement. Subsequent acceptance by Us of any payments due to Us hereunder shall not be deemed to be a waiver by Us of any preceding breach by You of any terms, covenants or conditions of this Agreement. Any conditional waiver granted by Us shall be subject to Our continuing review, may subsequently be revoked for any reason effective upon Your receipt of ten (10) days prior written notice to that effect, and shall be without prejudice to any other rights We may have.

#### **46. CONSENTS**

Whenever this Agreement requires Our approval or consent, You shall make a timely written request to Us and such approval shall be obtained in writing.

#### **47. JOINT AND SEVERAL OBLIGATIONS**

If You consist of more than one person, Your liability under this Agreement shall be joint and several.

Exhibit D-47



#### **48. GOVERNING LAW; CONSENT TO VENUE AND JURISDICTION**

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. § 1051 et seq.), as amended, or other federal law, this Agreement and the franchise rights granted herein shall be governed by and construed in accordance with the substantive laws of the State in which Our principal place of business is located, which is currently Texas, which laws shall prevail in the event of any conflict of law. You waive, to the fullest extent permitted by law, the rights and protections that might be provided through the laws of any state relating to franchises or business opportunities, other than those of the state in which the Franchised Business is located. If any provision, or portion hereof in any way contravenes the laws of any state or jurisdiction where this Agreement is to be performed, such provision, or portion thereof, shall be deemed to be modified to the extent necessary to conform to such laws, and still be consistent with the parties' intent as evidenced by this Agreement. All claims which, as a matter of law or public policy, cannot be submitted to arbitration in accordance with Section 37 shall be brought within Texas in the judicial district in which We have Our principal place of business; provided, however, with respect to any action which includes injunctive relief, We may bring such action in any court in any state which has jurisdiction. You irrevocably submit to the jurisdiction of such courts and waive any objection You may have to either the jurisdiction or venue of such courts.

#### **49. GOVERNING LANGUAGE**

This Agreement has been negotiated in the English language and the rules of construction and definitions of the English language will be applied in interpreting this Agreement. You represent that You and Your Principal Owner and Your Operating Principal are fluent in English and have consulted with legal counsel to the extent necessary to understand the provisions of this Agreement. The English language version of this Agreement will be the official and binding Agreement between the Parties. All notices and communications required or permitted under this Agreement, including without limitation all meetings, mediations, arbitration and litigation, will be conducted and written in the English language. In addition, We will provide all services and materials under this Agreement, including without limitations the Manuals and all training programs, seminars, conferences, conventions, programs and meetings, in the English language and will not have a duty to provide any translation or interpreter services for any of Your personnel. You will be solely responsible for the cost of any related translation or interpreter services.

#### **50. ENTIRE AGREEMENT; MODIFICATION**

This Agreement and the Addenda and Exhibits constitute the entire Agreement between the parties with respect to its subject matter, and this Agreement supersedes all prior and contemporaneous oral and/or written agreements between the parties. No officer, employee or other servant or agent of Ours or Yours is authorized to make any representation, warranty or other promise not contained in this Agreement. You understand and agree that We shall not be liable for or bound by any oral representations or commitments made prior to the execution of this Agreement or for claims of negligent or fraudulent misrepresentation. No change, modification, termination or attempted waiver of any of the provisions of this Agreement shall be binding upon Us or You unless in writing and signed by an authorized officer of both You and Us.

Nothing in this Agreement is intended to disclaim the representations We have made in the Franchise Disclosure Document which We furnished to You.

## **51. SEVERABILITY**

All provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and any partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. If any applicable law or rule requires a greater prior notice of the termination of this Agreement than is required hereunder or requires the taking of some other action not required by the terms of this Agreement, the prior notice or other action required by such law or rule shall be substituted for the notice or other requirements hereof.

## **52. CONSTRUCTION**

The term “You”, “Your”, and “Franchisee” as used herein is applicable to one or more persons, a corporation, a limited liability company, or partnership, or such other form of legal entity as We shall approve from time to time, as the case may be. References to “You”, “Your”, and “Franchisee” applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of Franchisee, if Franchisee is a corporation, or partnership or limited liability company or other legal business entity.

## **53. HEADINGS**

The headings to the various sections of this Agreement have been inserted for convenience only and shall not modify, define, limit or expand express provisions of this Agreement.

## **54. GENDER**

Throughout this Agreement, wherever the context requires or permits, the neuter gender shall be deemed to include the masculine and feminine and the singular number, the plural and vice versa.

## **55. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

## **56. SPECIAL REPRESENTATIONS**

You hereby represent as follows:

(a) You are aware of the fact that We may in the future modify Our franchise agreements, that some franchisees of Ours may operate under different forms of agreements, and, consequently, that Our obligations and rights in respect to Our various franchisees may differ materially in certain circumstances; and,

(b) You understand that any training, support, guidance or tools We provide to You as part of the franchise are for the purpose of protecting Our brand and Marks and to assist You in the operation of Your Franchised Business and not for the purpose of controlling or in any way intended to exercise or exert control over Your decisions or day-to-day operations of Your Franchised Business, including Your sole responsibility for the hiring, wages and other compensation (including benefits), training, supervision and termination of Your Employees and

all other employment and employee related matters.

**(SIGNATURE PAGE FOLLOWS)**

## 57. EFFECTIVE DATE

This Agreement shall not be effective until accepted by Us as evidenced by signing by an authorized Officer of Franchisor.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement As Of The Day and Year specified in the pre-amble,

FRANCHISOR: SHEENCO TRAVEL FRANCHISE, INC.

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

TITLE: \_\_\_\_\_

FRANCHISEE: \_\_\_\_\_

DATE: \_\_\_\_\_

PRINT NAME OF INDIVIDUAL

\_\_\_\_\_  
(SIGNATURE AND DESIGNATION OF SOLE PROPRIETOR OR PARTNER AS THE CASE MAY BE)

FRANCHISEE: \_\_\_\_\_

DATE: \_\_\_\_\_

PRINT NAME OF INDIVIDUAL

\_\_\_\_\_  
(SIGNATURE AND DESIGNATION OF SOLE PROPRIETOR OR PARTNER AS THE CASE MAY BE)

“BUSINESS ENTITY FRANCHISEE, MEMBERS, SHAREHOLDERS, MANAGERS AND OFFICERS”

In the event Franchisee is a business entity (corporation, limited liability company or other legal entity) then in accordance with this Agreement, the undersigned, who are each either executive officers or managers or shareholders or members, or other equity participants owning the Franchisee, each agree to be jointly and severally personally liable for Franchisee's payment and performance of this Agreement and join in this Agreement on behalf of Franchisee.

