

FRANCHISE DISCLOSURE DOCUMENT

Le Village Cowork Franchising, LLC

An Illinois limited liability company

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Chicago, IL 60618

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le Village

COWORKING + CHILDCARE

You will operate a business selling memberships to your coworking and childcare service and space under the registered trademark “Le Village”. Le Village is a co-working space for parents with an option for limited on-site childcare. You will offer and sell memberships and services for your coworking and childcare business following the Le Village Cowork System.

The total investment necessary to begin operation of a Le Village Cowork Franchise is between \$213,500 and \$326,100. This includes \$38,000 that must be paid to the franchisor or an affiliate if you will be leasing a space for your Le Village Cowork Franchise, or \$46,000 that must be paid to the franchisor or affiliate if you will be buying a space for your Le Village Cowork Franchise.

This disclosure document summarizes certain provisions of Your franchise agreement and other information in plain English. Read this document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before You can sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Daniella Cornue at 3148 W Irving Park Rd, Chicago, IL 60618, daniella@levillagecowork.com, 513-839-0684.

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’s Guide to Buying a Franchise,” which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue NW, Washington, DC 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 Illinois. 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 Illinois than in your own state.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **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 mandatory minimum advertising contributions regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.
5. **Supplier Control.** You must purchase all or nearly all of the inventory & supplies necessary to operate your business from Franchisor, its affiliates, or from suppliers that Franchisor designates at prices that the Franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchised business.

Certain states may require other risks to be highlighted. If so, check the "State Specific Addenda" pages for your state.

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Definitions.

To simplify this Franchise Disclosure Document, “We”, “Our”, or “Us” means Le Village Cowork Franchising, LLC, the franchisor. “You” means the person who buys the franchise. If You are a legal entity, “You” includes all owners of any equity interest in the entity. “Le Village Cowork Franchise” means the business You will operate under the Franchise Agreement, offering and selling memberships and services to your coworking and childcare business operating under Our Marks and following Our system (the “System”).

Our Name and Our Predecessors and Affiliates

We do business under our business name, Le Village Cowork Franchising, LLC (“Le Village Cowork Franchising”). We do not do business under any other name. Our principal business address is 3148 W Irving Park Rd, Chicago, IL 60618. Our agents for service of process are disclosed in Attachment E. We are an Illinois limited liability company organized on August 27, 2021.

We are a wholly-owned subsidiary of our parent company, Le Village Co., an Illinois corporation organized on March 5, 2019. Its principal place of business is 3148 W Irving Park Rd, Chicago, IL 60618. Le Village Co. has never offered franchises in any line of business.

We are affiliated with Le Village Cowork Irving Park Chicago, LLC, an Illinois limited liability company which owns and operates a Le Village Cowork business in Chicago, Illinois. Its principal place of business is 3148 W Irving Park Rd, Chicago, IL 60618. Le Village Irving Park Chicago, LLC has never offered franchises in any line of business.

Our Business and Franchises Offered.

Under the franchise we offer, You will operate a business that offers membership to a co-working space for parents with an option for limited on-site childcare. Care packages are offered in half-day increments, three to five days per week. Village Care will be limited to 3 hour sessions in the morning and afternoon. During Village Care, children will be provided with a safe learning environment. While their children are in a Village Care classroom, parents have the option to utilize a Co-working Quiet Zone. They can work, read, use our high-speed internet, or take a conference call in one of our phone booths. Parents will remain onsite throughout their tenure at the Le Village facility.

The market for Your service is generally consumers age 25-45 that have children and an income of \$80,000 or more. It can be broken into the following top categories: Pregnant Women, Parents in technology, Entrepreneurs, Telecommuters, and Small Business Owners. Your Le Village Cowork Franchise may operate in close proximity to major competitors. The market for child care services through daycares, nannies, and babysitting services websites is well established and competitive. There is active price competition and some competitors will offer many goods and services that are the same as or similar to those You offer. The market for

Your service may experience seasonal declines during the start of the summer season and during winter holidays.

Prior Business Experience

Our parent company, Le Village Co., began operating a Le Village Cowork coworking and childcare space in March 2019, which has subsequently been transferred to Our affiliate, Le Village Cowork Irving Park Chicago, LLC. This is Our first offering of franchises in any line of business. We also operate Le Village Learners, a non-profit providing pre-Kindergarten operated in our Irving Park location. We also operate Le Village Connected, which is our virtual online social platform in development that Le Village Cowork parents have access to. We also operate Le Village Unboxed, which offers activity boxes for children 18 months to 3 years+ delivered to customers' doors. We have no other business activities.

Laws Affecting Your Le Village Cowork Franchise

There are many federal, state and local regulations specific to the operation of a childcare and coworking business. You will also be subject to state and local licensing laws, codes and regulations, particularly as they relate to the operation of a childcare and coworking business. For certain Services, such as childcare, you are subject to federal, state, and local license laws and requirements. There may be other laws applicable to the business and we urge you to make further inquiries about these laws. The nature and amount of regulation could change rapidly relating to this business. You should consult a lawyer with experience dealing with childcare and coworking issues to be sure you are familiar with the current statutes and regulations that might apply within your territory.

There are, of course, statutes and regulations that are common to all businesses, including those governing health and labor issues, zoning and safety. You should obtain a complete copy of the relevant statutes and regulations of the Federal government and of Your state and discuss them with Your attorney. You should also investigate applicable county and city ordinances and regulations.

Item 2
Business Experience

Mrs. Daniella Cornue – President, Owner and Founder

Mrs. Cornue has served as the president, owner and founder of Le Village Co. in Chicago Illinois since March 2019, Le Village Cowork Franchising, LLC in Chicago Illinois since its formation in August 2021, and Le Village Cowork Irving Park Chicago, LLC in Chicago Illinois since its formation on September 1, 2021. Mrs. Cornue served as an account executive for Intersection Media in Chicago Illinois from July 2017 to July 2019. Mrs. Cornue served as an Account Executive at CBS Local Media in Chicago Illinois from January 2016 to July 2017.

Mrs. Stacey Campbell – Officer of the Board

Mrs. Campbell has served as an Officer of the Board of Le Village Co. in Chicago Illinois since September 2019. Mrs. Campbell served as Director Enterprise Strategy Enablement for CCC Information Services Inc. in Chicago Illinois from July 2013 to September 2019.

Mrs. Vicki Curler – Administrative Associate and Officer of the Board.

Mrs. Curler has served as Administrative Associate and Officer of the Board of Le Village Co. in Chicago Illinois since September 2019. Mrs. Curler has served as IT and Logistics Manager at the American Classical League in Hamilton Ohio since August 2008.

Mrs. Carene Kunkler - Board Officer

Mrs. Kunkler has served as a Board Officer of Le Village Co. in Chicago, Illinois since January 2023. Prior to her tenure at Le Village Co., Mrs. Curler served as the Vice President of Marketing at Lenscrafter before retiring.

Mr. Juan Maldonado - Board Officer

Mr. Juan Maldonado has served as a Board Officer of Le Village Co. since March 2023. Prior to this role, Mr. Maldonado is the owner of Brooklyn Construction and has extensive experience as a developer and General Contractor.

**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

Initial Fee.

You must pay Us an Initial Fee of \$38,000 if you will be leasing a space for your Le Village Cowork Franchise, or \$46,000 if you will be buying a space for your Le Village Cowork Franchise. The Initial Fee is payable as a deposit in the amount of \$5,000 if you will be leasing a space for your Le Village Cowork Franchise, or \$13,000 if you will be buying a space for your Le Village Cowork Franchise, payable upon the latter of Your signing of the Le Village Co. Application for Franchise (Attachment I) or 14 calendar days after you are provided with this Franchise Disclosure Document. The \$33,000 balance of the Initial Fee is payable in full, in cash, upon the earlier of Your signing the Franchise Agreement or six months following Your signing of the Le Village Co. Application for Franchise (Attachment I) but in no event earlier than 14 calendar days after you are provided with this Franchise Disclosure Document.

Refund of Initial Franchise Fee.

If we disapprove Your application for a franchise for any reason before You sign the Franchise Agreement, We will refund Your deposit in full. After We have approved Your Application, We will not refund the Initial Franchise Fee except if, through no fault of You, We determine that You have not successfully completed the initial training. If that happens, We will refund one-half of the Initial Fee. We will determine whether You have successfully completed the initial training based upon knowledge test results and Our observations of Your ability to use the knowledge effectively. If the second installment of the Initial Fee is not paid when due, the deposit, We may retain Your initial deposit and terminate your franchise.

**Item 6
Other Fees**

Type of fee	Amount	Due Date	Remarks
Royalty Fee¹	<p>The following percentage of Gross Revenues: During the first year after signing the Franchise Agreement, no royalties will be required. During years 2-5, a royalty of 4% of Gross Revenues will be paid each month.</p> <p>See Note A.</p>	<p>Payable monthly by Electronic Funds Transfer within 5 calendar days after the end of each month.</p>	<p>Gross Revenues includes the full price of all goods and services You sell, whether or not You have received cash or other consideration. The only thing not included in Gross Revenues is taxes or fees You are required to collect on behalf of the government. Gross Revenues are calculated at the time You sell the goods or services, without regard to when You receive or expect to receive payment.</p>
National Marketing Fee¹	<p>\$25 per week; We reserve the right to increase the National Marketing Fee to not more than 2% of Gross Revenues, capped at \$1,200 per month. See Note B.</p>	<p>Payable monthly by Electronic Funds Transfer within 5 calendar days after the end of each month.</p>	<p>Gross Revenues includes the full price of all goods and services You sell, whether or not You have received cash or other consideration. The only thing not included in Gross Revenues is taxes or fees You are required to collect on behalf of the government. Gross Revenues are calculated at the time You sell the goods or services, without regard to when You receive or expect to receive payment.</p>
Local & Cooperative Marketing	<p>You must follow the local marketing plan set forth in the Manual regarding required social media and earned marketing endeavors.</p> <p>Regional Marketing Cooperative contributions are as determined by the Regional Marketing</p>	<p>Monthly within 5 calendar days after the end of each month.</p>	<p>If there are two or more Franchises in a marketing area, as We determine, You must participate in the cooperative and contribute moneys as determined by a majority vote of the cooperative.</p>

	Cooperative, not to exceed 2% of Gross Revenues or \$1,200 per month, whichever is less, without the vote of the members of the Regional Marketing Collective. See Note C.		
Additional Training ¹	Approximately \$500 per person. In addition, You are solely responsible for all compensation, salaries, benefits and travel-related expenses for Yourself and any employees. See Note D.	At least two (2) weeks in advance of the training program(s)	You and Your Le Village Cowork Franchise team must complete the initial training (cost included in the Initial Fee for first three persons trained) and certain additional training at Your cost. If You obtain a new or replacement manager or Le Village Cowork Franchise, You will be responsible for the cost of initial training for that person after We have trained three people for You.
Transfer ¹	\$7,500	Before completing transfer	Payable only if You sell Your franchise or any part of Your business. Fee is \$500 if You transfer to a corporation or other entity with the same identical ownership and control.
Audit (less than 3% under reporting) ¹	1.5% per month interest on amount of underpayment plus the amount of the underpayment	Immediately upon billing	Payable only if an audit reveals that You have under reported Gross Revenues, but by less than 3 percent.
Audit (3% or more under reporting) ¹	1.5% per month interest on amount of underpayment plus the cost of the audit plus the amount of the underpayment	Immediately upon billing	Payable only if an audit reveals that You have under reported Gross Revenues by 3 percent or more.

Renewal ¹	Up to 1/3 of the then-current Initial Fee	Before consummating Renewal	
Profits on supplies or equipment	Variable	When You purchase items from Us or Our affiliate(s)	We do not currently have supplies or equipment that we require You to purchase from Us or Our affiliate(s). In the future, some items (for example, those bearing the Marks) may be available only from Us or an affiliate. We or the affiliate would expect to realize a profit on any such sales not to exceed 20% of Your cost for the supplies or equipment. You may elect to purchase other items from or through Us or an affiliate, in which case We or Our affiliate will generally realize a profit on the sale.
Evaluation of a Proposed Vendor	Our costs in evaluating the proposed vendor	Upon our evaluation of a proposed vendor at your request	We may charge a reasonable fee to cover Our costs in evaluating a proposed vendor

1. These fees are imposed by and are payable to Us. All fees are non-refundable.

Notes Regarding Other Fees:

Note A. Royalty Fees

You will pay a monthly Royalty Fee after the first year after signing the Franchise Agreement. You will pay by electronic funds transfer. We may, upon 30 days prior written notice, require You to pay Royalties by check, pre-authorized check, electronic funds transfer or similar mechanism. We may, upon notice, require You to pay Your Royalty Fees on a different periodic basis (quarterly etc.).

Note B. National Marketing Fees

You will pay a weekly National Marketing Fee. You will pay the National Marketing Fee in the same manner and at the same time as your Royalty Fee. We may require You to pay National Marketing Fees by check, pre-authorized check, electronic funds transfer or similar mechanism. National Marketing Fees are in addition to Your local and regional marketing obligation and any assessments made by a local marketing cooperative. We may, upon notice, require You to pay Your National Marketing Fees on a different periodic basis.

Note C. Regional Marketing Cooperative

No Regional Marketing Cooperative can make assessments of more than 2% of Gross Revenues (capped at \$1,200 per month) unless otherwise voted by members of the Regional Marketing Cooperative that are responsible for at least the majority of the Gross Revenues of all Franchisees over the previous six (6) month period, at which time all parties will contribute at the percentage determined by the Regional Marketing Cooperative. Funds contributed to any regional marketing cooperative shall be in addition to the National Marketing Fee.

Note D. Training Expense.

All Le Village Cowork Franchise employees must successfully complete Our initial training program. We will decide whether You and Your Le Village Cowork Franchise successfully complete the initial training program based upon knowledge test results and Our observations of Your ability to use the knowledge effectively. In addition to successfully completing our initial training program, your Lead Teachers must have at least two years of related industry experience.

During your franchise term, We will provide initial training to You and up to two additional persons as part of your Initial Fee. After the first three persons, You must bear the cost of training additional Le Village Teachers and managers. In all cases, You are solely responsible for all salaries, compensation, benefits, travel and related expenses for trainees.

We may ask You or Your Le Village Staff to attend additional training at a location We determine. Generally, You must pay Our usual fee(s) for mandatory training. In any event, You are solely responsible for all salaries, compensation, benefits and travel related expenses of trainees.

We may provide or make available training materials and equipment for You or Your employees. All training materials are Trade Secrets. You must require any of Your employees to successfully complete any training program(s) if We designate them as mandatory.

**Item 7
Estimated Initial Investment**

YOUR ESTIMATED INITIAL INVESTMENT

	LOW AMOUNT	HIGH AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM MADE
Initial Fee (Note A)	\$38,000.00	\$46,000.00	Lump Sum	\$5,000 with application if leasing, \$13,000 with application if buying; \$33,000 within the earlier of Your signing the Franchise Agreement or six months following Your signing of the Le Village Co. Application for Franchise	Us
Travel & Living Expenses While Attending Initial Training	\$2,500.00	\$4,000.00	As Incurred	Before, During & After Training	Vendors, Airlines, Hotels, Car Rental Companies, etc.
Rent & Security Deposit (3 Months) (Note B)	\$15,000.00	\$20,000.00	As agreed with Landlord	As Arranged	Landlord
Leasehold Improvements (Note C)	\$70,000.00	\$125,000.00	As Incurred	As Arranged	Landlord, Lender or Contractor(s) and

					Designated Supplier or Approved Supplier
Equipment (Note D)	\$12,000.00	\$15,000.00	As Incurred	As Arranged	Designated Supplier or Approved Supplier
Furniture, Office Equipment & Software	\$18,000.00	\$20,000.00	As Incurred	As Arranged	Designated Supplier or Approved Supplier
Signs	\$500.00	\$1,000.00	As Arranged	As Arranged	Us, Designated Supplier or Approved Supplier
Licenses	\$200.00	\$600.00	Lump Sum	Before Opening	State, County, City
Grand Opening (Note E)	\$300.00	\$500.00	As Incurred within first 90 days	As Incurred within first 90 days	Us & Vendors
Marketing & Marketing Fee (3 months) (Note F)	\$7,500.00	\$10,000.00	As Arranged; See Item 6.	As Arranged; See Item 6.	Us, Designated Supplier or Approved Supplier
Insurance (Note G)	\$4,500.00	\$6,500.00	As Arranged	As Arranged	Insurance Companies
Legal Fees (Note H)	\$1,000.00	\$1,500.00	As Incurred	As Incurred	Your Lawyer
Opening Inventory of Supplies	\$4,000.00	\$6,000.00	As Arranged	As Arranged	Us and Designated Supplier or Approved Supplier

Additional Funds (3 months) (Note I)	\$10,000.00	\$20,000.00	As Incurred	As Incurred	Employees, Vendors, Utilities, Taxing Agencies, Etc.
Miscellaneous Costs / Runway (Note J)	\$30,000.00	\$50,000.00	As Incurred	As Incurred	Vendors, Suppliers, Utilities, Tradesmen, Deposits etc.
Total	\$213,500.00	\$326,100.00			

Notes Regarding Initial Investment:

Note A: Initial Fee.

A deposit in the amount of \$5,000 if you will be leaving a space for Your Le Village Cowork Franchise or \$13,000 if you will be buying a space for your Le Village Cowork Franchise is payable upon the later of Your signing of the Le Village Co. Application for Franchise (Attachment I) or 14 calendar days after you are provided with this Franchise Disclosure Document. The \$33,000 balance of the Initial Fee is payable in full, in cash, upon the earlier of Your signing the Franchise Agreement or six months following Your signing of the Le Village Co. Application for Franchise (Attachment I) but in no event earlier than 14 calendar days after you are provided with this Franchise Disclosure Document..

Note B: Real Estate.

The figures in the chart reflect the estimated lease security deposit rent for the first three months of operation. Commercial real estate costs vary greatly depending on geographic location. These figures do not factor in landlord real estate taxes allocation, landlord insurance share allocations, common area maintenance charges allocation or any other charges allocation that may be imposed under your lease.

Note C: Leasehold Improvements

The cost could be higher if You or Your landlord request changes from the standard design and materials.

If You already lease or own the premises, You should review Your lease or purchase documents to evaluate the cost of real estate leasehold improvements. If not, lease situations will vary in rental amounts, lease terms, amount of space required and tenant improvements required. Size, configuration and landlord requirements will be major factors in cost. Some landlords finance leasehold improvements by amortizing them over the lease term and charging a higher rental amount to cover the cost. You should attempt to determine Your costs and financing options before deciding on Premises.

Even if You are taking over or continuing in an existing Le Village Cowork Franchise premises or another existing facility, We may require that You remodel, redecorate or make other changes to the premises to comply with Our specifications, at Your cost. You must maintain the premises, at Your expense, including furniture, fixtures, interior and exterior paint and landscaping, in accordance with the Our specifications.

Note D: Equipment.

We will make recommendations on where to purchase your equipment such as play equipment etc. If You purchase from another franchisee or if you elect to acquire Your mandatory equipment from other sources, it may cost more. We are not obligated to offer your business on a fully equipped basis.

The cost of equipment could vary widely depending primarily upon Your circumstances. If You have an existing Le Village Cowork Franchise business that is fully equipped, You may need additional or different equipment if You are expanding Your operations or to comply with Our standards. There are factors beyond Our control that could cause You to invest more in equipment.

If You lease the equipment, that may increase Your monthly fixed expenses. If You borrow money to purchase the equipment, that may increase Your monthly fixed expenses.

Note E: Grand Opening.

We recommend a “grand opening” appropriate for Your community, competitive situation and similar factors. The cost of a grand opening is difficult to estimate with accuracy because of local market factors, including the types of marketing media available, the cost of marketing space or time and the local competitive situation. We estimate that, in most areas, You can accomplish an adequate grand opening for between \$300 and \$500, although, because of local conditions, You may decide that more or less is necessary.

Note F: Marketing.

This estimate includes the National Marketing Fee of \$25 per week (which may be increased to a maximum of 2% of Gross Revenues in our discretion), local marketing, and Regional Marketing Cooperative contributions not to exceed \$1,200 per month or 2% of Gross Revenues, whichever is less, unless otherwise voted by members of the Regional Marketing Cooperative that are responsible for at least the majority of the Gross Revenues of all Franchisees over the previous six (6) month period. If you are in a marketing area that contains two or more franchisees, you must participate in a marketing cooperative. This estimate does not include any extraordinary initial marketing expense for obtaining employees and informing the community of Your business opening.

Note G: Insurance.

We require You to purchase and maintain, at Your expense, throughout the term of this Agreement commercial general liability insurance, including bodily injury, property damage, personal injury, and broad form contractual coverage for liability assumed under this Agreement. Such insurance shall be on an occurrence basis and shall consist of combined single limit coverage of at least one million dollars per occurrence/two million dollars annual aggregate.

You must purchase and maintain professional liability (errors and omissions) insurance and contractor's pollution liability insurance. You must purchase and maintain worker's compensation and employer's liability insurance with a reputable insurer acceptable to Us or with a state agency. You must provide Us with one or more certificates of insurance evidencing such coverages and naming Us as an additional insured as to each applicable policy. Such certificate(s) of insurance shall provide that the coverages under the respective policy(ies) may not be modified (except to increase coverage) or canceled until at least thirty (30) days prior written notice of such cancellation or modification has been given to Us. Upon Our request You must provide Us with a true copy of any insurance policy, including all endorsements. Every insurance policy must provide that coverage is primary/non-contributory. Every insurance policy must be with an insurance company that meets Our criteria as set forth in the Manual.

Keeping in mind that the price of insurance has varied widely in recent years, You should obtain a price quotation from Your insurance agent or broker and rely solely upon Our estimate in planning to purchase the Franchise. Workers Compensation and employers liability insurance are extra and You should obtain prices from Your state agencies or Your insurance agent or broker.

Note H: Legal.

Because of the variability of attorney's fees, this is, at best, an estimate. You should check with Your attorney or with several knowledgeable attorneys to determine the actual range of fees before signing the Franchise Agreement. You may need an attorney to assist and advise You in setting up Your business organization and reviewing contract documents. This estimate does not include any ongoing needs for legal services in connection with relationships with customers or vendors. Depending upon Your experience and staffing, You may also need accounting services, which might be extra. You should consult Your accountant for an estimate of fees. This estimate does not include accounting or consulting services.

Note I: Additional Funds.

This estimates Your initial start up expenses. You may have to use some of these additional funds to pay for Our Management Assistance if you request from us extraordinary management or support services during the early stages of your Le Village Cowork Franchise. In addition, these estimates include payroll costs and various service costs such as utilities. These estimates do not include owner compensation or return on investment. Your costs will depend on factors such as; how closely You follow Our methods and procedures; Your management skill, experience and business acumen; local economic conditions; the local market for the products and services You offer; the prevailing wage rate; competition; and the sales level You reach during the initial period. You may need additional funds before Your Le Village Cowork Franchise breaks even.

Note J. Miscellaneous Costs.

This estimate is for a reserve to cover incidental unexpected costs. You may want to reserve more.

Going Concern Value Not Included.

If You purchase an existing operating Le Village Cowork Franchise from Us or from another franchisee, You should expect to pay, in addition to the estimated initial investment, an amount representing the fair market going concern value of the business. That value might exceed the estimated initial investment. Any purchase of existing business assets and goodwill would be under a separate agreement negotiated between You and the seller.

Services by Affiliate and others.

We may provide certain services to You under the Franchise Agreement by sub-contracting with others, including our Affiliate, to provide them. These arrangements will not result in increased costs to you for the services.

No Financing.

See Item 10. We do not offer financing for any items. Should We establish relationships with sources of possible financing, We would make the information available to You. Financing availability and qualification requirements would probably change and vary widely. If We make financing available to You, We or Our affiliate(s) would expect to make a profit from it. We do not require You to obtain financing from Us or Our affiliate(s).

No Refunds.

We will not refund any of the payments You make except as provided in Item 5, above.

Item 8 Restrictions on Sources of Products and Services

You must purchase from Us or a supplier We approve certain equipment, supplies and inventory necessary to start or operate the Le Village Cowork Franchise. As to other equipment, supplies and inventory, You may purchase them from the vendor(s) of Your choice, but the item(s) must meet Our specifications. We issue specifications in writing and incorporate them in the Manual. These specifications include quality, accuracy, preparation, installation, application, delivery, performance, design and appearance. In some instances, You must purchase items that comply with Our reasonable subjective determination of whether they meet the standards and comport with the Le Village Co. image. If We have not provided specifications, You may purchase any items that reasonably meet the requirements of the Le Village Cowork Franchise.

In some locations, We will offer Le Village franchised businesses on a fully equipped basis only. In that case, You must purchase the equipment and the initial inventory from Us or an affiliate or approved vendor. Your cost of equipment and initial inventory will be not more than Our cost for the items on a delivered and installed basis plus a reasonable margin of profit.

You must purchase from Us or a vendor We approve all items used to start or operate Your business that contain or bear the Marks. All items that You purchase from approved suppliers must meet Our specifications. This includes advertising and marketing materials, forms, and promotional items. In addition, You must purchase the signs used to identify the Le Village Cowork Franchise(s) and Premises from a vendor We approve.

We publish a list of approved vendors and order procedures in the Manual. We may approve other vendors if You request it in writing or if a vendor requests it and if the vendor demonstrates to Our satisfaction that it is financially stable and can provide product(s) or service(s) that meet Our specifications and that are consistent with Our image. We may charge a reasonable fee to cover Our costs in evaluating a proposed vendor. We will give you a good faith estimate of our cost of evaluating a proposed vendor within a reasonable time after you make the request, but before we begin the evaluation process. We will normally make Our decision within sixty days. We reserve the right to disapprove any previously approved vendor whose performance falls below Our standards. We will make any approvals of new vendors or revoke approval of vendors in writing and will incorporate Our decision in the Manual.

During the fiscal year covered by Our Audited Financial Statements (Attachment A), neither We nor our affiliate derived any revenue from vendors based on required purchases or leases by franchisees made in accordance with Our specifications. Because of common industry practices, we expect to receive rebates, discounts and allowances from some vendors with whom you do business. We will place such monies in either the National Marketing Fund or in a separate fund to cover the cost of franchisee conferences and conventions and franchisee incentive programs. We will make a reasonable attempt to administer the funds in a way that is fair and equitable. We anticipate that such rebates, discounts and allowances may range from zero percent to as high as fifteen percent of the amount of your purchase of certain items. We expect the amount and availability to vary from time to time based upon factors outside our control. We will prepare an annual unaudited accounting of the amount of monies received and their application by general category and will provide You with a copy upon written request.

Please review Item 11 for information regarding computer hardware and software You must purchase or license.

Because this is the first time We have offered franchises, Our historic information about how much You will spend on equipment, supplies and inventory from Us or approved vendors is an estimate based upon historic spending for one similar business operated by our affiliate Le Village Cowork Irving Park Chicago, LLC. Thus, We have almost no historic information about how much You will spend on equipment, supplies and inventory that must meet Our specifications.

We may negotiate purchase arrangements with suppliers for Your benefit in the future. Except as described in this Item, We do not currently provide any material benefits to You based upon Your use of designated or approved sources except that You know that We have confidence that the designated or approved vendor can perform to Our specifications.

Your employees and manager(s) must complete certain training programs at Your expense. We have no historic information about how much You will spend on mandatory training programs. See Item 6.

We estimate that Your purchases of goods and services from approved sources will represent approximately 90% to 100% of Your overall purchases in operating the Le Village Cowork Franchise.

We estimate that Your purchases of goods and services in accordance with specifications will represent approximately 90% to 100% of Your total purchases in connection with establishing Your Le Village Cowork Franchise and approximately 90% to 100% of Your total purchases in connection with operating Your Le Village Cowork Franchise.

No franchisor officer owns an interest in any supplier.

We do not currently have any purchasing or distribution cooperatives.

The numbers contained in this Item 8 are Our good faith estimates. We have little historic data from which to derive accurate numbers or percentages. In the interest of providing You with some point of reference, We have provided these estimates. Both We and Our affiliate(s) have the right to make a profit on items You purchase from Us. Any profits would be within the range of standards in the industry for the item(s) in question.

Item 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Item in Franchise Disclosure Document
a. Site selection and acquisition/lease	Articles 1, 6, 9, 12, 15, 17, Exhibits A, B, & E Exhibit H (if applicable)	Items 5, 8, 9, 11, 12, & 17 Attachment B, Exhibits A, B & E Attachment B, Exhibit H (if applicable)
b. Pre-opening purchases/leases	Articles 1, 6, 7, & 8 Exhibits A, B, C & D Exhibit H (if applicable)	Items 5, 6, 7, 8, 9 & 17 Attachment B, Exhibits A, B, C & D Attachment B, Exhibit H (if applicable)
c. Site development and other pre-opening requirements	Articles 1, 2, 4, 6, 7, 8, 11, 15 & 17, Exhibits A, B, C & D Exhibit H (if applicable)	Items 5, 6, 9, 11, 12 & 17 Attachment B, Exhibits A, B, C & D Attachment B, Exhibit H (if applicable)
d. Initial and ongoing training	Articles 1, 4, 5, 6, 7, 9, 11, 12, 13, 15 & 20	Items 5, 6, 7, 8, 9, 11, 14, 15 & 17
e. Opening	Articles 1, 2, 4, 6, 7, 8, 11, 12, 19, Exhibits A,	Items 5, 6, 7, 8, 9, 11, 12, 16, 17, 22, Attachment B,

	B, C, D, E, F, G, H (if applicable), I & K	Exhibits A, B, C, D, E, F, G, H (if applicable) I & K
f. Fees	Articles 2, 3, 4, 5, 7, 9, 11, 12, 17, 18, 20 & Exhibit G; Exhibit L (if applicable)	Items 5, 6, 7, 8, 9, 10, 17, Attachment B, Exhibit G; Attachment B, Exhibit L (if applicable)
g. Compliance with standards and policies/Operating Manual	Articles 1, 2, 3, 4, 5, 6, 7, 11, 12, 13 & 15 & Exhibits C & D	Items 8, 9, 12, 13, 16, 17, Attachment B, Exhibits C & D
h. Trademarks and proprietary information	Articles 1, 2, 5, 6, 7, 11, 15, 16, 17, 18 (if applicable) & Exhibits A, B, D, F, G, I & L (if applicable)	Items 1, 2, 8, 9, 11, 12, 13, 14, 16, 17, Attachment B, Exhibits A, B, D, F, G, I & L (if applicable)
i. Restrictions on products/services	Articles 1 & 7 & Exhibit D	Items 1, 8, 9, 12, 13, 14, 16 & 17 & Attachment B, Exhibit D
j. Warranty and customer service requirements	Articles 1, 2, 3, 4, 5, 7, 8 & 15,	Items 1, 8, 9, 12, 13, 14, 15, 16 & 17
k. Territorial development and sales quotas	None	None
l. Ongoing product/service purchases	Articles 4, 5, 7 & 15, Exhibits C & D	Items 6, 8, 9, 16, & 17, Attachment B, Exhibits C & D
m. Maintenance, appearance and remodeling requirements	Articles 1, 6, 7, 9, 11, 12, 15, 16 & 17, Exhibits A, C & D	Items 6, 7, 9, 13, 15, 16 & 17, Attachment B, Exhibits A, C & D
n. Insurance	Articles 8 & 15	Items 7, 9 & 17

o. Marketing	Articles 1, 2, 3, 6, 7, & 15	Items 7, 8, 9, 13, 14, 16, 17 & 18
p. Indemnification	Articles 8, 11 & 15	Items 7, 9 & 17
q. Owner's participation/management/staffing	Articles 4, 5, 7, 11, 13, 15 & 17, Exhibits G & I	Items 7, 8, 9, 12, 13, 15, 16, & 17, Attachment B, Exhibits G & I
r. Records/reports	Articles 3, 7, 8, 12 & 15	Items 8, 9, 15 & 17
s. Inspections/audits	Articles 3, 7, & 15	Items 6, 8, 9, 16 & 17
t. Transfer	Articles 1, 6, 7, 11, 12, 13, 14, 15, 16, 17 & 18 (if applicable)	Items 6, 9, 13, 14 & 17
u. Renewal	Articles 9, 10 & 15	Items 6, 9 & 17
v. Post-termination obligations	Articles 5, 8, 10, 13, 14, 15, 16, 17 & 18 (if applicable)	Items 6, 9, 13, 14 & 17
w. Non-competition covenants	Articles 1, 5, 7, 11, 15, 16 17 & 18 (if applicable)	Items 9, 13, 14 & 17
x. Dispute resolution	Article 19	Items 9 & 17

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

Pre-opening Obligations.