“FRANCHISEE”:

\_\_\_\_\_  
PRINT NAME OF BUSINESS ENTITY

\_\_\_\_\_  
PRINT NAME OF OFFICER/  
SHAREHOLDER/MEMBER

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TITLE/NATURE OF  
EQUITY INTEREST

\_\_\_\_\_  
DATE

**ADDENDUM A TO FRANCHISE AGREEMENT  
FRANCHISEE'S ACCEPTED SITE**

In accordance with the provisions of Section 4 of the Franchise Agreement, Franchisee's Accepted Site is located at (if known at the time this Agreement is executed or if not known, insert later):

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Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Franchisee(s):

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

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

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

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

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

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

Franchisor: SHEENCO TRAVEL FRANCHISE, INC.

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

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

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

## ADDENDUM B TO FRANCHISE AGREEMENT

### NOTICE OF EMPLOYEES

In accordance with the provisions of Section 12 of the Franchise Agreement, the following list of owner, partner, member, employee or other individual who works in the Franchised Business in any capacity, if any, are hereby identified as Key Employees of Franchisee and/or the Franchised Business.

#### KEY EMPLOYEES:

NAMES

RELATIONSHIP TO FRANCHISEE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

FRANCHISEE:

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

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

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

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

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

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

FRANCHISOR: SHEENCO TRAVEL FRANCHISE, INC.

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

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

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

## ADDENDUM C TO FRANCHISE AGREEMENT

### GUARANTY AGREEMENT

This Guaranty Agreement is entered into on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between \_\_\_\_\_ with its principal address at \_\_\_\_\_ (“Guarantor”) and Sheenco Travel Franchise, Inc. with its principal address at 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093 (“Franchisor”).

#### RECITALS

- A. Whereas, Franchisor and \_\_\_\_\_ (“Franchisee”) have entered into a Franchise Agreement dated \_\_\_\_\_ (“the Franchise Agreement”).
- B. Whereas, Guarantor is a shareholder, director, officer, manager, member, trustee, and/or partner of Franchisee.
- C. Now, Therefore, in consideration of and as an inducement to Franchisor to enter into the Franchise Agreement with Franchisee and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Guarantor hereby covenants and agrees as follows:
  - 1. Guarantor warrants that the facts contained in Recital A and B are correct;
  - 2. Guarantor has read the terms and conditions of the Franchise Agreement;
  - 3. Guarantor personally and unconditionally makes all the covenants, representations and agreements of Franchisee set forth in the Franchise Agreement and that Franchisee is obligated to perform thereunder;
  - 4. Guarantor personally, unconditionally and irrevocably guarantees to Franchisor and its successors and assigns that all of Franchisee's obligations, undertakings, agreements and covenants set forth in the Franchise Agreement will be punctually paid and performed during the term of the Franchise Agreement and thereafter, as applicable;
  - 5. Guarantor unconditionally and irrevocably agrees to be personally bound by, and personally liable for the breach of, each and every provision of the Franchise Agreement by Franchisee;
  - 6. Upon default by Franchisee or notice from Franchisor, Guarantor will immediately make each payment and perform each obligation required of Franchisee under the Franchise Agreement;
  - 7. Without affecting the obligations of any guarantor under this Guaranty Agreement, Franchisor may, without notice to Guarantor, waive, renew, extend, modify, amend

or release any indebtedness or obligation of Franchisee or any guarantor, or settle, adjust or compromise any claims against Franchisee or any guarantor;

8. Guarantor waives all demands and notices of every kind with respect to enforcement of this Guaranty Agreement, including, without limitation, notice of presentment, demand for payment or performance by Franchisee, any default by Franchisee or any guarantor, and any release of any guarantor or other security for the Franchise Agreement or the obligations of Franchisee;
9. Franchisor may pursue its rights against any guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise of such right or remedy shall preclude the further exercise of such right or remedy;
10. Upon receipt by Franchisor of notice of the death of Guarantor, the estate of deceased Guarantor shall be bound by the foregoing Guaranty Agreement, but only for defaults and obligations under the Franchise Agreement existing at the time of death; the obligations of all other guarantors shall continue in full force and effect;
11. This Guaranty Agreement will continue and is irrevocable during the term of the Franchise Agreement and, if required by the Franchise Agreement, after its termination or expiration;
12. Guarantor's obligations under this Guaranty Agreement are effective on the Effective Date of the Franchise Agreement, regardless of the actual date of signature;
13. This Guaranty Agreement is governed by the laws of the state in which Franchisor's principal place of business is located, which is currently Texas and Guarantor irrevocably submits to the jurisdiction and venue of the courts of Texas;
14. If Franchisor is required to enforce this Guaranty Agreement in any judicial or arbitration proceeding or on any appeals, Guarantor must reimburse Franchisor for its enforcement costs. Enforcement costs include reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty Agreement;
15. Guarantor acknowledges that he or she has obtained independent legal advice before signing this Guaranty Agreement.

**[signatures on the following page]**



IN WITNESS WHEREOF Guarantor has signed this Guaranty Agreement under seal.

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Address  
\_\_\_\_\_

Signed, sealed and delivered by the above-named Guarantor in the presence of:

\_\_\_\_\_  
Witness Signature

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

\_\_\_\_\_  
Address  
\_\_\_\_\_

## ADDENDUM D TO FRANCHISE AGREEMENT

### PRINCIPAL OWNER'S STATEMENT

This form must be completed by the Franchisee ("I," "me" or "my") if I have multiple owners or if I, or my Franchised Business, is owned by a business organization (like a corporation, partnership or limited liability company). Franchisor is relying on the truth and accuracy of this form in awarding the Franchise to me.

1. **Form of Owner.** I am a (check one):

- (i) General Partnership \_\_\_\_\_
- (ii) Corporation \_\_\_\_\_
- (iii) Limited Partnership \_\_\_\_\_
- (iv) Limited Liability Company \_\_\_\_\_
- (v) Other \_\_\_\_\_  
Specify: \_\_\_\_\_

2. **Business Entity.** I was incorporated or formed on \_\_\_\_\_, \_\_\_\_\_ under the laws of the [State/Commonwealth of \_\_\_\_\_. I have not conducted business under any name other than my corporate, limited liability company or partnership name. The following is a list of all persons who have management rights and powers (e.g., operating principal, officers, managers, partners, etc.) and their positions are listed below:

**Name of Person**

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**Position(s) Held**

Operating Principal

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3. **Owners.** The following list includes the full name and mailing address of each person who is an owner and fully describes the nature of each owner's interest. Attach additional sheets if necessary.

**Owner's Name and Address**

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**Description of Interest**

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4. **Governing Documents.** Attached are copies of the documents and contracts governing the ownership, management and other significant aspects of the business organization (e.g., articles of incorporation or organization, partnership or shareholder agreements, etc.).

This Statement of Principal Owners is current and complete as of \_\_\_\_\_, 20\_\_\_\_.