Except as listed below, We are not required to provide You with any assistance.

Before You open Your Le Village Cowork Franchise, We will:

1. License you to use our Marks and System in connection with your Le Village Cowork Franchise (Franchise Agreement - Article 1);
2. Designate Your Territory (Franchise Agreement - Article 1);
3. Review and approve or disapprove Your selected business Premises (Franchise Agreement - Articles 1 & 7) as follows:
 - a. You are responsible for securing a location. Although We will provide You with any information We have about available locations, You should independently evaluate the proposed location. We do not own Premises and rent them to You.
 - b. You are responsible for complying with all local ordinances and building permits and to obtain any required permits.
 - c. We require You to maintain and repair the Premises and equipment. We may require You to replace equipment to comply with Our current specifications and image every three years.
 - d. You must obtain and install the required equipment, signs, fixtures and supplies from approved suppliers. Please refer to Item 8 for more information.
 - e. The factors We will consider in reviewing any proposed site will be unique to that site. However, we will generally consider such factors as: demographics of the surrounding area; the type of nearby development; zoning; physical characteristics of the proposed site; the status of nearby competition; the economics of the proposed site; and access issues. No one factor or combination of factors will be determinative in every case.
 - f. In some cases We will offer franchises on a fully equipped basis and You will purchase the Premises and equipment at Our installed and delivered cost plus a reasonable profit.
 - g. If you do not secure a location that We can reasonably approve within 180 days (or any extension We agree to) You will forfeit Your Initial Fee. We are interested in locations, not forfeitures, so if You are making a reasonably diligent effort to secure a good location, We would ordinarily expect to agree to reasonable extensions. We expect you to communicate with us about your efforts.
4. Provide You one or more operations manuals ("the Manual") (Franchise Agreement - Article 1); and
5. Provide initial training for You and one manager, if applicable, as follows:

Subject	Time Begun	Instructional Material	Hours of Classroom Training*	Hours of On The Job Training*	Instructor *
Services Provided to the LeVillage CoWork Franchisee	Before Opening	Manual and Virtual or In-person Review	1	1	Daniella Cornue
Responsibilities of the LeVillage CoWork Franchisee	Before Opening	Manual and Virtual or In-person Review	1	1	Daniella Cornue
Visits From the Corporate Office	Before Opening	Manual and Virtual or In-person Review	1	1	Daniella Cornue
Pre- Opening Procedures	Before Opening	Manual and Virtual or In-person Review	3	3	Daniella Cornue
Introduction	Before Opening	Manual and Virtual or In-person Review	1	1	Daniella Cornue
Pre-Opening Checklist	Before Opening	Manual and Virtual or In-person Review	3	3	Daniella Cornue
Building Out Your Territory	Before Opening	Manual and Virtual or In-person Review	2	2	Daniella Cornue
Required List of Equipment/Initial Inventory	Before Opening	Manual and Virtual or In-person Review	4	4	Daniella Cornue
Establishing Credentials with Insurance	Before Opening	Manual and Virtual or In-person Review	2	2	Daniella Cornue

Companies					
Business Licenses	Before Opening	Manual and Virtual or In-person Review	2	2	Daniella Cornue
Setting Up Bank Accounts/Meeting Tax Obligations	Before Opening	Manual and Virtual or In-person Review	2	2	Daniella Cornue
Administrative Procedures	Before Opening	Manual and Virtual or In-person Review	6	3 Days	Daniella Cornue
Events at Le Village	Before Opening	Manual and Virtual or In-person Review	3	1 Day	Daniella Cornue
Software / Services	Before Opening	Manual and Virtual or In-person Review	8	2 Days	Daniella Cornue
Services	Before Opening	Manual and Virtual or In-person Review	4	3 Days	Daniella Cornue
Products	Before Opening	Manual and Virtual or In-person Review	2	2	Daniella Cornue
Billing Procedures	Before Opening	Manual and Virtual or In-person Review	6	6	Daniella Cornue
Generating Reports	Before Opening	Manual and Virtual or In-person Review	8	8	Daniella Cornue
Ordering Trademarked LeVillage CoWork	Before Opening	Manual and Virtual or In-person Review	1	1	Daniella Cornue

Products					
Using Designated and Approved Sources of Supply	Before Opening	Manual and Virtual or In-person Review	1	1	Daniella Cornue
Royalty Payment	Before Opening	Manual and Virtual or In-person Review	1	1	Daniella Cornue
Personnel	Before Opening	Manual and Virtual or In-person Review	6	1 Day	Daniella Cornue
Public Relations and Marketing	Before Opening	Manual and Virtual or In-person Review	6	6	Daniella Cornue
Brand Guidelines	Before Opening	Manual and Virtual or In-person Review	4	4	Daniella Cornue
Trademarks and Trade Secrets	Before Opening	Manual and Virtual or In-person Review	3	3	Daniella Cornue
Operating Procedures	Before Opening	Manual and Virtual or In-person Review	8	2 Days	Daniella Cornue
Safety and Security Issues	Before Opening	Manual and Virtual or In-person Review	4	4	Daniella Cornue

* All times are approximate and We may adjust them based upon Your experience and rate of learning. Although the person(s) indicated will coordinate and be responsible for training, they may bring in other appropriate persons to actually conduct the training or some portion of it.

We do not charge for the initial training for You and up to two additional persons from Your Le Village Cowork Franchise team (the cost is included in Your Initial Fee). All training occurs at Our Chicago, Illinois training center and/or at Your Le Village Cowork Franchise business(es). Please refer to Item 2 for information regarding the experience of the training instructors. You and Your Le Village Cowork Team must successfully complete the initial

training program. We will decide whether You successfully complete the initial training program based upon knowledge test results and Our observations of Your ability to use the knowledge effectively. Your training will be conducted by Daniella Cornue, who has 3 years of experience in operating a Le Village location and 15 years of experience in sales, customer management, and marketing, and Lilly Seay, who has 3 years of experience in teaching and managing a Le Village classroom.

Obligations after opening, We will:

1. Take any actions We deem appropriate to protect or defend the Marks or System (Franchise Agreement - Article 1);
2. Provide You one or more operations manuals (“the Manual”), which contains specifications and mandatory and suggested standards and procedures. This manual is confidential and remains Our property. We will modify this manual, but the modifications will not alter Your status and rights under the Franchise Agreement. (Franchise Agreement - Article 1). Attachment D includes a copy of the Manual’s table of contents. The Manual currently contains approximately 350 pages.
3. Manage any National Marketing Fees. We will provide a periodic accounting, but only as to the aggregate amount of any National Marketing Fees collected and how We used them by general category. (Franchise Agreement – Article 2)
4. Manage all aspects of the marketing program using any National Marketing Fees collected (Franchise Agreement - Article 2);
5. Collect and manage funds received as rebates, discounts and allowances from vendors you do business with (Franchise Agreement – Article 2); and
6. Provide a periodic training program for Your manager(s) and for certain other employees, at Our regular charge for the training (Franchise Agreement - Articles 4 & 5). Please refer to Item 6 for information regarding the frequency and number of training programs We may require You to participate in.

After You open the Le Village Cowork Franchise, We expect to be in regular contact with You to discuss Your operation of the Le Village Cowork Franchise and to generally be of assistance. We plan to provide additional on-going training for You and Your manager(s) and employees at Our usual charges. The Agreement does not obligate Us to provide such services, however.

We plan to provide a marketing program using any National Marketing Fees You pay, combined with those from other franchisees. We expect to focus marketing using National Marketing Fees in areas where We have one or more franchisees, although the Agreement does not require Us to benefit You with every marketing program and we may use the National Marketing Fees to solicit the sale of new franchises. We may charge Our marketing research, development and production expenses against the marketing funds. You must conduct marketing for Yourself directly or through a Regional Marketing Cooperative and You may use Your own marketing materials, but You must obtain Our approval of any such materials in advance. We are not obligated to collect a National Marketing Fee or to conduct a marketing program.

We currently do not have an advisory council. If We form or approve an advisory council, You must participate. Any advisory council would not have decision-making power. It would be advisory only. We have the right to form, change or dissolve any advisory council.

Advertising

If at any time there are two or more Le Village franchisees within a marketing area You must form a local marketing cooperative and You must participate. We will decide and may modify the size and location of any marketing area. A local marketing cooperative, by a majority vote, may assess additional National Marketing Fees and You must pay them. A local marketing cooperative may not assess National Marketing Fees in an amount greater than five percent of Gross Revenues unless all members of the cooperative agree. Except for these guidelines, and subject to any rules or recommendations We may adopt, each local marketing cooperative will be autonomous, making its own rules and procedures and administering its own funds. We will collect regional cooperative marketing fees for marketing cooperatives, if applicable.

Because We are new, We have no basis for providing information about how We spent any marketing funds during the last year. Any marketing funds not used during any one year remain in the marketing fund(s) for the next year. For more detail about the marketing programs, please review Items 6, 8 and 9.

Time To Open

The typical length of time between when You sign the Franchise Agreement or pay the initial franchise fee and the time when Your Le Village Cowork Franchise opens will generally be six to twelve months. The factors affecting this length of time include the time necessary for You to obtain Premises and equipment, schedule Your initial training, and hire and train any necessary employees. There may be unusual circumstances in which, because of delays, construction schedules and other events beyond Our control it takes longer than twelve months.

Training

Before opening Your Le Village Cowork Franchise, You and Your Le Village Team, must successfully complete Our initial training program. We will decide whether You successfully complete the initial training program based upon knowledge test results and Our observations of Your ability to use the knowledge effectively. We will ordinarily schedule the initial training program so that You will complete the pre-opening portions no more than 60 days before the scheduled opening of Your Le Village Cowork Franchise. You are responsible for all salaries, compensation and travel related expenses of persons receiving training, both initial training and on-going training, except that we do not charge for You and two members of Your Le Village Cowork Franchise team for the initial training. For further information regarding expenses related to the initial training, please review again Item 6.

Because there is always uncertainty about if and when You will locate and develop an acceptable franchise Premises, how long it will take to open Your Le Village Cowork Franchise and about whether You will successfully complete training, You should not terminate employment or cease other income producing activity until after these events have occurred.

Computer Software

We require You to use certain computer equipment and software. You may select any computer hardware that meets or exceeds Our current minimum requirements. You are responsible to maintain and repair Your hardware and to update or upgrade Your software. We may recommend or require additional hardware. We may require You to purchase specified point of sale or register equipment and software and/or portable hand-held devices. We currently require You to use the following computer hardware and software:

1. We currently require Cable, DSL or Fiber Optic Internet connection that is always on. We require You to have a static IP address—it is required for the security system. We recommend that You obtain your Internet access from a major supplier.
2. We use the following software and services to manage our daily businesses and processes. Extensive training will be provided on each of these tools.
 - a. Wix - Website Management
 - b. Stripe - 3rd Party Service used to process payments for members and customers
 - c. Bloomz - Free Service used by teaching staff in the Wigglers Room to track naps and diapers etc. and is shared live with parents
 - d. Google Cloud - Google Word, Google Photo, Google Chat, Gmail, Google Drive, Google Sheets, Google Calendar, and Google Slides
 - e. Quickbooks - Budgeting, Reports and Payroll
 - f. Canva - Content creations and graphic design
 - g. Later - Social Media management and scheduling
 - h. Mailchimp - Email marketing
 - i. Gmail - Email
 - j. Calendly - Automatic meeting scheduling and tour booking tool
 - k. Peerspace - External party events booking
 - l. Docusign - Legal documentation and registration processes
 - m. Nooie - Camera systems and baby monitors
3. We do not provide any support for computer hardware, “Proprietary Software” operated on computer systems. As report preparation and processing software and office management programs become more sophisticated, you may need to upgrade or supplement hardware and related items. You must upgrade your computers, modems and printers and purchase any additional equipment we specify to accommodate our software, or to improve the overall effectiveness and competitiveness of your business. We do not expect these upgrades to exceed \$4,000 in any 24 month period.
4. We have no contractual obligation to provide support for Microsoft software, Adobe Software, Intuit Software, or other 3rd party vendors of required software

programs. You may be able to obtain support from Your computer hardware manufacturer or directly from Microsoft. We have no contract with Microsoft or with any hardware manufacturer to provide You with service or support. We cannot estimate the cost of updates and upgrades and there is no limit to the frequency with which you may require them or the amount of the cost. Those factors are determined by Microsoft pricing and service policies. We have used versions of these software programs in Our offices continuously since March 5, 2019. We have not approved any alternative software at this time. The contact information for the applicable vendors can be found in table 11.1

5. Although We require You to have a computer with a network interface card that will run the required software, We do not impose additional technical requirements at this time except that Your computers must be less than one year old at the time You begin using it in the Le Village Cowork Franchise. We may, in the future, impose additional requirements on new or replacement computer hardware. You must install and use upgrades and replacement equipment when We require it, which We may do at any time. There is no contractual limit on how much an upgrade would cost.
6. All LeVillage Franchisees should generate monthly sales reports. These documents will prove vital in setting up the structure of your future sales efforts. We will generally be available during standard business hours to review these reports/numbers with you in order to assist your sales efforts and goals.
 - a. Accounts Receivables - This report will show you who has paid and list any “open” invoices - Due Semi - Annually.
 - b. Account Payable - This report will show you who you have paid and who you owe - Due Semi-Annually
 - c. Payroll Details - this report will show you complete payroll expenses and should include your liabilities (the amount you owe for taxes). - Due Monthly
 - d. Profit / Loss Statement - This report will summarize your income vs expenses - Due Monthly
 - e. Balance Sheet - This report will give you an overall view of your assets vs liabilities - Due Semi-Annually
 - f. Projected Enrollment - Due Monthly
 - g. Slot Report - Avg Slots Sold - Due Quarterly (Will be a tab in your Forecasting)
 - h. Monthly Budget - Due Quarterly (Will be a tab in your Forecasting)
 - i. Forecasting / Projections - Due Quarterly (Will be a tab in your Forecasting)
7. We will not have independent access to Your electronic cash register or computer system, but We reserve the right to conduct periodic audits of any accounting records contained in such hardware and You must allow Us access to any data or programs contained on your computer systems at Our request. You will also

authorize us, at our request, to access all accounting and financial records arising from or relating to Your operation of Your Le Village Cowork franchise.

Item 12 Territory

We will grant You a geographic territory (“Territory”) which We will describe in Exhibit B to the Franchise Agreement. If You are not in breach of the Agreement, We will not locate or open a competitive business under the Marks and using the System in Your Territory, either company-owned or franchised, during the term of the Agreement. You are permitted to operate the Franchised Business only at one location and only within Your Territory. You may not change the location of Your Franchised Business without our written consent in our sole discretion. There are no restrictions on where customers may come from. You may only engage in direct marketing within your Territory, except with our prior approval or through a Regional Marketing Cooperative.

The Agreement excludes certain sites from Your Territory, even though they may be located within the boundaries of Your Territory. We, or a person We designate, may directly or indirectly sell and distribute goods at those locations, including the same goods and services You offer and may use the Marks, without paying You or any other franchisee. In addition, We may offer products under the same or a different trade name or trademark, including within Your Territory through alternative distribution methods, including through independent retail outlets, catalogs, mail order and through electronic media, including television, radio, the internet and through other new or emerging commercial technological media without paying You or any other franchisee.

The Agreement permits Us to modify the boundaries and size of Your Territory if the population of Your territory increases by fifty percent or more from the estimated population at the time You sign the Agreement. If a modification reduces the size of Your Territory, and You are in full compliance with the Agreement, You will have a sixty day first right of refusal to license and operate another Le Village Cowork Franchise in the newly created territory. If a modification reduces the size of the territory of more than one franchisee, the affected franchisees will have rights of refusal in the order of the amounts of population severed from each territory; but if more than one territory is reduced by approximately the same percentage, then the affected franchisees will receive rights of refusal in the order of their seniority as Le Village franchisees in the affected territories.

In determining the original size and boundaries of Your Territory, We will consider demographic and other factors that We deem appropriate, including the number of people living within the logical market area, the number and size of competitors, traffic patterns, the competitive situation, natural determinants, and economic data. We will not necessarily give any single factor or combination of factors controlling weight. Your Territory will not be identical to that of any other franchise and You must make Your decision whether to purchase the franchise based upon Your knowledge of Your proposed Territory.

Except as described above, We and Our affiliate(s) will not establish other franchised or company-owned Le Village CoWork Franchises within Your Territory. Except as described above, We will not alter Your Territory. Your continued Territory rights are not affected by your sales volume, market penetration or any other contingency.

Item 13 Trademarks

We give You the right to use the name “Le Village”, “Le Village Cowork”, and other trade names, trademarks, service marks, trade dress and logos We currently use or which We may adopt or approve (the “Marks”) in the Le Village Cowork Franchise. You must follow Our rules when You use the Marks. You may only use the Marks exactly as We specify. You may not use any of the Marks in connection with the offer or sale of any unauthorized product or service.

Le Village Co. owns the Marks, any development resulting from the Marks, and any and all goodwill associated with the Marks. Le Village Co. has licensed to us the right to use and allow our franchisees the right to use the Marks. The license agreement has no termination date and cannot be terminated if doing so would violate an applicable franchise law or regulation.

In addition to Le Village Co.’s common law rights to the Marks, Le Village Co. has secured federal trademark registrations as follows:

Mark: “Le Village”
Serial Number: 88-867,602,
Registration Number: 6,215,087
Principal Register: Le Village Co.
Registration Date: Dec. 08, 2020

There are no presently active determinations of the Patent Office, the Trade Mark Administrator of any state or any court, any pending interference, opposition or cancellation proceeding or any pending material litigation involving the Marks that is relevant to Your ability to use the Marks in connection with the Le Village Cowork Franchise.

There are no agreements that significantly limit Our rights to use or license You to use the Marks in any manner material to the Le Village Cowork Franchise.

You must inform Us if You become aware of any misuse or misappropriation of the Marks or anything confusingly similar. You may not start any litigation relating to the wrongful use of the Marks without Our prior written approval. We may take whatever action We deem appropriate to protect or defend the Marks or System, but We need not take any action.

If a third party sues You claiming that You are infringing the trademark or trade name of the third party by using the Marks, You must inform Us immediately. We will indemnify You as to that claim only and have the right to control the litigation.

It may become necessary in Our sole discretion, because of trademark litigation, a decision of the Patent and Trademark Office, or otherwise, to change the Marks. In that event, You must immediately adopt the new or revised Marks and Our maximum liability, including for any purported goodwill, is to reimburse You for the actual out-of-pocket costs of changing the principal signs identifying Your Premises.

We do not know of any person claiming or having superior rights to any of the Marks or of any infringing uses of the Marks that could materially affect Your use of the Marks.

Item 14
Patents, Copyrights and Proprietary Information

We do not currently own any patents. We have copyrighted and will continue to copyright the Manual and revisions of all Manuals and Handbooks and construction plans loaned to You, and all training materials We provide or sell to You and Your employees. We have not registered any copyrights, but may in the future. You do not have any rights, including rights to compensation, if we require you to modify or discontinue using the subject matter covered by a patent or copyright.

The Manual(s), the contents of each, and certain other information We will provide to You, including certain recipes and annual reports on marketing funds expenditures, if required, are all confidential trade secrets. All information We provide to You or which You develop in the course of performing under the Franchise Agreement which is not generally available to the public and which a competitor might find valuable are trade secrets. If we designate something as a “Trade Secret”, You must treat it as a Trade Secret whether or not it would otherwise meet any definition of “Trade Secret”. You are responsible for protecting all trade secrets and You cannot transfer them or sell them to anyone at any time. You must require Your Le Village Cowork team(s) and other employees who have access to Trade Secrets to comply with Your obligations under the Franchise Agreement to protect Our Trade Secrets.

Item 15

Obligation to Participate in the Operation of the Franchised Business

You must either devote Your full time and effort to managing and operating the Le Village Cowork Franchise or delegate its management or operation to a responsible person. You must reserve and exercise ultimate authority and responsibility over operation and management of the Le Village Cowork Franchise. If You delegate management and operation to a manager, the manager must first successfully complete Our initial training program within sixty days after assuming the role of manager. If You are a corporation or other entity, each owner must personally guarantee the Agreement and the entity must designate a competent manager. We do not require the designated manager to be an equity owner of the franchised business. You must require each manager and employee to whom You disclose our trade secrets to be subject to the trade secrets section of the Franchise Agreement (Franchise Agreement – Article 5). You must require every manager and employee with access to trade secrets to sign a confidentiality agreement. The current form of confidentiality agreement is Exhibit I to the Franchise Agreement.

Item 16
Restrictions on What the Franchisee May Sell

You may offer for sale only products and services We approve. You must offer residential and commercial childcare and coworking related services under Our Marks and following Our System and of a type, quality and variety consistent with the Le Village Cowork image. You must obtain Your supplies and equipment from suppliers We select or approve. We have sole discretion in determining what constitutes the Le Village Cowork image. The image is constantly evolving as markets change and evolve. You may not engage in sales through alternative distribution channels without Our prior written approval. We are not required to give You such approval.

We may change the System or any part of the System at any time, and as changed it will remain the System. We own any improvements or changes in the System whether We, You or other franchisees develop them and have the right to adopt and perfect such improvements or changes without compensating You. If We modify the System, You must, at Your own expense, adopt and use the modification(s) as if they were part of the System at the time You signed the Agreement. There are no restrictions on Our right to modify the types of goods and services You will offer except that We will remain primarily a seller of memberships to your childcare and coworking space.

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 Franchise Disclosure Document.

	Provision	Section in Franchise Agreement	Summary
a.	Term of the Franchise	Article 1	5 years.
b.	Renewal or extension of the term	Article 9	If You are in good standing and We continue the franchise system in Your area, We may permit You to renew for another term under the then-current agreement, which may be materially different than the agreement We are now offering.
c.	Requirements for You to renew or extend	Article 9	Be in good standing with Us, sign new agreement, update or replace equipment as required, retain Premises, give 12 months notice and pay a fee of not more than 1/3 of the then-current Initial Fee.
d.	Termination by You	Article 18	At any time; upon 90 days notice; no cause required; sign agreement including general release; Follow post-term non-compete agreement. See Article 18 and Exhibit L to the Franchise Agreement.
e.	Termination by Franchisor without cause	None	
f.	Termination by Franchisor with cause	Article 15	We may terminate only for cause. We may, in lieu of terminating your franchise, terminate your territorial rights and leave your franchise in full force and effect; however, terminating Your territorial rights does not limit Our rights thereafter to terminate your franchise for the same or a different cause.

g.	“Cause” defined--defaults which can be cured	Article 15	You have 72 hours to cure: failure to pay Us or Our affiliate or another Le Village Cowork franchisee; unauthorized assignment; abandonment (even if unintentional); You become insolvent; failure to pay any taxes before delinquent; sublicensing of Marks; impasse among owners of Franchise; refusal to permit an audit; violation of any law or rule (including any health codes, rules or regulations); conviction of a felony; failure to operate properly using the Marks; unethical or dishonest business dealings; failure to maintain insurance; failure to timely deliver estoppel certificate; or termination of any other agreement between You and Us for cause. You have 30 days to cure any breach of the Agreement for which the Agreement does not specify a shorter period.
h.	“Cause” defined--defaults which cannot be cured	Article 15	Non-curable defaults: repeated defaults, even if cured; You are adjudged bankrupt; assignment for benefit of creditors; abandonment of business; convicted or plead guilty to violating law relating to Le Village Cowork Franchise.
i.	Your obligations on termination/nonrenewal	Articles 16 & 17	No further use of Marks, telephone numbers, telephone listings, computer software, trade secrets or the Manual; certain notification obligations; payment of sums due to Us; We have option to lease or assume lease for Your Premises; sign document(s) to transfer telephone numbers; continuing royalties on pending sales, if any; and We have option to purchase any part of Your business assets. If We elect to assume Your lease and to operate a Le Village Cowork business from Your Premises, You must cooperate in a changeover procedure, including notifying the landlord of the change of tenant, conducting an inventory, permitting Us to use Your furniture, fixtures and equipment for up to 60 days, and permitting Us to

			communicate directly with Your employees, vendors and customers in order to facilitate a smooth transition.
j.	Assignment of contract by Franchisor	Articles 12, 14 & 21	No restriction on Our right to assign except that if Our assignee assumes all of Our obligations to You then We are free of further liability to You.
k.	“Transfer” by You--definition	Articles 11, 12, 13 & 14	Includes any assignment, transfer, sale, sublease or encumbrance of the Agreement, the Franchise, the assets of Your business, the Premises, or of any ownership interest in the Franchisee if You are a corporation, partnership or limited liability company or other form of Entity.
l.	Franchisor’s approval of transfer by franchisee	Articles 11, 12, 13 & 14	Franchisor has the right to approve or disapprove all transfers.
m.	Conditions for Franchisor’s approval of transfer	Articles 11, 12, 13 & 14	You are current in all fees to Us; You are not in material breach of the Agreement; You have paid all debts of Your business; new Franchisee signs release of claims against Us for representations You made; You sign a mutual termination and release of the Agreement; We receive transfer fee (\$7,500); new Franchisee signs the then-current form of Agreement (except preserving Your financial terms for balance of Your term); new Franchisee qualifies; new Franchisee successfully completes initial training program; new Franchisee obtains rights to Your Premises lease, if applicable; and We receive 30 day right of first refusal. The fee to transfer to an entity with identical ownership is \$500.
n.	Franchisor’s right of first refusal to acquire Your business	Article 12 & 17	We may match any offer for Your business.
o.	Franchisor’s option to purchase Your business	Article 17	On termination, We may purchase any part of Your business at the fair market value of the tangible personal property purchased.
p.	Your death or disability	Articles 12 & 13	Your heirs or personal representative must, within 90 days, either (i) request the right

			to continue to operate the business, subject to Article 13 of the Agreement except that no transfer fee will be payable, or (ii) sell the Le Village Cowork Franchise to a third party, subject to Article 13 of the Agreement. If We deny a request to continue to operate the business, the 90 days to sell begins on the date of Our denial. The same applies if You become disabled as defined in Article 14 of the Agreement.
q.	Non-competition covenants during the term of the franchise	Article 16	No involvement in any competing business anywhere.
r.	Non-competition covenants after the franchise is terminated or expires	Articles 16 & 18 (if applicable)	For 24 months, You must not compete with Us within 20 miles of the boundaries of Your Territory, solicit or divert any of Our customers or vendors or customers or vendors of any other franchisee, disclose any trade secrets, or solicit or hire any of Our employees, former employees or franchisees. For 24 months, You will not be employed by or in business with any person or entity that does any of those things.
s.	Modification of the agreement	Article 21	Only by written agreement; We may modify Manual at any time.
t.	Integration/merger clause	Article 21	Only the terms of the Agreement are binding (subject to state law). Any other promises or agreements may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Article 19	Except for actions for the sole purpose of collecting unpaid monies, including franchise fees, royalties or Marketing Fees or to enforce trademark or trade secret rights and covenants against competition, We will settle all disputes with You by Arbitration, which will only occur after the parties try informally to resolve the dispute and participate in mediation.
v.	Choice of forum	Articles 19 & 21	Litigation or arbitration must be in the state of Illinois.

w.	Choice of law	Article 21	The law of Illinois applies.
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Item 18
Public Figures

We do not currently use any public figure to promote Our franchise.

Item 19

Financial Performance Representations

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Daniella Cornue, 3148 W Irving Park Rd, Chicago, IL 60618, daniella@levillagecowork.com, 513-839-0684, the Federal Trade Commission, and the appropriate state regulatory agencies.

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	1	1	0
	2022	1	1	0
	2023	1	1	0
Total Outlets	2021	1	1	0
	2022	1	1	0
	2023	1	2	1

*Owned and operated by our affiliate, Le Village Cowork Irving Park Chicago, LLC.

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
Total	2021	0
	2022	0
	2023	0

Table No. 3

**Status of Franchised Outlets
For years 2021 to 2023**

State	Year	Outlets at Start of Year	Outlets Opened	Terminated	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Illinois	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Wisconsin	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 Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Illinois	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Totals	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1

* Including outlets owned and operated by our affiliate, Le Village Cowork Irving Park Chicago, LLC.

**Table No. 5
Projected Openings As of December 31, 2023**

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In The Next Fiscal Year
Georgia	3	0	0
Illinois	2	2	0
Indiana	1	0	0
Michigan	1	0	0
Texas	1	0	0
Wisconsin	2	0	0

The names of all of our franchisees and the addresses and telephone numbers of all of their outlets as of December 31, 2023 are listed in Attachment C.

No franchisees ceased to do business under a franchise agreement during 2023.

No franchisees had an outlet terminated, canceled or not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during 2023. We have not had any franchisees who have not communicated with us within 10 weeks of the issuance date of this disclosure document.

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

No franchisees have signed confidentiality agreements during the last three years. Currently, there are no trademark specific franchisee associations.

Item 21
Financial Statements

We have not been in business for three years or more and cannot include all the financial statements required by this Item 21. Attachment A contains Our balance sheet for the previous two fiscal year-ends and our audited statements of operations, stockholders equity, and cash flows for 2021, 2022, and 2023. Our fiscal year ends on December 31.

Item 22
Contracts

The following agreements and other required exhibits are attached to this disclosure document in the pages immediately following:

Attachment A. Financial Statements
Attachment B. Franchise Agreement

with:

Exhibit A, Location of Le Village Cowork Franchise;
Exhibit B, Territory;
Exhibit C, Required Equipment;
Exhibit D, Items Pursuant to Specifications
Exhibit E, Lease Conditional Assignment Agreement
Exhibit F, Assignment of Telephone Numbers
Exhibit G, Personal Guaranty
Exhibit H, Master Lease (if applicable)
Exhibit I, Trade Secrets and Confidentiality Agreement
Exhibit J, Mutual Termination and Release Agreement
Exhibit K, Consent, Waiver and Release for Training
Exhibit L, Release from Continuing Obligations
Exhibit M, Confidentiality Agreement—Additional Information
Exhibit N, Conversion Addendum

Attachment C. List of Current and Former Franchisees
Attachment D. Manual Table of
Attachment E. Our Agents for Service of Process
Attachment F. State Agencies
Attachment G. State Law
Attachment H. Franchise Application
Attachment I. Effective Dates

Item 23
Receipt

Attachment I contains the state effective dates for the Franchise Disclosure Document.

At the end of this document are detachable duplicate Receipts. Please sign and date both copies of the Receipt. Keep one signed copy of the Receipt for your file and return to us the other signed copy of the Receipt.

FRANCHISE DISCLOSURE DOCUMENT

ATTACHMENTS

Attachment A – Financial Statements

[Attached hereto]

Le Village Cowork Franchising, LLC

Financial Statements

Year Ended December 31, 2023

Le Village Cowork Franchising, LLC
Year Ended December 31, 2023

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GGM Associates, INC.
6101 Nimitz Parkway
South Bend, IN 46628

Independent Auditor's Report

To the Member
Le Village Cowork Franchising, LLC

Report on the Financial Statements

We have audited the accompanying financial statements of Le Village Cowork Franchising, LLC, (the Company), which comprise the balance sheet as of December 31, 2023, and the related statements of income, changes in member's deficit and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



GGM Associates, INC.
6101 Nimitz Parkway
South Bend, IN 46628

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Le Village Cowork Franchising, LLC, as of December 31, 2023, and the results of its operations, changes in its member's' deficit and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America

GGM Associates Inc.

Aaron Mauer, CPA
South Bend, Indiana
March 29, 2024

Le Village Cowork Franchising, LLC

Balance Sheet December 31, 2023

Assets

Current assets:

Cash	\$	4,919
Due from related party		546
Other assets		<u>121</u>
Total current assets		<u>5,586</u>

Other assets:

Investment in franchise		<u>61,000</u>
Total other assets		<u>61,000</u>

Total assets		<u>66,586</u>
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Liabilities and Members' Equity

Current liabilities:

Accounts payable		<u>1,489</u>
Total current liabilities		<u>1,489</u>

Total liabilities		<u>1,489</u>
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Members' Equity:

Members' equity		65,097
Total Member's Equity		<u>65,097</u>

Total Liabilities and Members' Equity	\$	<u>66,586</u>
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See notes to the financial statements.