**OWNER INDIVIDUALS:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**CORPORATION, LIMITED  
LIABILITY COMPANY OR  
PARTNERSHIP:**

\_\_\_\_\_  
(Name)

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

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

## ADDENDUM E TO FRANCHISE AGREEMENT

### ACKNOWLEDGEMENT STATEMENT

**Prohibited Parties Clause.** I acknowledge that Franchisor, its employees and its agents are subject to U.S. laws that prohibit or restrict (a) transactions with certain parties, and (b) the conduct of transactions involving certain foreign parties. These laws include, without limitation, U.S. Executive Order 13224, the U.S. Foreign Corrupt Practices Act, the Bank Secrecy Act, the International Money Laundering Abatement and Anti-terrorism Financing Act, the Export Administration Act, the Arms Export Control Act, the U.S. Patriot Act, and the International Economic Emergency Powers Act, and the regulations issued pursuant to these and other U.S. laws. As part of the express consideration for the purchase of the franchise, I represent that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been listed on:

1. the U.S. Treasury Department's List of Specially Designated Nationals;
2. the U.S. Commerce Department's Denied Persons List, Unverified List, Entity List, or General Orders;
3. the U.S. State Department's Debarred List or Nonproliferation Sanctions; or
4. the Annex to U.S. Executive Order 13224.

I warrant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been: (i) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or (ii) is owned or controlled by terrorists or sponsors of terrorism. I warrant that I am now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by me to Franchisor were legally obtained in compliance with these laws.

I further covenant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, will, during the term of the Franchise Agreement, become a person or entity described above or otherwise become a target of any anti-terrorism law.

#### OWNER INDIVIDUALS:

\_\_\_\_\_  
(Signature) (Date)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature) (Date)

\_\_\_\_\_  
(Print Name)

#### CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP:

\_\_\_\_\_  
(Name)

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

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

**ADDENDUM F TO FRANCHISE AGREEMENT**

**ELECTRONIC FUNDS TRANSFER (EFT)  
AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS**

I (We, if joint account) the undersigned hereby authorize Sheenco Travel Franchise, Inc., a Texas corporation, with principal offices at 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093, to initiate electronic transfer of funds out of my (our) primary Checking or Savings selected below at the Financial Institution indicated, for payment of amounts which I may owe Sheenco Travel Franchise, Inc. I (We) acknowledge that the origination of Automated Clearing House (ACH) transactions to my (our) account must comply with the provisions of the United States law. All costs and expenses, including any resulting from the dishonor by my (our) bank of any electronic funds transfer, shall be my (our) sole responsibility. This authorization is irrevocable and shall remain in effect until the termination or expiration of the underlying Franchise Agreement with Sheenco Travel Franchise, Inc. If I (we) do not have enough money in my (our) account to cover the transfer or if my (our) Financial Institution for any other reason refuses to honor a transfer, I (we) will separately pay for the charges I (we) owe under my (our) Franchise Agreement with Sheenco Travel Franchise, Inc.

|                         |        |      |
|-------------------------|--------|------|
| <b>ACH Information</b>  |        |      |
| Financial Institution:  |        |      |
| Branch:                 |        |      |
| City                    | State: | Zip: |
| Routing/Transit Number: |        |      |
| Account/Bank Number:    |        |      |

NOTE: Sheenco Travel Franchise, Inc. will send prior notice of ACH 3 days before withdrawal with detail of fees.

I (we) acknowledge that these funds will be debited on the day Sheenco Travel Franchise, Inc. designates.

Name(s): \_\_\_\_\_

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

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

Day Phone: (    ) \_\_\_\_\_ Evening Phones: (    ) \_\_\_\_\_

**Please fill out this form and attach a voided check.**

**ADDENDUM G TO FRANCHISE AGREEMENT  
VETERAN AMENDMENT TO FRANCHISE AGREEMENT**

**THIS AMENDMENT TO FRANCHISE AGREEMENT** (the “Amendment”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Sheenco Travel Franchise, Inc., a Texas corporation, with its principal place of business at 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093 (hereinafter "Franchisor"), and \_\_\_\_\_ [a/an] [Individual/Name of Entity] with its principal address at \_\_\_\_\_, (hereinafter "Franchisee").

**WITNESSETH**

**WHEREAS**, Franchisor and Franchisee desire to enter into a Franchise Agreement of even date herewith with respect to the operation of a business which provides luxury travel services offering vacation and business trips to Ireland, the United Kingdom and additional destinations and other related services (hereinafter “the Franchise Agreement”);

**WHEREAS**, Franchisor and Franchisee have agreed to amend the Franchise Agreement as set forth herein to provide certain discounts to Franchisee based upon Franchisee’s (or Franchisee’s owner or Franchisee's owner's spouse, as may be applicable) status as a United States Veteran as a condition to entering into the Franchise Agreement;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. Section 7(a) of the Franchise Agreement is hereby amended by adding the following provision to that section:

“Based upon the status of Franchisee or Franchisee's owner or Franchisee's spouse, as may be applicable, as an active or honorably discharged Veteran of a branch of the United States armed forces, Franchisor hereby reduces Franchisee’s Initial Franchise Fee by twenty-five percent (25%). Franchisee shall pay to Franchisor an Initial Franchise Fee of \_\_\_\_\_ Dollars (\$\_\_\_\_.00) in a lump sum when Franchisee signs the Franchise Agreement.”
2. Except as specifically amended above, all other provisions of the Franchise Agreement remain in full force and effect.
3. If there is a conflict between this Amendment and the Franchise Agreement, this Amendment will prevail.

**[signatures on the following page]**

IN WITNESS THEREOF, the parties hereto have executed this Amendment on the day and year first above written.

WITNESS: SHEENCO TRAVEL FRANCHISE, INC.

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

WITNESS: FRANCHISEE

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

**CALIFORNIA STATE SPECIFIC ADDENDA  
TO THE FRANCHISE AGREEMENT**

**AMENDMENT TO SHEENCO TRAVEL FRANCHISE, INC. FRANCHISE  
AGREEMENT AND RELATED FRANCHISE DOCUMENTS  
FOR THE STATE OF CALIFORNIA**

The SHEENCO TRAVEL Franchise Agreement between \_\_\_\_\_ (“Franchisee”) and SHEENCO TRAVEL FRANCHISE, INC., a Texas corporation, (“Franchisor”), dated \_\_\_\_\_ (the “Franchise Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of this Agreement (this “Amendment”):

1. “The California Department of Financial Protection and Innovation has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business.”
2. The California Franchise Investment Law requires a copy of all proposed Agreements relating to the sale of the franchise be delivered together with the Disclosure Document.
3. California Business and Professions Code 20000 through 20043 provide rights to franchisees concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
4. 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.).
5. 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.
6. The Franchise Agreement requires binding arbitration. The arbitration will occur in Texas with the costs being borne by the non-prevailing party.
7. 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.
8. The Franchise Agreement requires application of the laws of the State of Texas. This provision may not be enforceable under California law.
9. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).