Le Village Cowork Franchising, LLC

Statements of Income Year ended December 31, 2023

Revenue

Revenue	\$ <u>45,000</u>
Total Revenue	<u>45,000</u>

Expenses:

Operating expenses:

Consulting fees	<u>18,038</u>
Total operating expenses	<u>18,038</u>

SG&A expenses:

Administrative expense	2,481
Marketing expenses	7,253
Professional fees	13,717
Travel expense	1,042
Donation	<u>580</u>
Total SG&A expenses	<u>25,073</u>

Total Expenses	<u>43,111</u>
Net income	\$ <u>1,889</u>

See notes to the financial statements.

Le Village Cowork Franchising, LLC

Statement of Changes in Members' Equity Year Ended December 31, 2023

	Member's Equity
Member's equity, beginning of year	\$ 33,208
Net income/(loss)	1,889
Prior period adjustments	-
Contributions	30,000
Distributions	-
Member's equity, end of year	\$ 65,097

See notes to the financial statements.

Le Village Cowork Franchising, LLC

Statement of Cash Flows Year Ended December 31, 2023

Cash flows from operating activities:	
Net income/(loss)	\$ 1,889
Adjustments to reconcile net income	-
Changes in:	
Other receivables	(667)
Accounts Payable	<u>1,489</u>
Net cash provided by operating activities	<u><u>2,711</u></u>
Cash flows from investing activities:	
Investment in franchise	<u>(61,000)</u>
Net cash used by investing activities	<u><u>(61,000)</u></u>
Cash flows from financing activities:	
Contribution	<u>30,000</u>
Net cash used in financing activities	<u><u>30,000</u></u>
Increase in cash and cash equivalents and restricted cash	(28,289)
Cash and cash equivalents and restricted cash:	
Beginning of year	<u>33,208</u>
End of year	\$ <u><u>4,919</u></u>

See notes to the financial statements.

Le Village Cowork Franchising, LLC
Notes to the Financial Statements

Note 1 – Nature of Business

The Company was incorporated in August 2021 as an Illinois limited liability company. As of December 31, 2022, The Company had not started principal operations. The Company will provide a shared office space for parents to work with an attached day care service for children. Primary sources of revenue will include childcare services and the use of office space.

Note 2 – Summary of Significant Accounting Policies

Basis Of Accounting

The Company's policy is to prepare its financial statements on the accrual basis of accounting.

Cash And Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents.

Estimates

Preparing financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reporting in the financial statements and accompanying notes. Actual results could differ from those estimates.

Income Taxes

The Company members have elected to be taxed as partners of the limited liability company. As such there is no provision for federal income taxes recorded by the Company.

Note 3 – Subsequent Events

The Company has evaluated its subsequent events through March 29, 2024, the date the financial statements were available to be issued. There were no subsequent events requiring adjustment to or disclosures in the financial statements.

Attachment B – Franchise Agreement

[Attached hereto]

le Village

A CHILD-CENTRIC COWORKING SPACE FOR PARENTS

**LE VILLAGE COWORK FRANCHISING, LLC
FRANCHISE AGREEMENT**

1e Village

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le Village

Franchise Agreement

Franchise Agreement No.: _____

DATED: _____ (“Effective Date”)

BETWEEN: **Le Village Cowork Franchising, LLC, an Illinois corporation** (“Franchisor”)

AND: _____ (“Franchisee”)

FRANCHISE FEE: \$38,000 (if Franchisee is leasing its Le Village Cowork space)

\$46,000 (if Franchisee is buying its Le Village Cowork space)

TERRITORY: Described in Exhibit B

RECITALS

WHEREAS Franchisor has developed a unique system for identifying, operating and marketing businesses offering and selling memberships to a coworking and childcare service operating under the Marks and using the System (hereinafter the “System”);

WHEREAS the System is identified by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including, but not limited, to the mark “**Le Village**” and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated by Franchisor in writing for use in connection with the System (hereinafter the “Marks”);

WHEREAS, as between Franchisor and Franchisee, Franchisor is the sole and exclusive owner of all goodwill associated with and to become associated with the Marks, the value of which Franchisee acknowledges;

WHEREAS Franchisee recognizes the advantages and value of the System and Marks and desires to obtain a license for a “**Le Village Cowork**” business (hereinafter the “Licensed Business”);

WHEREAS Franchisee recognizes the necessity and value of maintaining high standards and uniformity of appearance, image, products, services and customer relations in conformity with the System as Franchisor may reasonably modify it from time to time;

WHEREAS Franchisee is aware of the risks, business and otherwise, associated with owning a **Le Village Cowork** Licensed Business and has independently evaluated those risks without relying upon any representations from Franchisor or Franchisor’s agents regarding revenues, profits or probability of success, excepting only those representations and accompanying cautions contained in Franchisor’s Franchise Disclosure Document—revenues,

profits or probability of success being affected primarily by factors beyond Franchisor's control, including Franchisee's skill, personality, diligence and dedication and general regional or local economic or demographic conditions; and

WHEREAS, Franchisor, in reliance upon Franchisee's representations, is willing to provide certain training and other services and to grant a license, but only on the terms of this Agreement, which terms Franchisee understands and accepts and both parties acknowledge to be reasonable and material;

NOW THEREFORE, for and in consideration of the mutual covenants herein set forth, and other good and valuable consideration, the receipt and sufficiency of which each party hereby acknowledges, and each party fully intending to be legally bound hereby, Franchisor and Franchisee mutually agree as follows:

Article 1 - License And System

1.01 Grant Of License.

1.01.01 Subject to the terms and conditions of this Agreement, Franchisor grants to Franchisee a non-exclusive license to operate one (1) office using the System and Marks for a period of five (5) years from and after the Effective Date of this Agreement, said office to be located only at the location specified in Exhibit A hereto, or at such other location within the Territory as Franchisor may approve in writing. Franchisee, based upon Franchisee's own research and knowledge, shall select a location within 180 days after signing this Agreement and that location shall be accurately stated in Exhibit A. Notwithstanding anything herein to the contrary, if the Licensed Business is to be located upon real property subject to a master lease under which Franchisor or a related company is the primary lessee, this Agreement shall terminate without further notice upon the earlier termination or expiration of the current term of any applicable master lease for the location specified in Exhibit A (the "Premises"). Franchisor is under no obligation to extend or exercise any option to extend any master lease. If a master lease is involved, a copy of the master lease is attached as Exhibit H to this Agreement. If there is no master lease, this Agreement shall terminate upon expiration or termination of Franchisee's lease (a) upon Franchisee's written election; or (b) upon Franchisor's election if Franchisee does not obtain an acceptable lease at an approved location at least (90) days before expiration of Franchisee's lease. Franchisee shall not move Franchisee's Premises without Franchisor's prior written approval.

1.02 Location And Territory.

1.02.01 Except as specifically permitted by this Agreement, Franchisee's **Le Village Cowork** office shall be the only **Le Village Cowork** office to operate within the geographical territory described in Exhibit B hereto (the "Territory"). Franchisor will not locate or open a competitive **Le Village Cowork** office in the Territory, either company-owned or franchised, during the term of this Agreement, so long as Franchisee is not in breach of this Agreement. However, there shall be no geographic restrictions upon where customers may come from for any **Le Village Cowork** office, company-owned or franchised. Franchisee shall not distribute or publish advertising or otherwise market outside Franchisee's territory except in compliance with this Agreement and the Manual.

1.02.02 Exclusions from Territory. Franchisor may, directly, indirectly, or through a franchisee or licensee offer products and services under the same or a different trade name or trademark, including within Franchisee's Territory through alternative distribution methods, including through catalogs, mail order, independent retail outlets, and through electronic media, including television, radio, the Internet and through other new or emerging commercial technological media. Franchisor shall have no obligation to share any revenues from alternative distribution activities with Franchisee. Without limiting the foregoing, Franchisee shall not, without Franchisor's prior written approval, which approval may be withheld for any reason whatsoever, use the Marks or any part of the Marks or anything similar to the Marks as part of a domain name or in any other manner in connection with any commerce on the Internet or similar media. Franchisee shall not use the Marks in or market through alternative distribution methods without Franchisor's prior written approval, which approval may be withheld for any reason whatsoever.

1.02.03 Modifications of Territory. The parties agree that the estimated population of the Territory contained in Exhibit B is a reasonable estimate of the population of the Territory based upon available governmental data. In the event the population of the Territory increases by fifty percent (50%) or more from the estimated population contained in Exhibit B, based upon reliable governmental data (United States Bureau of the Census or successor if in

the United States), Franchisor shall have the option of dividing Franchisee's Territory and creating a new Territory, which may include portion(s) of the territories of other franchisees. If, at the time Franchisor exercises the option to modify Franchisee's Territory, Franchisee is in full compliance with all of the terms of this Agreement and has had no notices of default within the prior twelve calendar months, then Franchisee shall have a sixty (60) day first right of refusal to license and operate another **Le Village Cowork** office in the newly created territory. If Franchisor's modification of Territory boundaries reduces the size of more than one franchisee's Territory, the franchisees shall receive rights of refusal in the order of the percent(s) of population severed from their respective territories as determined by Franchisor. If the territories of two or more franchisees are reduced by substantially equal percentages of population, the franchisees will receive rights of refusal in the order in which they executed their original franchise agreements for the affected territories.

1.03 Licensed Business.

1.03.01 The term "Licensed Business" means a business in which the Franchisee engages in the business of selling memberships to a coworking and childcare service (hereinafter the "System"). Franchisee will provide these services operating under the Marks and using the System. Franchisor shall have the right to add or delete or change product and service offerings at any time and Franchisee agrees to comply with such changes.

1.04 System And Marks.

1.04.01 Franchisee agrees to operate the Licensed Business only according to the System and only under the Marks pursuant to the Manual. Franchisee acknowledges that Franchisor owns all rights to the System and the Marks and Franchisee has only such rights as this Agreement grants. For purposes of this Agreement, the "System" includes the rights and obligations set forth in this Agreement, the Operating Manual furnished to the Franchisee as amended from time to time, Franchisor's name, training, formulas, methods of operation, reputation, advertising, system and similar benefits pursuant to which the Franchisee operates the Licensed Business. Franchisor's unique trade dress is part of the Marks.

1.04.02 Unless otherwise first approved by Franchisor in writing or unless otherwise required by applicable law, Franchisee agrees to do business only under the name "**Le Village Cowork**". Franchisee shall not use the Marks in any manner not specifically approved by Franchisor, including, without limitation, as part of any domain name or other address on any portion of the Internet or any new medium, including as part of any meta tag(s) or similar use.

1.04.03 Franchisee shall immediately notify Franchisor, in writing, if Franchisee learns of any attempt by any person to infringe the Marks or to wrongfully appropriate the System or any part of it. Franchisor may, in its sole discretion, take whatever action it deems appropriate to protect or defend the Marks or System but is not obligated to take any action whatsoever. Franchisee agrees to fully cooperate with Franchisor in any action anticipated by or taken by or on behalf of Franchisor. Franchisee understands that it may become necessary, in Franchisor's sole discretion, to change, totally or in part, the Marks, as a result of litigation or otherwise. In that event, Franchisee agrees to immediately adopt the new or revised Marks, and Franchisor's maximum liability, including for any purported goodwill, shall be to reimburse Franchisee the actual out-of-pocket costs of changing the principal signs identifying the Premises.

1.04.04 Franchisor may change the System or any part of the System at any time, and as changed it shall remain the System pursuant to this Agreement. Franchisor shall own any improvements or changes in the System whether developed by Franchisor, by Franchisee or by other franchisee(s) and shall have the right to adopt and perfect such improvements or changes without compensation to Franchisee or other franchisees. If Franchisor modifies the System, Franchisee shall, at Franchisee's own expense except to the extent specifically provided in this Agreement, adopt and use such modification(s) as if it were part of the System at the time of execution of this Agreement.

1.04.05 Franchisee agrees to operate no other business whatsoever, including coin-operated devices, in or about the Premises of the Licensed Business or otherwise in connection with the System or Marks without first obtaining Franchisor's written approval; provided that, Franchisee may provide any service(s) or product(s) permitted according to the Manual. Franchisee acknowledges that Franchisor owns, in connection with the Marks, all goodwill

associated with or to become associated with the telephone numbers and telephone listings and agrees to execute an Assignment of Telephone Numbers in the form of Exhibit F, attached.

1.05 Manual.

Franchisor agrees to send to Franchisee during the term of this Agreement one or more operations manuals (the "Manual"), together with such updates and modifications as Franchisor may from time to time provide to Franchisee. Franchisor may make any changes or modifications in the Manual as in Franchisor's sole judgment are desirable. Franchisee agrees that if there should, at any time, be a discrepancy between the terms of Franchisee's copy of the Manual and the master copy maintained in Franchisor's offices, the terms of the master copy shall prevail. Franchisee agrees, at all times, to conform to the Manual in all respects including to obtain any equipment, fixtures, personnel or technology necessary to do so. The Manual is and shall at all times remain the property of Franchisor and shall be returned to Franchisor upon expiration, termination or nonrenewal of this Agreement for any reason. Franchisee agrees not to make it available to or permit another to make any copies of the Manual or any portion thereof without Franchisor's prior written consent. Franchisee acknowledges and agrees that the fair value of the Manual is at least Five Thousand Dollars (\$5,000.00).

Article 2 - Franchise Fees And Advertising

2.01 Initial Fee.

The Initial Fee for the **Le Village Cowork** Franchise is the amount set forth in Page 1 of this Agreement. The Initial Fee shall be paid as stated in the Licensee's Application Agreement attached hereto as Exhibit B-1. The Initial Fee is not refundable for any reason except if through no fault of Franchisee, Franchisor determines that Franchisee has not successfully completed the initial training, in which case Franchisor will refund one half of the Initial Fee. If Franchisee acquires an existing **Le Village Cowork** business from Franchisor in connection with this franchise, Franchisee will pay the fair market going concern value of the assets purchased pursuant to a separate asset purchase and sale agreement to be negotiated, in addition to the Initial Fee. If the parties are unable to reach an agreement on the purchase and sale of assets within ninety days following the date of this Agreement, either party may terminate this Agreement by giving not less than ten business days notice to the other. Termination shall be pursuant to the terms of Articles 17 and 18.

2.02 Royalties.

During the first year following the Effective Date, no royalties will be required to be paid to Franchisor. During years two (2) through five (5), the Franchisee shall pay to the Franchisor a royalty of four percent (4%) of Gross Revenues. All royalties payable hereunder shall be referred to herein as "Royalties". The royalties are payable monthly within five (5) calendar days after the end of each month for the Royalties due based on Gross Revenue from the previous month and are payable by Electronic Funds Transfer. Funds must be in Franchisee's designated bank account in time so that Franchisor can obtain them on or before five (5) calendar days following the end of the month for the Royalties due based on Gross Revenue from the prior month. Franchisor may, upon thirty (30) days prior written notice require Franchisee to pay Royalties by check, pre-authorized check, electronic funds transfer or other mechanism or to pay on a different periodic basis. If Franchisee owns more than one **Le Village Cowork** franchise, Franchisee shall report and pay royalties for each franchise independently, unless otherwise directed by Franchisor.

2.03 National Marketing Fee.

2.03.01 Franchisee shall pay to Franchisor a monthly National Marketing Fee in the amount of \$25 per week. Franchisor may reduce or discontinue the National Marketing Fee at any time and may, thereafter, reinstate it upon a new thirty day Notice. Franchisee shall pay the National Marketing Fee at the same time and in the same manner as Royalties. If Franchisee owns more than one **Le Village Cowork** franchise, Franchisee shall report and pay the National Marketing Fee for each franchise independently, unless otherwise directed by Franchisor.

2.03.02 Franchisor may, in Franchisor's sole discretion, upon at least sixty days prior written notice, increase the National Marketing Fee up to a maximum of two percent (2%) of Gross Revenues but shall be capped at \$1,200 per month.

2.03.03 Franchisor shall maintain all National Marketing Fees collected, net of any taxes Franchisor is required to pay on account of having collected the National Marketing Fees, in one or more bank accounts separate from Franchisor's regular account(s). Franchisee authorizes Franchisor to commingle Franchisee's National Marketing Fees with those paid by other Franchisees. Franchisor will provide an unaudited annual accounting to all Franchisees as to the aggregate amount of National Marketing Fees collected and their use and application by general category, which accounting will be prepared within ninety days following the end of Franchisor's fiscal year. Franchisee acknowledges and agrees that each such accounting is a Trade Secret and shall be treated as such according to this Agreement. Except as herein specifically provided, Franchisee waives all compliance with the Uniform Trust Accounting Act and related or similar laws to the broadest extent permitted by law.