10. Any condition, stipulation or provision in the Franchise Agreement which would result in your waiver of compliance with any provision of the California Franchise Relations Act is void to the extent that such provision violates such law.

11. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

**FRANCHISOR:**  
**SHEENCO TRAVEL FRANCHISE, INC.**

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

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

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

**FRANCHISEE:**

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

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

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

**EXHIBIT E TO THE DISCLOSURE DOCUMENT**

**SHEENCO TRAVEL FRANCHISE, INC.**

**NON-DISCLOSURE, NON-SOLICITATION AND NON-COMPETITION AGREEMENT**

**SHEENCO TRAVEL FRANCHISE, INC.**  
**NON-DISCLOSURE, NON-SOLICITATION AND NON-COMPETITION AGREEMENT**

This Agreement is made and entered into \_\_\_\_\_, \_\_\_\_\_ between Sheenco Travel Franchise, Inc., a Texas corporation (“Franchisor”), \_\_\_\_\_ (“Franchisee”) and \_\_\_\_\_ (“Trainee”).

**RECITALS**

WHEREAS, Franchisor is using and is the licensee of all rights in a unique system (hereinafter “SHEENCO TRAVEL SYSTEM”) for the development and operation of a business which provides luxury travel services for vacations and business trips to Ireland, the United Kingdom and additional destinations under the trade name and mark SHEENCO TRAVEL® (hereinafter “SHEENCO TRAVEL”);

WHEREAS, SHEENCO TRAVEL SYSTEM includes but is not limited to certain trade names, trademarks, trade dress and logos including, but not limited to, the mark SHEENCO TRAVEL, service marks, trade symbols, trade dress, signs, slogans, associated logos, designs, emblems, URLs, domain names, website addresses, email addresses, digital cellular addresses, wireless web addresses and the like and copyrights and such other trade names and trademarks as Franchisor may develop in the future for the purposes of identifying SHEENCO TRAVEL SYSTEM, and such other distinguishing characteristics of SHEENCO TRAVEL SYSTEM including, without limitation, distinctive sales and marketing procedures; knowledge and procedures for providing luxury travel services for vacations and business trips to Ireland, the United Kingdom and additional destinations; management and financial control methods; and training and assistance, all of which may be changed, improved and further developed by Franchisor from time to time (“Trade Secrets”);

WHEREAS, Franchisor’s Trade Secrets provide economic advantages to Franchisor and are not generally known to or readily ascertainable by proper means by Franchisor’s competitors who could obtain economic value from knowledge and use of Franchisor’s Trade Secrets;

WHEREAS, Franchisor has taken and intends to take all reasonable steps to maintain the confidentiality and secrecy of Franchisor’s Trade Secrets;

WHEREAS, Franchisor has granted Franchisee a limited right to operate the Franchised Business using SHEENCO TRAVEL SYSTEM and Franchisor’s Trade Secrets for the period defined in the Franchise Agreement made and entered into on \_\_\_\_\_, \_\_\_\_\_ between Franchisor and Franchisee (“Franchise Agreement”);

WHEREAS, Franchisor and Franchisee have agreed in the Franchise Agreement on the importance to Franchisor and to Franchisee and other licensed users of SHEENCO TRAVEL SYSTEM of restricting use, access and dissemination of Franchisor’s Trade Secrets;

WHEREAS, it will be necessary for certain employees and contractors of Franchisee to have access to and to use some or all of Franchisor's Trade Secrets in the development and maintenance of Franchisee's Business using SHEENCO TRAVEL SYSTEM;

WHEREAS, Franchisee has agreed to obtain from certain key employees written agreements protecting Franchisor's Trade Secrets and SHEENCO TRAVEL SYSTEM against unfair competition;

WHEREAS, Trainee wishes to remain, or wishes to become, an employee of Franchisee; and

WHEREAS, Trainee wishes and needs to receive and use Franchisor's Trade Secrets in the course of Trainee's employment in order to effectively perform Trainee's services for Franchisee.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. Franchisor and/or Franchisee shall disclose to Trainee some or all of Franchisor's Trade Secrets relating to SHEENCO TRAVEL SYSTEM.

2. Trainee shall receive Franchisor's Trade Secrets in confidence, maintain them in confidence, and use them only in the course of Trainee's employment by Franchisee and then only in connection with the development and/or maintenance by Franchisee of Business using SHEENCO TRAVEL SYSTEM for so long as Franchisee is licensed by Franchisor to use SHEENCO TRAVEL SYSTEM.

3. Trainee shall not at any time make copies of any documents or compilations containing some or all of Franchisor's Trade Secrets without the express written permission of Franchisor.

4. Trainee shall not disclose or permit the disclosure of Franchisor's Trade Secrets except to other employees of Franchisee and only to the limited extent necessary to train or assist other employees of Franchisee who have also signed Non-Disclosure, Non-Solicitation and Non-Competition Agreements or Confidentiality Agreement where appropriate as determined by Franchisor in the development or maintenance of Business using SHEENCO TRAVEL SYSTEM.

5. That all information and materials, including without limitation, specifications, techniques and compilations of data which Franchisor shall designate as confidential shall be deemed Franchisor's Trade Secrets for the purposes of this Agreement.

6. Trainee shall surrender SHEENCO TRAVEL Operations Manual and any other material containing some or all of Franchisor's Trade Secrets to Franchisee or to Franchisor, upon request, or upon termination of employment by Franchisee, or upon conclusion of the use for which the SHEENCO TRAVEL Operations Manual or other information or material may have been furnished to Trainee.

7. Trainee shall not, directly or indirectly, do any act or omit to do any act, which would or would likely to be injurious or prejudicial to the goodwill associated with SHEENCO TRAVEL SYSTEM.

8. In order to protect the goodwill and unique qualities of SHEENCO TRAVEL SYSTEM and the confidentiality and value of Franchisor's Trade Secrets, and in consideration for the disclosure to Trainee of Franchisor's Trade Secrets, Trainee further undertakes and covenants that, during the time he is employed by Franchisee, he will not:

(a) Directly or indirectly, for himself or through, on behalf of or in conjunction with any person, partnership or business entity, engage in or acquire any financial or beneficial interest in (including interest in business entities, partnerships, trusts, unincorporated associations or joint ventures), advise, help or make loans to any entity involved in business which is the same as or similar to that conducted by SHEENCO TRAVEL which Business is, or is intended to be located, within the United States; or

(b) Divert or attempt to divert, directly or indirectly, any business, business opportunity or Guest of Franchisee's Business(s) to any competitor.

9. In further consideration for the disclosure to Trainee of Franchisor's Trade Secrets and to protect the uniqueness of SHEENCO TRAVEL SYSTEM, Trainee agrees that for two (2) years following the termination of Trainee's employment with Franchisee, Trainee will not, without the prior written consent of Franchisor, divert or attempt to divert, directly or indirectly, any business, business opportunity or Guest of Franchisee's Franchised Business(s) to any competitor.

10. Franchisee undertakes to use Franchisee's best efforts to ensure that Trainee acts as required by this Agreement.

11. Trainee agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions thereof, Franchisor shall be entitled to enforce the provisions of this Agreement against Franchisee and Trainee, and may seek, in addition to any other remedies which are made available to it at law or in equity, including the right to terminate the Franchise Agreement, a temporary and /or permanent injunction and a decree for the specific performance of the terms of this Agreement, without being required to furnish a bond or other security.

12. This Agreement shall be governed by and construed under the laws of Texas.

13. If any Court or other tribunal having jurisdiction to determine the validity or enforceability of this Agreement determines that it would be unenforceable as written, its provisions shall be determined to be withheld, modified or limited to such extent or in such manner as is necessary for it to be valid and enforceable to the greatest extent possible.

**[signatures on the following page]**

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISEE

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

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

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

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

FRANCHISOR

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

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

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

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

TRAINEE

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

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

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

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

**EXHIBIT F TO THE DISCLOSURE DOCUMENT**

**SHEENCO TRAVEL FRANCHISE, INC.  
EMPLOYEE CONFIDENTIALITY AGREEMENT**

## EMPLOYEE CONFIDENTIALITY AGREEMENT

This Agreement is made and entered into on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
by and between \_\_\_\_\_ (“Employer”)  
and \_\_\_\_\_ (“Employee”).

### RECITALS

WHEREAS, Employer is a franchisee of Sheenco Travel Franchise, Inc. (hereinafter “Franchisor”) and as such has rights to a unique system (hereinafter the “SHEENCO TRAVEL SYSTEM”) for the development and operation of a business which provides luxury travel services for vacations and business trips to Ireland, the United Kingdom and additional destinations under the trade name and mark SHEENCO TRAVEL® (hereinafter “SHEENCO TRAVEL”); and

WHEREAS, Franchisor’s Confidential Information or Materials provide economic advantages to Franchisor and its franchisees including Employer and which are not generally known to nor readily ascertainable by proper means by Franchisor’s competitors who could obtain economic value from knowledge and use of Franchisor’s Trade Secrets; and

WHEREAS, Employer has promised to take and intends to take all reasonable steps to maintain the confidentiality and secrecy of Franchisor’s Confidential Information or Materials; and

WHEREAS, it will be necessary for Employee to have access to and to use some or all of Franchisor’s Confidential Information or Materials as an employee of Employer:

WHEREAS, Employee wishes to remain, or wishes to become, an employee of Employer; and

WHEREAS, Employee wishes and needs to receive and use Franchisor’s Confidential Information or Materials in the course of Employee’s employment in order to effectively perform Employee’s services for Employer;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. For purposes of this Agreement, the term “Confidential Information or Materials” means all trade secrets, Guest information, inventions, discoveries, processes, formulae, records, computer programs or data, agreements, business and financial systems, and plans and policies, of Employer and Franchisor or regarding administrative, management, contracting, financial, marketing or production activities of Employer, which Employer treats as confidential.

2. Employee acknowledges that during his/her employment, Employee may gain knowledge of proprietary Confidential Information or Materials. Employee recognizes that Employer and Franchisor have a compelling need to maintain the confidentiality of such Confidential Information and Materials. Accordingly, Employee agrees that:



- (i) Employee shall receive Franchisor's Confidential Information or Materials in confidence, maintain them in confidence, and use them only in the course of Employee's employment by Employer.
- (ii) Employee will not, during the term of this Agreement or thereafter, directly or indirectly disclose to any other person or entity, or use for Employee's own account, or for other than Employer's business, any Confidential Information or Materials without first obtaining the written consent of Franchisor. Employee shall at all times keep confidential all Confidential Information or Materials of Employer and Franchisor.
- (iii) Employee will retain no copies of, and shall promptly deliver to Employer, upon the termination of Employee's services or at any other time Employer may request any and all documentary and other materials (including software) and all copies thereof in whatever form, including electronic versions thereof, made, compiled or otherwise obtained by or delivered or disclosed to Employee concerning any Confidential Information or Materials of Employer or Franchisor.

3. Employee shall not at any time make copies of any documents or compilations containing some or all of Franchisor's Confidential Information or Materials without the express written permission of Employer.

4. Employee shall not disclose or permit the disclosure of Franchisor's Confidential Information or Materials except to other employees of Employer and only to the limited extent necessary to train or assist other employees of Employer who have also signed Confidentiality Agreements or Non-Disclosure, Non-Solicitation and Non-Competition Agreements.

5. Employee understands and agrees that this Agreement may be enforced by either Employer or by Franchisor.

6. Employee agrees that in the event of a breach of this Agreement, Employer and/or Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions thereof, Employer and/or Franchisor shall be entitled to enforce the provisions of this Agreement against Employee, and may seek, in addition to any other remedies which are made available to it at law or in equity, a temporary and /or permanent injunction and a decree for the specific performance of the terms of this Agreement, without being required to furnish a bond or other security.

7. This Agreement shall be governed by and construed under the laws of \_\_\_\_\_.

8. If any Court or other tribunal having jurisdiction to determine the validity or enforceability of this Agreement determines that it would be unenforceable as written, its provisions shall be determined to be withheld, modified or limited to such extent or in such manner as is necessary for it to be valid and enforceable to the greatest extent possible.

**[signatures on the following page]**

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

**EMPLOYER**

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

**EMPLOYEE**

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

**EXHIBIT G TO THE DISCLOSURE DOCUMENT**

**SHEENCO TRAVEL FRANCHISE, INC.  
SPOUSAL NON-DISCLOSURE AND NON-COMPETITION AGREEMENT**

## **SPOUSAL NON-DISCLOSURE AND NON-COMPETITION AGREEMENT**

This Agreement is made and entered into \_\_\_\_\_ between Sheenco Travel Franchise, Inc., a Texas corporation, with its principal place of business at 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093 (“Franchisor”) and \_\_\_\_\_, a/an \_\_\_\_\_ with its principal place of business at \_\_\_\_\_ (“Franchisee”) and \_\_\_\_\_, the spouse of an owner of Franchisee (“Spouse”) with a primary residence at \_\_\_\_\_.