2.03.04 Franchisor shall use National Marketing Fees collected, net of taxes and governmental fees, for advertising, marketing and promotion for the benefit of Franchisor's System. Selection of marketing, advertising and promotion location, scope, content, copy, timing and approach shall be by Franchisor and in Franchisor's sole discretion. Franchisor may use some of the funds, in its discretion, for market research, or production and administration of the advertising program. Franchisor will attempt to benefit all of Franchisor's franchisees through the marketing program over all; however, not every element of the marketing and promotion program will necessarily directly benefit any specific franchisee. In making its marketing decisions, Franchisor will consider but not be bound by advice from any advisory committee(s) of franchisees recognized by Franchisor.

2.03.05 Franchisor shall have no duty to conduct any marketing program and if Franchisor does conduct a program, Franchisor makes no representations or warranties regarding the nature of the marketing to be conducted or about how it will affect Franchisee's revenue.

2.04 Management Assistance.

In the event Franchisee requests Franchisor to provide extraordinary management or support services at Franchisee's location or in Franchisee's Territory Franchisee shall pay Franchisor's usual fee for such extraordinary services, which shall be due and payable no later than the second date for payment of royalties following the date of the services. All such extraordinary services shall be arranged as provided in the Manual.

2.05 Gross Revenues.

The term "Gross Revenues" shall mean the full price of all goods and services sold by Franchisee from or relating to the Licensed Business, whether or not Franchisee has received cash or other consideration. The only thing not included in Gross Revenues is sales taxes or fees Franchisee is required to collect on behalf of the government and which Franchisee actually remits. Gross Revenues are calculated at the time Franchisee sells the goods or services, without regard to when the Franchisee receives or expects to receive cash or other consideration therefore.

2.06 Local and Cooperative Marketing.

Franchisee is responsible for local marketing. Cooperative marketing expenditures shall be in addition to the National Marketing Fees paid pursuant to paragraph 2.03. Upon mutual consent of the parties, Franchisor may direct Franchisee to deposit some or all of its Local Marketing expenditures into a Local Marketing Cooperative.

2.06.01 Local Marketing. In addition to complying with any specific marketing requirements of Franchisor, Franchisee shall place and pay for such other marketing as Franchisee deems necessary and appropriate. Franchisee shall be responsible to assure that all marketing so placed complies with the Manual and serves to enhance and not detract from or harm the Marks and the goodwill attached and to become attached thereto. Franchisee shall promptly send to Franchisor copies of all marketing copy and media used. In the event Franchisor deems any advertisement or marketing technique to be not in compliance with this paragraph, Franchisee shall, immediately upon receipt of a written notice from Franchisor, cease using the subject advertisement or marketing technique and shall thereafter fully comply with this paragraph. If Franchisee violates this paragraph more than two times in any twelve month period, Franchisor may, in addition to all other remedies available pursuant to this Agreement, require Franchisee to obtain prior written approval of copy and marketing technique for all or certain categories of marketing.

2.06.02 Regional Marketing Cooperative. If there are two or more **Le Village Cowork** franchisees in a marketing area, as determined by Franchisor, the franchisees shall form a Regional Marketing Cooperative and

Franchisee shall participate in said cooperative and shall contribute such sums thereto as may be assessed by a majority vote of the cooperative. No Regional Marketing Cooperative shall make assessments of more than 2% of Gross Revenues (capped at \$1,200 per month), unless otherwise voted by members of the Regional Marketing Cooperative that are responsible for at least the majority of the Gross Revenues of all Franchisees over the previous six (6) month period, at which time all parties will contribute at the percentage determined by the Regional Marketing Cooperative. Funds contributed to any regional marketing cooperative shall be in addition to the National Marketing Fee paid pursuant to paragraph 2.03. Each Regional Marketing Cooperative shall be organized and operate as specified in the Manual.

2.07 Grand Opening.

Franchisee shall, within six months after the date that Franchisee is open for business, publicize and conduct a grand opening consistent with Franchisor's guidelines. The grand opening shall be appropriate for Franchisee's territory, location, community, competitive environment and similar factors.

2.08 Rebates, Discounts and Allowances.

Franchisee authorizes Franchisor to collect all available rebates, discounts and allowances (RDA) from vendors or others with whom Franchisee does business, provided that, in Franchisor's reasonable business judgment, it is appropriate to collect them. Franchisor shall place all collected RDAs in either the National Marketing fund or in a separate account and shall apply all such funds for purposes of subsidizing the cost of franchisee conventions, meetings and incentive programs. Franchisee authorizes Franchisor to commingle Franchisee's RDA funds with those received on account of business conducted by other franchisees. Franchisor is authorized to pay from the collected RDA funds any taxes and assessments payable on account of having received the funds and a reasonable portion of the administrative and marketing costs of securing, managing and disbursing such funds. Franchisor will provide an un-audited annual accounting as to the aggregate amount of RDA funds collected and their use and application by general category, which accounting will be prepared within ninety days following the end of Franchisor's fiscal year and will be provided to Franchisee upon written request. Franchisee acknowledges and agrees that each such accounting is a Trade Secret and shall be treated as such according to this Agreement. Except as herein specifically provided, Franchisee waives all compliance with the Uniform Trust Accounting Act and related or similar laws to the broadest extent permitted by law.

Article 3 - Reports And Audits

3.01 Records And Reports.

Franchisee shall at all times maintain true and accurate business records in the manner specified by Franchisor. Franchisee shall, on a weekly basis or at such other intervals as specified by Franchisor, provide Franchisor with such report(s), in the form(s) specified by Franchisor, as Franchisor may require, and at such times as Franchisor may require, including, but not limited to, reports of Gross Revenues, reports of business expenses and overhead, customer information, copies of detailed purchase invoices, number and type of transactions, identity of vendors, the amount of marketing expenditures, detailed records of marketing expenditures, copies of inspection reports, and weekly or monthly sales summary. By submitting any reports to Franchisor, Franchisee is certifying that they are true and correct. Within ninety (90) days following the end of each calendar year, Franchisee shall provide Franchisor with a copy of Franchisee's balance sheet and an income and expense statement for the year. At the time they are filed, Franchisee shall provide Franchisor with copies of Franchisee's federal income tax return(s) and state and local excise tax returns, if applicable, together with all exhibits and schedules thereto and all amendments thereafter. Franchisor is authorized to rely upon such reports and financial documents and to disclose them to governmental authorities as and if properly requested. Franchisor may use data from the reports and financial documents in composite or statistical form for any purpose in Franchisor's sole discretion. Franchisor is authorized to obtain or verify the information and reports described herein by electronic means from Franchisee's computer(s), at any time, without prior notice, at Franchisor's sole election. Franchisee shall retain all business records for at least five (5) years or such longer period of time as may be required by applicable law

3.02 Failure to Report.

If Franchisee fails, for any reason, to timely deliver to Franchisor any required report with all required information, Franchisor is authorized, without further notice, to assess Royalties and National Marketing Fees for each relevant week and effect an electronic funds or other transfer of such funds calculated as the greater of (a) Franchisee's average weekly Royalties and National Marketing Fees over the prior twelve months or (b) the average weekly Royalties and National Marketing Fees of all similar franchisees within Franchisee's region as defined by Franchisor. Franchisee hereby authorizes Franchisee's bank to make such transfers upon Franchisor's request. No action taken under this sub-paragraph shall constitute a cure of any breach by Franchisee, an election of remedies by Franchisor or act, in any way, to limit Franchisee's liability to pay fees under this Agreement.

3.03 Audits And Inspections.

Franchisor shall have the right, at any time, to enter the Premises (either physically or electronically) for purposes of auditing the accuracy of reports submitted and to otherwise verify compliance with the terms and conditions of this Agreement. Should any audit or inspection reveal that Franchisee has underreported the amount of Gross Revenues, Franchisee shall immediately pay to Franchisor the additional amount of royalties and other fees payable on account of the underreporting, plus interest thereon at the rate of one and one-half percent per month, but not more than the maximum interest allowed by applicable law. If an audit or inspection reveals that Franchisee has underreported Gross Revenues by three (3) percent or more for any week, then Franchisee shall also pay, immediately, the cost of the audit or inspection. In all other cases, Franchisor shall bear the entire cost of the audit or inspection, including incidental costs. Should Franchisee at any time cause an audit to be made of Franchisee's Licensed Business, Franchisee shall cause a copy of the report of said audit to be delivered to Franchisor without any cost or expense to Franchisor.

3.04 Contact With Others.

Franchisor shall have the right, in Franchisor's sole discretion and without further notice to Franchisee or to any other person or entity, to contact any of Franchisee's customers, landlord, accountant, vendors, or other persons within Franchisee's Territory or otherwise for the purpose of verifying the accuracy of any information submitted by Franchisee, for quality assurance or for any other purpose not inconsistent with this Agreement.

3.05 Release of Records Under Right To Inspect.

At Franchisor's request Franchisee shall authorize Franchisor and/or its directed third party(s), including accounting and legal professionals, to release to Franchisor all accounting and financial records arising from or relating to the operation of the Le Village Cowork Licensed Business including, but not limited to, records evidencing Gross Revenues, profits, losses, income, tax liabilities, tax payments, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within said third parties' possession, custody or control, and to continue to release such records to Franchisor on a monthly basis for the length of the unexpired term of this Agreement or until such time as Franchisor withdraws its request. Franchisee shall execute all documents necessary to facilitate the release of records referenced herein to Franchisor.

Article 4 - Training

4.01 Initial Training.

4.01.01 As a condition subsequent to this Agreement, Franchisee and Franchisee's designated manager, if applicable, shall successfully complete Franchisor's initial training program. The initial training program will be approximately 40 to 80 hours in length and shall be conducted at such location(s) as Franchisor specifies. The initial training may be conducted, in whole or in part, in an existing **Le Village Cowork** Licensed Business owned by Franchisor, an affiliate of Franchisor or another franchisee. Franchisee and Franchisee's manager, if applicable, will be required to execute a consent, waiver and release in the form of Exhibit K before beginning training, relieving Franchisor or other franchisees who might be involved in the training of liability for wages, benefits, and for injury, damages or harm that might occur while training in the facilities of Franchisor or another franchisee. Franchisee shall be responsible for all salaries, compensation, benefits, and living and travel expenses of trainees. After the initial training, Franchisor will be available for such reasonable consultation as Franchisor deems appropriate.

Franchisor reserves to itself the exclusive right to determine whether Franchisee and other trainees have satisfactorily completed the training program. If Franchisee and Franchisee's designated manager, if applicable, do not satisfactorily complete the initial training program, Franchisor may terminate this Agreement. Franchisee acknowledges that such failure to satisfactorily complete the initial training program is grounds for termination of this Agreement.

4.02 Manager Training.

At all times, Franchisee or Franchisee's manager in charge of operating the Licensed Business shall be an individual who has successfully completed Franchisor's manager training program and who otherwise meets Franchisor's manager criteria. Any new manager shall successfully complete Franchisor's manager training program within 60 days after assuming the role of manager. Unless otherwise agreed in writing by Franchisor, Franchisee or Franchisee's manager(s) shall bear the reasonable cost of training additional managers after the first manager trained. In all cases, Franchisee shall be solely responsible for any salaries, compensation, benefits and living and travel expenses of trainees.

4.03 Employee Training.

At all times, Franchisee shall employ only persons who have successfully completed Franchisor's training program. Franchisee shall pay Franchisor's or a third party's usual fee(s) for such mandatory training. Franchisee shall, in any event, be solely responsible for all salaries, compensation, benefits, and living and travel expenses of trainees.

4.04 Subsequent Training.

Franchisor may require Franchisee and Franchisee's manager and employees to complete additional training at a location determined in Franchisor's sole discretion. Franchisee shall pay Franchisor's usual fee(s) for such mandatory training. Franchisee shall, in any event, be solely responsible for all salaries, compensation, benefits, and living and travel expenses of trainees.

4.05 Training Materials.

Franchisor may, from time to time, provide or make available to Franchisee training materials and equipment for providing training for Franchisee's manager(s) and employees. Franchisor may charge a reasonable fee for such materials and equipment. Franchisee agrees that all such materials are Trade Secrets pursuant to this Agreement. Franchisee agrees to require all of its managers and employees, as applicable, to successfully complete any such training program(s) if Franchisor designates them as mandatory.

4.05 No Warranty of Success.

Franchisor's determination that Franchisee or Franchisee's employee(s) have successfully completed any training shall not be a warranty or representation that the person can or will successfully operate the Licensed Business or any aspect thereof.

Article 5 - Trade Secrets And Confidentiality

Franchisee will have access during the course of this Agreement to trade secrets that are the property of Franchisor. Trade Secrets include, but are not limited to, the System, the Manual, formulas, methods, customer lists and related information, vendor and pricing lists and policies, the Training, and other programs, techniques and policies as they may be developed by Franchisor from time to time. Franchisee acknowledges that the Trade Secrets derive independent economic value from not being generally known to, and not readily ascertainable by proper means by, other persons who could obtain economic value from their disclosure or use. Franchisee agrees to not disclose or in any way make available to any unauthorized person(s) any Trade Secret(s) or any information regarding any Trade Secret(s) or any proprietary information made available to Franchisee by Franchisor. Franchisee shall hold all such information in complete confidence. Franchisee will not disclose any Trade Secrets whatsoever to any person(s) not employed by or under contract with Franchisee. Franchisee will disclose Trade Secrets only to those employees and agents of Franchisee with a legitimate need to know, each of whom Franchisee warrants will be subject to this article. Franchisee shall cause every manager and every employee who has access to Trade Secrets to sign a

Confidentiality and Nondisclosure Agreement in the form prescribed by Franchisor, the current form of which is Exhibit I hereto. Franchisee agrees that Franchisor shall have sole discretion in determining what items or information are Trade Secrets and that any items or information designated Trade Secrets by Franchisor in the Manual or otherwise in writing shall be treated as Trade Secrets under this Agreement whether or not such items or information would be trade secrets under any other applicable legal or other definition(s), including any applicable statutes. In addition to all other remedies available to Franchisor, upon proof of violation of this Article by Franchisee, Franchisee agrees that Franchisor shall be entitled to liquidated damages in an amount equal to the greater of: (a) the sum of the average weekly Royalty Fees and the average weekly National Marketing Fees paid or payable by Franchisee during the preceding twelve months, multiplied by the number of weeks, or portion thereof, during which Franchisee was in violation of this Article or (b) one hundred percent of the gross revenues received or receivable by Franchisee or any transferee of any Trade Secrets during every day, or portion thereof, during which Franchisee was in violation of this Article. Franchisee acknowledges and agrees that, in the event of Franchisee's violation of this Article, proof of actual damages would be difficult and that the formula for calculating liquidated damages contained herein is a reasonable estimate of what actual damages would be. The foregoing formula does not result in a penalty.

Article 6 - Pre-Opening Obligations

6.01 Premises And Lease.

6.01.01 Franchisee shall be solely responsible for selecting the location for the Licensed Business that complies with the Manual (hereinafter "the Premises"). Franchisee, within 180 days after signing this Agreement, shall select a location, subject to Franchisor's approval. Franchisor will attempt to provide to Franchisee any information in its possession regarding the Premises, proposed Premises and any known alternative Premises within Franchisee's Territory. Such information is provided by Franchisor without warranty as to its accuracy or completeness or otherwise. Franchisor has no special expertise in such matters. Franchisee shall not sign a lease, sub-lease or other obligation until after Franchisee has received Franchisor's approval of the Premises and lease or sub-lease in writing, which approval shall be deemed to have been given if Franchisor has not notified Franchisee within ten (10) business days following Franchisor's receipt from Franchisee of a copy of the proposed lease or sub-lease and such other information about the proposed Premises as Franchisor may require. Approval of the Premises or the lease or sub-lease by Franchisor does not constitute a representation or warranty by Franchisor that the Premises will be good and does not constitute a legal or other opinion as to any term of the lease or sub-lease. Franchisor may, in Franchisor's discretion, condition approval upon execution of the Lease Conditional Assignment Agreement by Franchisee and Franchisee's landlord in the form of Exhibit E, attached. If Franchisee fails to select an approved location within 180 days, Franchisor shall have the option of terminating this Agreement. Franchisee acknowledges and agrees that failure to select an approved location within 180 days is cause for Termination of this Agreement. Notwithstanding Franchisor's right to terminate for failure to select an approved location within 180 days, Franchisor will reasonably extend the selection period if Franchisee has made best efforts to select a location and for valid reasons has been unsuccessful.