### **RECITALS**

WHEREAS, Franchisor is using and is the licensee of all rights in a unique system (hereinafter “SHEENCO TRAVEL SYSTEM”) for the development and operation of a business which provides luxury travel services for vacations and business trips to Ireland, the United Kingdom and additional destinations under the trade name and mark SHEENCO TRAVEL® (hereinafter “SHEENCO TRAVEL”);

WHEREAS, SHEENCO TRAVEL SYSTEM includes but is not limited to certain trade names, trademarks, trade dress and logos including, but not limited to, the mark SHEENCO TRAVEL, service marks, trade symbols, trade dress, signs, slogans, associated logos, designs, emblems, URLs, domain names, Website addresses, email addresses, digital cellular addresses, wireless Web addresses and the like and copyrights and such other trade names and trademarks as Franchisor may develop in the future for the purposes of identifying SHEENCO TRAVEL SYSTEM, and such other distinguishing characteristics of SHEENCO TRAVEL SYSTEM including, without limitation, distinctive sales and marketing procedures; knowledge and procedures for providing luxury travel services for vacations and business trips to Ireland, the United Kingdom and additional destinations; management and financial control methods; and training and assistance, all of which may be changed, improved and further developed by Franchisor from time to time (“Trade Secrets”);

WHEREAS, Franchisor’s Trade Secrets provide economic advantages to Franchisor and are not generally known to or readily ascertainable by proper means by Franchisor’s competitors who could obtain economic value from knowledge and use of Franchisor’s Trade Secrets;

WHEREAS, Franchisor has taken and intends to take all reasonable steps to maintain the confidentiality and secrecy of Franchisor’s Trade Secrets;

WHEREAS, Franchisor and Franchisee desire to enter into a Franchise Agreement which will grant Franchisee a limited right to operate a Franchised Business using SHEENCO TRAVEL SYSTEM and Franchisor’s Trade Secrets for a period defined in the Franchise Agreement (“Franchise Agreement”);

WHEREAS, Franchisor and Franchisee have agreed in the Franchise Agreement on the importance to Franchisor and to Franchisee and other licensed users of SHEENCO TRAVEL SYSTEM of restricting use, access and dissemination of Franchisor’s Trade Secrets; and

WHEREAS, it is anticipated that Spouse may have access to learn Franchisor's Trade Secrets as Franchisee develops and maintains Franchisee's Business using SHEENCO TRAVEL SYSTEM.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. Franchisee may disclose to Spouse some or all of Franchisor's Trade Secrets relating to SHEENCO TRAVEL SYSTEM.

2. Spouse shall receive Franchisor's Trade Secrets in confidence, maintain them in confidence, and shall use them only in connection with the development and/or maintenance by Franchisee of the Franchised Business using SHEENCO TRAVEL SYSTEM for so long as Franchisee is licensed by Franchisor to use SHEENCO TRAVEL SYSTEM.

3. Spouse shall not at any time make copies of any documents or compilations containing some or all of Franchisor's Trade Secrets without the express written permission of Franchisor.

4. Spouse shall not disclose or permit the disclosure of Franchisor's Trade Secrets to anyone.

5. That all information and materials, including without limitation, specifications, techniques and compilations of data which Franchisor shall designate as confidential shall be deemed Franchisor's Trade Secrets for the purposes of this Agreement.

6. Spouse shall not, directly or indirectly, do any act or omit to do any act, which would or would likely to be injurious or prejudicial to the goodwill associated with SHEENCO TRAVEL SYSTEM.

7. In order to protect the goodwill and unique qualities of SHEENCO TRAVEL SYSTEM and the confidentiality and value of Franchisor's Trade Secrets, and in consideration for the disclosure to Spouse of Franchisor's Trade Secrets, Spouse further undertakes and covenants that, during the time Franchisee is a franchisee of Franchisor and for the two (2) years following the termination or expiration of Franchisee's Franchise Agreement, Spouse will not:

(a) Directly or indirectly, for himself/herself or through, on behalf of or in conjunction with any person, partnership or business entity, engage in or acquire any financial or beneficial interest in (including interest in business entities, partnerships, trusts, unincorporated associations or joint ventures), advise, help or make loans to any entity involved in business which is the same as or similar to that conducted by SHEENCO TRAVEL which business is, or is intended to be located, within the United States; or

(b) Divert or attempt to divert, directly or indirectly, any business, business opportunity or Guest of Franchisee's Franchised Business(s) to any competitor.

8. Franchisee undertakes to use Franchisee's best efforts to ensure that Spouse acts as

required by this Agreement.

9. Spouse agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions thereof, Franchisor shall be entitled to enforce the provisions of this Agreement against Franchisee and Spouse, and may seek, in addition to any other remedies which are made available to it at law or in equity, including the right to terminate the Franchise Agreement, a temporary and /or permanent injunction and a decree for the specific performance of the terms of this Agreement, without being required to furnish a bond or other security.

10. Spouse agrees that the period during which the post-termination/expiration restrictions above apply shall be extended uninterrupted by the length of any period of time during which Spouse was in violation of such restrictions.

11. This Agreement shall be governed by and construed under the laws of Texas.

12. If any Court or other tribunal having jurisdiction to determine the validity or enforceability of this Agreement determines that it would be unenforceable as written, its provisions shall be determined to be withheld, modified or limited to such extent or in such manner as is necessary for it to be valid and enforceable to the greatest extent possible.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISEE

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

FRANCHISOR

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

SPOUSE

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

**EXHIBIT H TO THE DISCLOSURE DOCUMENT**

**SHEENCO TRAVEL FRANCHISE, INC.  
STATE SPECIFIC AMENDMENTS/RIDERS TO THE FRANCHISE AGREEMENT**

**AMENDMENT TO SHEENCO TRAVEL FRANCHISE, INC. FRANCHISE  
AGREEMENT AND RELATED FRANCHISE DOCUMENTS**

**FOR THE STATE OF CALIFORNIA**

The SHEENCO TRAVEL Franchise Agreement between \_\_\_\_\_ (“Franchisee”) and SHEENCO TRAVEL FRANCHISE, INC., a Texas corporation, (“Franchisor”), dated \_\_\_\_\_ (the “Franchise Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of this Agreement (this “Amendment”):

1. “The Department of Financial Protection and Innovation requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all its pre-opening obligations and franchisee is open for business.”
2. The California Franchise Investment Law requires a copy of all proposed Agreements relating to the sale of the franchise be delivered together with the Disclosure Document.
3. California Business and Professions Code 20000 through 20043 provide rights to franchisees concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
4. 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.).
5. 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.
6. The Franchise Agreement requires binding arbitration. The arbitration will occur in Texas with the costs being borne by the non-prevailing party.
7. 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.
8. The Franchise Agreement requires application of the laws of the State of Texas. This provision may not be enforceable under California law.
9. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).



10. Any condition, stipulation or provision in the Franchise Agreement which would result in your waiver of compliance with any provision of the California Franchise Relations Act is void to the extent that such provision violates such law.
11. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
12. 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.