6.01.02 In some instances, Franchisor may have already entered into a master lease for the Premises. In such event, Franchisee shall execute a sublease or assignment agreement, as appropriate, subject to the same terms and conditions as the master lease. The sublease or assignment may provide that Franchisee shall pay rent and other obligations directly to the master landlord.

6.02 Specifications.

Franchisee's Licensed Business shall operate only from a Premises meeting Franchisor's specifications, including appropriate office and operating space. Franchisee understands and agrees that, although all **Le Village Cowork** offices will follow a consistent theme, the details of their design will differ in many cases, based upon location requirements, landlord requests, and unique features of the community. Franchisor will consider Franchisee's requests for features for Franchisee's office, but is not obligated to follow those requests. Franchisee shall be obligated to update the design of Franchisee's office at Franchisee's expense not more than once every three years. Franchisee may change or update the design of Franchisee's office, subject to Franchisor's prior written approval, at any time, at Franchisee's expense. If Franchisor approves any changes in the plans or designs at Franchisee's request (or to comply with governmental codes, rules or ordinances), Franchisor shall own all rights to

such plans as modified without further compensation to Franchisee or any other person. Franchisee shall sign and obtain signatures of necessary third parties on any documents requested by Franchisor to transfer any and all copyrights or other proprietary interests of any person in and to such modified plans or designs.

6.03 Appearance Of Premises.

Franchisee acknowledges that every **Le Village Cowork** office will be required to have decor, color schemes and layout aligned with the Le Village Cowork Brand. Franchisee agrees to accept Franchisor's subjective evaluation as to what would keep the Premises in compliance with Franchisor's standards. Franchisee agrees, at Franchisee's sole cost and expense, to maintain the Premises, including, but not limited to equipment, displays, fixtures, and interior and exterior decor in accordance Franchisor's standards throughout the term of this Agreement

6.04 Required Equipment

Franchisee shall acquire install and use, at Franchisee's sole expense, the Required Equipment. The current list of Required Equipment is contained in [Exhibit C](#). Franchisee understands that the specific list of Required Equipment may be different for Franchisee's Licensed Business than for other franchisees or company-owned offices on account of differences in the Premises, lease terms, demographics or otherwise and that Franchisor shall have the right to modify the list of Required Equipment in the Manual or otherwise in writing. All Required Equipment shall meet or exceed Franchisor's specifications. Franchisee shall purchase the Required Equipment only from vendors approved by Franchisor.

Article 7 - Operation Of Licensed Business

7.01 Independent Contractor.

Each party to this Agreement is and shall remain an independent contractor and shall control the manner and means of operation of its respective business and shall exercise complete control over and responsibility for all labor relations and the conduct of its agents and employees. Neither party shall be considered or held out to be agent(s), joint venturers, partners or employee(s) of the other, except as specifically authorized by this Agreement. Neither party shall negotiate or enter into any agreement or incur any liability in the name of or on behalf of the other unless, and to the extent, specifically authorized by this Agreement. Franchisee shall prominently display signs at all times in the manner specified by Franchisor, indicating the name of the Franchisee and stating that the Licensed Business is independently owned and operated. Franchisee's business forms that bear the Marks shall contain Franchisee's name and a statement that the Licensed Business is independently owned and operated in such form as Franchisor may specify.

7.02 Personal Participation.

Throughout the term of this Agreement, Franchisee shall either devote Franchisee's full time and effort to actively managing the Licensed Business or delegate its management to a responsible person. Notwithstanding any delegation of authority hereunder, Franchisee shall reserve and exercise ultimate authority and responsibility with respect to the operation and management of the Licensed Business. If Franchisee employs a manager to run the day to day operations, the manager shall be required to attend and successfully complete Franchisor's training program prior to taking over full day-to-day responsibilities, at Franchisee's sole cost and expense (except for three persons whom Franchisor will train at no additional charge to Franchisee for the training—but Franchisee shall be solely responsible for all travel and living costs of trainees). Franchisee shall devote such time and effort to the Licensed Business as Franchisee determines, but shall reserve and exercise ultimate authority and responsibility with respect to the operation and management of the Licensed Business.

7.03 Retail Prices.

Franchisor may recommend prices and pricing strategies for products and services. Franchisee is obligated to follow such price recommendations to the extent such obligation is consistent with applicable law and is otherwise solely responsible for establishing franchisee's own retail prices at such levels as franchisee deems appropriate.

7.04 Compliance With Laws.

Franchisee shall be solely responsible, at Franchisee's sole cost and expense, for obtaining and maintaining all necessary or required permits and licenses in order to operate the Licensed Business. Franchisee is solely responsible for strictly complying with each and every law, ordinance and regulation applicable to the Licensed Business, including, but not limited to, licensing, health, safety, environmental, consumer and labor regulations. Franchisee shall timely pay all applicable taxes as they come due, but may challenge the amount or applicability thereof; provided, that Franchisee hereby agrees to indemnify, hold harmless and defend Franchisor from any and all liabilities for taxes based upon Franchisee's operations.

7.05 Franchisee Business Operation.

Franchisee understands and acknowledges that every detail of the System and of the operation of the Licensed Business is important to Franchisee, Franchisor and other **Le Village Cowork** franchisees in order to maintain and further develop high and uniform operating standards, to increase the demand for goods and services sold by Franchisor and all franchisees, to enhance the image of Franchisor and the Marks, and to protect Franchisor's reputation and goodwill. Therefore, Franchisee agrees that:

7.05.01 Compliance with Manual. Franchisee shall operate the Licensed Business in conformity with such uniform methods, standards and specifications as Franchisor may prescribe, in the Manual or otherwise, to insure that the highest degree of quality and service is uniformly maintained. Franchisee shall acquire and maintain, at all times, all equipment and software required by Franchisor for operation of the Licensed Business. Franchisee shall offer all of the goods and services designated by Franchisor and no others without the written consent of Franchisor, which consent Franchisor may withhold for any reason. Franchisee shall assure that all telephone calls are answered live in compliance with the Manual.

7.05.02 Image. Franchisee shall, at all times, work to protect and enhance Franchisor's image and, specifically, shall maintain employees or workers in the Licensed Business whose appearance, attire, attitude, reputation and demeanor are consistent with Franchisor's image. Franchisee acknowledges and agrees that Franchisor shall have sole discretion in determining what constitutes Franchisor's image, and further acknowledges that said image is constantly evolving as markets change and evolve.

7.05.03 Business Dealings. Franchisee shall not, at any time, engage in any business dealings in relation with the Licensed Business or the Franchise which are unethical, dishonest or otherwise could cause harm to the Marks, Franchisor, the goodwill associated with the Marks, or to any customer or vendor of Franchisee.

7.05.04 Maintenance. Franchisee shall, at Franchisee's sole cost and expense, maintain the Premises, inside and out, in the highest degree of sanitation, repair and condition, and in connection therewith shall make such additions, alterations, repairs and replacements thereto (but no others without Franchisor's prior written consent) as may be required for that purpose, including without limitation, such periodic cleaning, repainting, repairs to impaired equipment and replacement of obsolete signs and equipment as Franchisor may reasonably direct. Franchisee shall maintain all landscaping and other outside areas of the premises in an attractive and clean condition.

7.05.05 Refurbishing. At Franchisor's request, which shall not be more often than once every three (3) years, Franchisee shall replace or update the Premises at Franchisee's sole expense, to conform to the design, trade dress, color schemes and presentation of the Marks consistent with Franchisor's then-current image, including, without limitation, such internal changes and redecoration and such modifications to existing equipment as may be necessary in Franchisor's sole judgment.

7.05.06 Advisory Committees. Franchisee shall participate, at Franchisee's sole expense, in local, regional and national franchisee advisory committees or councils if established or sanctioned by Franchisor.

7.06 Restrictions On Sources Of Products And Services.

7.06.01 Specifications. As to all equipment, fixtures, supplies and inventory ("Items") necessary to operate the Licensed Business, except as otherwise specified herein, Franchisee may purchase them from the vendor of Franchisee's choice, but the Item(s) must meet Franchisor's specifications, if any. The current list of Items subject to specifications is included as Exhibit D. Franchisor reserves the right to change the list of Items that Franchisee

must purchase in accordance with specifications. Franchisor reserves the right to require Franchisee to purchase only from suppliers that Franchisor has approved.

7.06.02 Items Bearing Marks and Proprietary Items. Franchisee shall purchase only from Franchisor or a supplier approved by Franchisor all Items used to start or operate the Licensed Business that contain or bear the Marks or that are proprietary to Franchisor. In addition, Franchisee shall purchase from a supplier approved by Franchisor, all signs used to identify the Licensed Business.

7.06.03 Other Suppliers. Franchisor will approve other suppliers of non-proprietary items if Franchisee or the supplier request the approval in writing and if the supplier demonstrates to the satisfaction of Franchisor that it is financially capable and can provide Item(s) or service(s) that meet Franchisor's standards and that it is willing and able to protect Franchisor's proprietary information. Franchisor may charge a reasonable fee to cover its costs in evaluating a proposed supplier. Franchisor will normally make its decision within thirty days after it receives all of the requested information and any requested samples. Franchisor reserves the right to withdraw approval of any supplier whose performance falls below Franchisor's standards.

7.06.04 Unspecified Products. Franchisee may obtain any Item used in the Licensed Business that Franchisee is not required to purchase in accordance with specifications or from an approved supplier from any source, so long as the Item is consistent with Franchisor's image. Should Franchisor later publish specifications or require use of an approved supplier, Franchisee shall comply with that requirement.

7.06.05 Inventory. Franchisee shall, at all times, maintain a sufficient inventory of Items so that the Licensed Business can operate at maximum capacity.

7.06.06 Training and Other Services. Certain services may be available to Franchisee only through Franchisor or an affiliate, including mandatory training. Franchisee will be required to pay the usual price for any of these services, unless otherwise provided in this Agreement.

7.06.07 Proprietary Items. Proprietary Items are Items that contain one or more unique characteristics or ingredients which are either not known to the general public or which are subject to protection as intellectual property or Trade Secrets, and can include packaging, trademarks or containers. Patented or patentable Items are Proprietary Items. Franchisor or its Affiliate(s) may develop Proprietary Items. Franchisor or an Affiliate will (i) manufacture, supply and sell Proprietary Items to franchisees of Franchisor, and/or (ii) disclose the formulae for and methods of preparation of the Proprietary Items to one or more supplier(s) who will be authorized by Franchisor to manufacture Proprietary Items to Franchisor's precise specifications and sell Proprietary Items to franchisees of Franchisor and/or (iii) license Franchisee to use them pursuant to this Agreement. If required, Franchisee shall purchase and use Proprietary Items from Franchisor or from supplier(s) so authorized by Franchisor. Franchisor or its Affiliate(s) will derive revenue and profits from Franchisee's purchases of any Proprietary Items. Franchisor or its Affiliate(s) may distribute Proprietary Items through alternative channels of distribution, including near Franchisee's location.

7.06.08 Proprietary Software. Franchisor may license you to use proprietary software. The Software, and any additions or modifications or further developments are and will be Trade Secrets of Franchisor. Franchisee shall comply with Franchisor's requirements and specifications regarding the Software. Franchisor will license the Software to Franchisee at its current rates. Franchisor may require Franchisee to sign a separate license agreement for some software. Franchisor or its Affiliate(s) may distribute Proprietary Software through alternative channels of distribution, including near Franchisee's location and to competitors of Franchisee.

7.07 Minimum Hours.

Franchisee shall keep the Premises open as set forth in the Manual and will outline closed holidays in advance with Franchisor agreed in writing or unless required by law or by a lease approved pursuant to this Agreement. Franchisee may request different hours for good cause. The dates and hours of operation may not be the same for all Licensed Businesses or all franchisees, even in the same general area, because of local conditions. Franchisee shall have not less than ten business days to adjust to any increase in the minimum hours required by Franchisor for Franchisee's location.

7.08 Signs.

Franchisee agrees to obtain, install and maintain on the Premises and on certain vehicles used in the Licensed Business, appropriate signs bearing the Marks as specified by Franchisor. Any deviation from the required signage shall be subject to Franchisor's prior written approval.

7.09 Computer System.

Franchisee shall purchase specified computer hardware and software ("Computer System") for use in operation of the Licensed Business as required by Franchisor. In addition, Franchisee may be required, from time to time, to purchase replacement hardware or software or software upgrades, all of which Franchisee shall install and use as required by Franchisor, including, without limitation, point of sale and communications software and hardware. If required, Franchisee will install and maintain and use, at Franchisee's expense, a dedicated telephone or other data line or transmission facility as specified by Franchisor. Franchisee may obtain a Computer System and related components and services from any source as long as the equipment, software and service meets or exceeds Franchisor's specifications. Franchisee shall be solely responsible for maintenance, repair and replacement of the Computer System. Without limiting the applicability of this paragraph, Franchisee shall, at all times, use and maintain the software as required by Franchisor. Franchisee shall not block or attempt to block or limit Franchisor's access, including electronically, to any data or programs contained on Franchisee's Computer System and Franchisee shall maintain information relating to the Licensed Business only on the Computer System(s) to which Franchisor has access.

7.10 Communications Equipment and Systems.

Franchisee shall purchase and use in the Licensed Business communications equipment or systems and service as required by Franchisor and shall update or replace such equipment, systems and service as required, but Franchisor will not require replacement more than once per year. Except as otherwise required or permitted by this Agreement or by applicable law, Franchisee shall use only the communications systems designated by Franchisor in communicating with Franchisor and other franchisees relating to the Licensed Business. Franchisor shall have a proprietary interest in all communications made through any communications systems maintained or provided by Franchisor. Franchisee acknowledges that the provisions of this paragraph 7.10 are reasonable and necessary and beneficial to the **Le Village Cowork** franchise system. Franchisee shall monitor and respond to all communications in a timely manner as specified in the Manual.

7.11 Equipment Maintenance.

Franchisee shall be solely responsible, at Franchisee's cost and expense, for maintaining, repairing, and replacing, when appropriate, all equipment required, recommended or permitted pursuant to this Agreement.

7.12 Warranties.

Franchisee shall not represent to any customer or the public that Franchisor provides any warranty as to the quality of any product or service, unless Franchisor has specifically authorized such warranty in writing. If Franchisee offers any warranties, they shall be in writing and shall clearly state, both in the warranty and in any promotional or advertising materials, that the warranty is available and will be honored only by Franchisee. Franchisee hereby indemnifies, holds harmless and agrees to defend Franchisor, its related companies and all other **Le Village Cowork** franchisees from any and all claims of whatever nature arising from any such additional warranties made by Franchisee. Franchisee shall participate in and comply with any warranty program that Franchisor may adopt from time to time.

7.13 No Pirating Of Personnel.

During the term of this Agreement and for a period of two (2) years following Termination or Nonrenewal of this Agreement for any reason whatsoever, Franchisee shall not: (a) induce, or attempt to induce any employee of Franchisor, an Affiliate or of any other franchisee to leave their current employer; (b) without the prior written approval of Franchisor (which may be conditioned upon the prior written approval of another franchisee and other proper conditions) hire or associate or offer to hire or associate any employee of Franchisor, an Affiliate, or of any other franchisee; or (c) without the prior written approval of Franchisor (which may be conditioned upon the prior

written approval of another franchisee and other proper conditions) hire or associate or offer to hire or associate any former employee of Franchisor, an Affiliate, or of any other franchisee, who has, voluntarily or otherwise terminated his or her relationship with Franchisor, an Affiliate, or any other franchisee during the prior eighteen (18) calendar months. The terms of this paragraph 7.13 shall survive termination or nonrenewal of this Agreement for any reason. Any waivers of this paragraph 7.13 must be in writing and signed by the Franchisor.

7.14 Marketing.

Franchisee shall, at all times, comply with the Manual in all advertising. Franchisee shall not use television, radio or Internet advertising unless in full compliance with the Manual.