**FRANCHISOR:**

SHEENCO TRAVEL FRANCHISE, INC.

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

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

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

**FRANCHISEE:**

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

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

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

**AMENDMENT TO SHEENCO TRAVEL FRANCHISE, INC. FRANCHISE  
AGREEMENT AND RELATED FRANCHISE DOCUMENTS**

**REQUIRED FOR THE STATE OF WISCONSIN**

The SHEENCO TRAVEL Franchise Agreement between \_\_\_\_\_ (“Franchisee”) and SHEENCO TRAVEL FRANCHISE, INC., a Texas corporation, (“Franchisor”), dated \_\_\_\_\_ (the “Franchise Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of this Agreement (this “Amendment”):

1. The Securities Commissioner of the State of Wisconsin requires that certain provisions contained in franchise documents be amended to be consistent with the Wisconsin Fair Dealership Law, Wisconsin Statutes, Chapter 135. To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. To the extent that the provisions of this Agreement regarding renewal are inconsistent with the requirements of the Wisconsin Fair Dealership Law (which, among other things, grants Franchisee the right, in most circumstances, to 90 days prior written notice to termination and 60 days within which to remedy any claims deficiencies), said renewal provision will be superseded by the requirement of the Wisconsin Fair Dealership Law and will have no force or effect.”
- b. To the extent that the provision of this Agreement regarding termination are inconsistent with requirements of the Wisconsin Fair Dealership Law (which, among other things, grants Franchisee the right, in most circumstances to 90 days prior written notice of termination and 60 days within which to remedy any claimed deficiencies), said termination provisions will be superseded by the requirements of the Wisconsin Fair Dealership Law and will have no force or effect.
- c. If the franchise agreement requires that it be governed by a state’s law, other than the State of Wisconsin, to the extent that any provision of the franchise agreement conflicts with the Wisconsin Fair Dealership Law such provision shall be supersede by the law’s requirement.

2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Wisconsin law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

[Signatures on the following page]

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment to the Franchise Agreement in duplicate on the day and year first above written.

**FRANCHISOR:**

SHEENCO TRAVEL FRANCHISE, INC.

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

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

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

**FRANCHISEE:**

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

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

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

**EXHIBIT I TO THE DISCLOSURE DOCUMENT**

**SHEENCO TRAVEL FRANCHISE, INC.**

**LIST OF CURRENT & FORMER FRANCHISEES**

**SHEENCO TRAVEL FRANCHISE, INC.  
LIST OF CURRENT & FORMER FRANCHISEES**

**CURRENT FRANCHISEES:**

**Alaska**

Samantha Hull  
750 W. Diamond Blvd. 103 PMB 712  
Anchorage, Alaska 99515  
907-802-5315

**Franchise Agreements Signed but Unit Not Open as of December 31, 2023**

None.

**FORMER FRANCHISEES: None**

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

**Units Closed as of December 31, 2023**

None.

**Units Transferred as of December 31, 2023**

None.

**Franchisees that have not communicated with us within 10 week of the date of this Disclosure Document**

None.

**EXHIBIT J TO THE DISCLOSURE DOCUMENT**

**SHEENCO TRAVEL FRANCHISE, INC.  
CONFIDENTIAL OPERATIONS MANUAL TABLE OF CONTENTS**

# OPERATIONS MANUAL



Confidential Materials Property of SHEENCO TRAVEL, LTD.  
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**EXHIBIT K TO THE DISCLOSURE DOCUMENT**

**SHEENCO TRAVEL FRANCHISE, INC.  
GENERAL RELEASE**

## FORM OF GENERAL RELEASE

This General Release ("Release") is made and entered into on this day of \_\_\_\_\_, 20\_\_ by and between Sheenco Travel Franchise, Inc. ("Franchisor") and \_\_\_\_\_ ("Franchisee").

### WITNESSETH:

**WHEREAS**, Franchisor and Franchisee are parties to SHEENCO TRAVEL Franchise Agreement (the "Franchise Agreement") dated \_\_\_\_\_, 20\_\_, granting Franchisee the right to operate a SHEENCO TRAVEL business under Franchisor's proprietary marks and system.

**NOW THEREFORE**, in consideration of the mutual covenants and conditions contained in this Release, and other good and valuable consideration, receipt of which is hereby acknowledged by each of the parties hereto, the parties hereto agree as follows:

Franchisee, for itself and its successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the "Releasers"), irrevocably and absolutely releases and forever discharges Franchisor and its successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the "Releasees"), of and from all claims, obligations, actions or causes of action (however denominated), whether in law or in equity, and whether known or unknown, present or contingent, for any injury, damage, or loss whatsoever arising from any acts or occurrences occurring as of or prior to the date of this Release relating to the Franchise Agreement, the business operated under the Franchise Agreement, and/or any other agreement between any of the Releasees and any of the Releasers.

The Releasers, and each of them, also covenant not to sue or otherwise bring a claim against any of the Releasees regarding any of the claims being released under this Release.

**IN WITNESS WHEREOF**, the parties hereto have executed this Release as of the date first above written.

#### FRANCHISOR

**SHEENCO TRAVEL FRANCHISE, INC.**

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

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

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

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

#### FRANCHISEE

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

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

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

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

**EXHIBIT L TO THE DISCLOSURE DOCUMENT**

**FRANCHISEE DISCLOSURE ACKNOWLEDGEMENT STATEMENT**

## **FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT**

**This document shall not be used in any state requiring registration by the franchisor prior to offering franchises for sale, including but not limited to California and New York.**

As you know, Sheenco Travel Franchise, Inc. (the "Franchisor") and you are preparing to enter into a franchise agreement (the "Franchise Agreement") for the establishment and operation of a SHEENCO TRAVEL business (the "Franchised Business"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor, or by employees or authorized representatives of a broker acting on behalf of the Franchisor ("Broker") that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading. The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor.

In the event that you are intending to purchase an existing Franchised Business from an existing Franchisee, you may have received information from the transferring Franchisee, who is not an employee or representative of the Franchisor. The questions below do not apply to any communications that you had with the transferring Franchisee. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Franchised Business from an existing Franchisee?

Yes \_\_\_\_\_ No \_\_\_\_\_

2. I had my first face-to-face meeting with a Franchisor representative on \_\_\_\_\_, 20\_\_.

3. Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes \_\_\_\_\_ No \_\_\_\_\_

4. Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes \_\_\_\_\_ No \_\_\_\_\_

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary.)

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5. Have you received and personally reviewed the Franchisor's Disclosure Document that was provided to you?

Yes \_\_\_\_\_ No \_\_\_\_\_

6. Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes \_\_\_\_\_ No \_\_\_\_\_

7. Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes \_\_\_\_\_ No \_\_\_\_\_

If No, what parts of the Disclosure Document and/or Addendum do you not understand? (Attach additional pages, if necessary.)

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8. Have you discussed the benefits and risks of establishing and operating a Franchised Business with an attorney, accountant, or other professional advisor?

Yes \_\_\_\_\_ No \_\_\_\_\_

If No, do you wish to have more time to do so?

Yes \_\_\_\_\_ No \_\_\_\_\_

9. Do you understand that the success or failure of your Franchised Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes \_\_\_\_\_ No \_\_\_\_\_

10. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual or potential revenues, profits or operating costs of any particular Franchised Business operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document?

Yes \_\_\_\_\_ No \_\_\_\_\_

11. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document?

Yes \_\_\_\_\_ No \_\_\_\_\_

12. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchised Business will generate, that is contrary to or different from the information contained in the Disclosure Document?

Yes \_\_\_\_\_ No \_\_\_\_\_

13. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating the Franchised Business that is contrary to or different from the information contained in the Disclosure Document?

Yes \_\_\_\_\_ No \_\_\_\_\_

14. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?

Yes \_\_\_\_\_ No \_\_\_\_\_

15. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or franchise agreement?

Yes \_\_\_\_\_ No \_\_\_\_\_

16. Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today?

Yes \_\_\_\_\_ No \_\_\_\_\_

17. Have you paid any money to the Franchisor concerning the purchase of this franchise prior to today?

Yes \_\_\_\_\_ No \_\_\_\_\_

18. Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who? \_\_\_\_\_

\_\_\_\_\_

If you have answered No to question 9, or Yes to any one of questions 10-17, please provide a full explanation of each answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered Yes to question 9, and No to each of questions 10-17, please leave the following lines blank.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I signed the Franchise Agreement and Addendum (if any) on \_\_\_\_\_, 20\_\_\_\_, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor.

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above

questions. In addition, by signing this Questionnaire, you also acknowledge that:

A. You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace. You hereby acknowledge your awareness of and willingness to undertake these business risks.

B. You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees, or agents (including the Broker or any other broker) as to the likelihood of success of the franchise. Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees, or agents (including the Broker or any other broker) concerning actual, projected, or forecasted franchise sales, profits or earnings. If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None".

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C. You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures"). The Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism. For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is:

- (i) a person or entity listed in the Annex to the Executive Order;
- (ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism;
- (iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or
- (iv) owned or controlled by terrorists or sponsors of terrorism.

You further covenant that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

Acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Sign here if you are taking the franchise as an  
INDIVIDUAL

Sign here if you are taking the franchise as a  
CORPORATION, LIMITED LIABILITY  
COMPANY OR PARTNERSHIP

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Print Name of Legal Entity

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

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

Title\_\_\_\_\_

**EXHIBIT M TO THE DISCLOSURE DOCUMENT**

**STATE EFFECTIVE DATES**

### **State Effective Dates**

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

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

| <b>State</b> | <b>Effective Date</b> |
|--------------|-----------------------|
| California   | September 15, 2023    |
| Florida      | August 16, 2023       |
| Hawaii       |                       |
| Illinois     |                       |
| Indiana      |                       |
| Maryland     |                       |
| Michigan     |                       |
| Minnesota    |                       |
| New York     |                       |
| North Dakota |                       |
| Rhode Island |                       |
| South Dakota |                       |
| Texas        | June 8, 2021          |
| Virginia     |                       |
| Washington   |                       |
| Wisconsin    |                       |

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

## **EXHIBIT N TO THE DISCLOSURE DOCUMENT**

### **RECEIPTS**

## RECEIPT

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

If Sheenco Travel Franchise, Inc. 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, it or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that Sheenco Travel Franchise, Inc. provide you with this Disclosure Document at the earlier of the first personal meeting or ten business days before you sign a binding agreement with, or make payment to, it or one of its affiliates in connection with the proposed sale. Iowa and Michigan require that Sheenco Travel Franchise, Inc. provide you with this Disclosure Document ten business days before you sign a binding agreement with, or make payment to, it or one of its affiliates in connection with the proposed sale.

If Sheenco Travel Franchise, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Agency listed in Exhibit A.

The name, principal business address, and telephone number of the franchise seller offering this SHEENCO TRAVEL franchise is: Genevieve Sheehan, 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093, (857)277-5110.

Issuance Date: March 8, 2024. See Exhibit A for our registered agents authorized to receive service of process.

I received a Disclosure Document dated March 8, 2024 that included the following Exhibits:

### EXHIBITS:

- |                                                                   |                                                     |
|-------------------------------------------------------------------|-----------------------------------------------------|
| A. Agent for Service of Process                                   | H. State Specific Franchise Agreement               |
| B. Financial Statements                                           | Amendments                                          |
| C. State Specific Addenda                                         | I. List of Current & Former Franchisees             |
| D. Franchise Agreement                                            | J. Confidential Operations Manual Table of Contents |
| E. Non-Disclosure, Non-Solicitation and Non-Competition Agreement | K. General Release                                  |
| F. Employee Confidentiality Agreement                             | L. Franchisee Disclosure Acknowledgement Statement  |
| G. Spousal Non-Disclosure Non-Competition Agreement               | M. State Effective Dates                            |
|                                                                   | N. Receipts                                         |

***Please return one signed copy of this Receipt to the attention of Genevieve Sheehan at Sheenco Travel Franchise, Inc., 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093, or scan and email to [opportunities@sheencotravel.com](mailto:opportunities@sheencotravel.com).***

**Date Disclosure Document Received:** \_\_\_\_\_

**Date Receipt Signed:** \_\_\_\_\_

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_



## RECEIPT

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

If Sheenco Travel Franchise, Inc. 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, it or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that Sheenco Travel Franchise, Inc. provide you with this Disclosure Document at the earlier of the first personal meeting or ten business days before you sign a binding agreement with, or make payment to, it or one of its affiliates in connection with the proposed sale. Iowa and Michigan require that Sheenco Travel Franchise, Inc. provide you with this Disclosure Document ten business days before you sign a binding agreement with, or make payment to, it or one of its affiliates in connection with the proposed sale.

If Sheenco Travel Franchise, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Agency listed in Exhibit A.

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Issuance Date: March 8, 2024. See Exhibit A for our registered agents authorized to receive service of process.

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| G. Spousal Non-Disclosure Non-Competition Agreement               | M. State Effective Dates                            |
|                                                                   | N. Receipts                                         |

***Please return one signed copy of this Receipt to the attention of Genevieve Sheehan at Sheenco Travel Franchise, Inc., 6275 West Plano Parkway, Suite 500A, Plano, Texas 75093, or scan and email to [opportunities@sheencotravel.com](mailto:opportunities@sheencotravel.com).***

**Date Disclosure Document Received:** \_\_\_\_\_

**Date Receipt Signed:** \_\_\_\_\_

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_