7.15 Leads and Service Area.

Except as specifically permitted by the Manual, Franchisee shall not engage in marketing outside of Franchisee's Territory. There are no restrictions on where Franchisee may provide services, provided Franchisee is in full compliance with all applicable laws, ordinances and regulations, for customers who may contact Franchisee directly. Franchisor may adopt and follow non-discriminatory policies for distributing calls and leads if Franchisee does not respond or perform in compliance with the Manual which may result in another franchisee being permitted to perform work in Franchisee's Territory.

7.16 New Developments.

Franchisor shall be the sole and exclusive owner of all new developments, including inventions, methods, products, ideas, formulas, research results, equipment, and otherwise, that Franchisee develops or has any role in developing that relate to the Licensed Business. Franchisee shall immediately disclose any and all such new developments to Franchisor and shall execute any documents necessary, in Franchisor's opinion, to consummate the transfer of all ownership rights therein. The mutual covenants of this Agreement are sufficient consideration for such transfers. Franchisor shall not, otherwise, be required to compensate Franchisee for such new developments.

7.17 Staffing Requirements.

Franchisee shall, at all times, comply with the minimum staffing requirements specified in the Manual. Each employee shall, at all times meet or exceed the qualifications set forth in the Manual.

Article 8 - Indemnity And Insurance

8.01 Indemnity.

Franchisee shall defend, hold harmless and indemnify Franchisor, its officers, directors, shareholders, agents, employees, landlords and related companies from any and all losses, claims, damages, liabilities, or expenses of any kind or nature, including fines, penalties, interest, attorneys' fees, and all other types of costs or expenses, arising directly or indirectly from the acts or omissions (whether or not negligent or wrongful) of Franchisee or of any of Franchisee's manager(s), employees or agents in connection with the performance or breach of any obligation under this Agreement. Franchisor shall indemnify and hold harmless Franchisee, its officers, directors and shareholders from any losses, claims, damages, liabilities or expenses of any kind or nature, arising from the wrongful acts or omissions of Franchisor in connection with the performance or breach of any obligation under this Agreement.

8.02 Insurance.

Franchisee shall purchase and maintain, at Franchisee's expense, throughout the term of this Agreement commercial general liability insurance, including bodily injury, property damage, personal injury, advertising injury, non-owned automobile, loss of business income, and broad form contractual coverage for liability assumed under this Agreement. Such insurance shall be on an occurrence basis and shall consist of combined single limit coverage of at least one million dollars per occurrence/two million dollars annual aggregate. Franchisee shall purchase and maintain professional liability (errors and omissions) insurance with coverage of at least \$1,000,000 per occurrence/annual aggregate. Franchisee shall purchase and maintain worker's compensation and employer's liability insurance with a reputable insurer acceptable to Franchisor or with a state agency. Franchisee shall provide Franchisor with one or more certificates of insurance evidencing such coverage's and naming Franchisor as an

additional insured as to each applicable policy. Such certificate(s) of insurance shall provide that the coverage's under the respective policy(ies) may not be modified (except to increase coverage) or canceled until at least thirty (30) days prior written notice of such cancellation or modification has been given to Franchisor. Upon request by Franchisor, Franchisee shall provide Franchisor with a true copy of any insurance policy, including all endorsements. Every insurance policy of Franchisee required by this Agreement shall provide that coverage is primary/non-contributory. Every insurance policy shall be with an insurance company that meets Franchisor's criteria as set forth in the Manual.

Article 9 - Renewal

9.01 Conditions Of Renewal.

After expiration of the term of this Agreement, if Franchisor has made a business decision, in Franchisor's sole discretion, to continue the **Le Village Cowork** Franchise System in Franchisee's area, Franchisee will be permitted to renew Franchisee's Franchise Agreement, but only upon the following terms and conditions:

9.01.01 Franchisee must be current in payment of all fees and charges to Franchisor and any of its related companies and must not have made more than two late payments within the last three years for which Franchisor gave written notice(s) of breach, which notice(s) were not withdrawn by Franchisor;

9.01.02 Franchisee must not be in material breach of this Agreement or of any other agreement between Franchisor and Franchisee and must have substantially complied with the operating standards and other criteria contained in the Manual or otherwise communicated in writing by Franchisor;

9.01.03 Franchisee shall pay a renewal fee as established at the time by Franchisor, but which shall be not more than one third of the then-current Initial Fee, payable in full at the time of execution of the Franchise Agreement referred to in sub-paragraph 9.01.04;

9.01.04 Franchisee shall execute the then current form of Franchise Agreement, which may differ in material ways that are not reasonably foreseeable at this time, but may include material differences in territorial boundaries and economic terms, including the amount of royalties and National Marketing Fees or entirely new categories of fees or mandatory expense;

9.01.05 Franchisee must maintain possession of the Premises identified in Exhibit A for the renewal term or obtain substitute premises approved by Franchisor;

9.01.06 Franchisee, at Franchisee's sole cost and expense, shall remodel or refurbish the Premises and otherwise modernize and renovate the Premises, signs and equipment to be consistent with the then current image of the System and to meet Franchisor's then current specifications;

9.01.07 Franchisee shall give written Notice to Franchisor at least thirteen months, but not more than eighteen months, prior to the end of the term of this Agreement of Franchisee's desire to renew; and

9.01.08 Franchisee must not, during the preceding term, have engaged in any business dealings in relation with the Licensed Business or the Franchisee which are unethical, dishonest or otherwise could cause harm to the Marks, Franchisor, any other franchisee, the goodwill associated with the Marks, or to any customer, client or vendor of Franchisee, Franchisor or of another franchisee.

Article 10 - Continuation

If, following the termination or expiration of this Agreement for any reason, whether voluntary or involuntary, Franchisee continues to operate the Licensed Business or occupy the Premises with the express or implied consent of Franchisor, but without a renewal franchise agreement, such continuation shall constitute a month-to-month extension of this Agreement and shall be terminable by either party upon the lesser of (a) thirty (30) days written notice or (b) such shorter notice by Franchisor as would otherwise be applicable in a termination for cause. Franchisee acknowledges and agrees that such continuation shall be good cause for termination of this Agreement. Both parties shall continue to be subject to all terms of this Agreement during any such continuation period.

Article 11 - Entity Franchisee

11.01 Entity Definition.

An "Entity" is any form of business organization except for a sole proprietorship and includes all kinds of corporations, limited liability companies, limited partnerships and general partnerships and any other form of business organization involving either multiple equity owners or which attempts to provide limited liability.

11.02 Founding Document Restriction.

If Franchisee is an Entity or becomes an Entity or if Franchisee transfers Franchisee's interest under this Agreement or any interest in the Licensed Business to an Entity, the founding document(s) of the Entity must provide as follows:

This corporation shall not enter into any agreement or undertaking which would, directly or indirectly, limit any of the rights or obligations of the corporation or of any owner of the corporation under the **Le Village Cowork** Franchise Agreement dated _____, _____. Any such agreement or undertaking is void.

11.03 Liability Of Owner(s).

Every owner of an equity or other interest in any Entity franchisee (and any individual person who is an owner of an Entity which owns any equity interest in any Entity franchisees) shall personally guarantee this Agreement. Any change in or addition of equity or other owner(s) shall be subject to the Assignment and Death and Incapacity provisions of this Agreement.

11.04 Restriction On Certificates Of Ownership.

Each and every document, if any, issued by any Entity franchisee evidencing ownership of an equity or other interest in the Entity must provide as follows:

Ownership of this corporation is restricted and cannot be transferred, assigned, sold or encumbered except in strict compliance with the **Le Village Cowork** Franchise Agreement dated _____, _____. Any other transfer or attempted transfer is void.

11.05 Additional Requirements Of Entity Franchisee.

Franchisee shall, upon Franchisor's request, provide Franchisor or its designee with true copies of such of Franchisee's Entity records and documents as Franchisor shall designate. An Entity Franchisee shall, at all times, have one individual person who shall be the designated principal who shall have authority to act on behalf of the Entity in all respects under this Agreement. The designated principal shall be the individual who is responsible for assuring compliance by the Entity with all of the terms of this Agreement. Notwithstanding the requirement of a designated principal, Franchisor shall be entitled to rely upon the acts or words of any principal, employee or agent of an Entity Franchisee whom Franchisor understands to be acting or speaking on behalf of the Entity.

Article 12 - Assignment Or Transfer

12.01 Prior Consent.

Franchisee shall not assign, transfer, sell, sublease, sublicense or encumber (hereinafter collectively referred to as "Assign" or "Assignment"), in whole or in part this Agreement, the Franchisee, the Licensed Business, any option or first right of refusal relating to this Agreement, the Franchisee or the Licensed Business, the assets of the Licensed Business or the leasehold of the Licensed Business or represent to any person that such an Assignment has been made without Franchisor's prior written approval. For purposes of this Paragraph 12.01, the terms "Assign" or "Assignment" shall include any assignment, transfer, sale or encumbrance of any shares of stock of a Franchisee that is a corporation, any partnership interest of a Franchisee that is a partnership, any membership interest of a Franchisee that is a limited liability company, and any equity or ownership interest or rights in any other form of entity. Any attempted Assignment without Franchisor's prior written consent shall be void and a breach of this Agreement.

12.02 Conditions Of Assignment.

As preconditions for obtaining Franchisor's consent to an Assignment, at least the following terms and conditions must be met:

12.02.01 Franchisee must be current in payment of all fees and charges to Franchisor and any of its related companies;

12.02.02 Franchisee must not be in material breach of this Agreement or of any other agreement between Franchisor and Franchisee;

12.02.03 Franchisee must have paid in full all debts in connection with the Licensed Business;

12.02.04 The assignee must have agreed to assume all of the obligations of the Licensed Business;

12.02.05 The assignee must execute a disclosure form containing a waiver and release of any claim against Franchisor for any amount(s) paid to, or representation(s) made by Franchisee or any omission by Franchisee to disclose facts, material or otherwise;

12.02.06 Franchisee must execute, at Franchisor's option, a mutual termination of this Agreement and a general release, or an assignment of this Agreement and a general release, and an agreement to defend, hold harmless and indemnify Franchisor from any claim by the assignee in form specified by Franchisor, the current version(s) of which are attached as Exhibit J;

12.02.07 The assignee must pay to Franchisor a Transfer Fee in the amount of Seven Thousand, Five Hundred Dollars (\$7,500) and execute, at Franchisor's option, the then current form of Franchise Agreement or an assumption of this Agreement (in any event providing for the same royalty and National Marketing Fees as contained herein, for the balance of the term hereof);

12.02.08 The assignee must, in the sole opinion of Franchisor, successfully complete the then current initial training program at the assignee's sole cost and expense;

12.02.09 The assignee must have met the then current standards of Franchisor for experience, financial strength, reputation and character required of new or renewal Franchisees;

12.02.10 The assignee must obtain such approvals as may be required to assume occupancy and possession and the continuing obligations relating to the lease or possession of the Premises, unless a new location has been approved in writing by Franchisor; and

12.02.11 Franchisor must have been given at least thirty (30) business days written first right of refusal by Franchisee, upon the same terms as those agreed upon by Franchisee with any proposed assignee; provided, however, Franchisor may substitute cash of equivalent value for any non-cash term. In the event Franchisor waives or fails to exercise its right of first refusal, if Franchisee thereafter agrees to accept a revised offer, regardless of the nature of the revision, Franchisor shall have a new right of first refusal hereunder on the new terms.

12.03 Assignment To An Entity.

Notwithstanding the foregoing, if Franchisee is an individual, Franchisee may assign this Agreement to an Entity, as defined in Article 11, formed under the laws of the state where the Licensed Business is located, which is wholly owned by Franchisee; provided that the individual Franchisee shall first provide written notice of the assignment to Franchisor, shall be in compliance with Section 12.02.01 – 12.02.03, and shall personally guarantee the performance of this Agreement. If Franchisee is an Entity, Franchisee may assign this Agreement to another Entity, formed under the laws of the state where the Licensed Business is located, of the same or different form, which has exactly the same ownership, including percentages of ownership as Franchisee; provided that each of the individual equity or other owners of the new Entity shall personally guarantee the performance of the Agreement. The personal guarantee shall be in the form of Exhibit G hereto. No assignment under this paragraph shall change or limit the liability of any person or entity under this Agreement. Franchisee shall pay to Franchisor a processing fee of five hundred dollars (\$500.00) for an assignment pursuant to this paragraph 12.03.

12.04 Approval Process.

Franchisor may use its own discretion in approving or rejecting prospective transferees in the same manner as if it was approving or rejecting any other new prospective franchisee, taking into consideration such factors as their financial ability, character, business reputation, experience and capability to conduct the type of business involved. The approval of one Assignment does not obligate Franchisor to approve any other or subsequent Assignment. If Franchisee is an Entity, notwithstanding any statute or agreement to the contrary, the addition, withdrawal or expulsion of any equity or other owner or the transfer, encumbrance or assignment of any equity or ownership or control interest of any equity or other owner or the dissolution or reorganization of the Entity for any reason is subject to the same considerations as any other Assignment.

12.05 Transfer By Franchisor.

There shall be no restriction upon Franchisor's right to encumber, transfer or assign this Agreement or the System. Following such a transfer or assignment, Franchisor shall have no further obligation or liability to Franchisee hereunder or otherwise so long as the assignee or transferee agrees to assume all of Franchisor's liabilities and obligations to Franchisee. Upon Franchisor's request, Franchisee shall execute and deliver a certificate to Franchisor, as described in Paragraph 21.05, in connection with an anticipated transfer or financing procedure by Franchisor. Franchisee agrees to accept any transferee of Franchisor, including any subfranchisor and perform for such transferee the same as for Franchisor.

12.06 No Sublicensing.

Franchisee shall not, directly or indirectly, sublicense or attempt to sublicense the Marks or the System or any part thereof to any person or entity for any purpose. Any attempted or purported sublicense shall be void.

Article 13 - Death Or Incapacity

13.01 Alternatives Upon Death Or Incapacity.

In the event of the death or incapacity of an individual franchisee, or of any individual equity or other owner of an Entity franchisee, the heirs, beneficiaries, devisees or legal representatives of said individual shall, within ninety (90) days of such event:

13.01.01 Apply to Franchisor for the right to continue to operate the franchise and the Licensed Business for the duration of the term of this Agreement and any renewals hereof, which right to continue to operate will be granted upon the fulfillment of all of the conditions set forth in Article 12 of this Agreement (except that no transfer fee shall be required); or

13.01.02 Sell, transfer or convey Franchisee's interest to a third party in compliance with the provisions of Article 12 of this Agreement; provided, however, in the event a proper and timely application for the right to continue to operate has been made and rejected, the ninety (90) days to sell, transfer or convey shall be computed from the date of said rejection. For purposes of this paragraph, Franchisor's silence on an application to continue to operate through the ninety (90) days following the event of death or incapacity shall be deemed a rejection made on the last day of such period.

13.02 Effect Of Failure To Comply.

In the event of the death or incapacity of an individual franchisee, or any owner of an equity or other interest in an Entity franchisee where the provisions of this Article have not been fulfilled within the time provided, all rights granted to Franchisee under this Agreement shall, at the option of Franchisor, terminate and the parties shall proceed according to and have the rights provided for in Articles 17 and 18.

13.03 Incapacity Defined.

For purposes of this Agreement, "incapacity" is the inability of Franchisee to operate or oversee the operation of the Licensed Business on a regular basis and in the usual manner by reason of any continuing physical, mental or emotional disability, chemical dependency or other similar limitation which has continued or will more likely than not continue for a period of 60 consecutive days or more. Franchisee shall advise Franchisor in writing, immediately,

upon receipt of advice from any physician or other professional that Franchisee or a principal of an Entity franchisee has an incapacity. However, Franchisee's failure or inability to advise Franchisor of Franchisee's incapacity shall not limit Franchisor's rights under this sub-paragraph. Any dispute as to the existence of an incapacity as defined herein shall be resolved by majority decision of three (3) licensed medical physicians practicing in the state in which the Licensed Business is located, with each party selecting one (1) physician, and the two (2) physicians so designated selecting the third physician. The determination of the majority of the three (3) physicians shall be binding upon the parties and all costs of making said determination shall be borne by the party against whom it is made. Notwithstanding the foregoing, if any insurance company pays to the Franchisee or Franchisee's Entity any disability benefits for 60 consecutive days, or more, of disability, the Franchisor may regard that as conclusive evidence of incapacity.

Article 14 - Successors And Assigns

This Agreement shall bind and inure to the benefit of the successors, permitted transferees and assigns, personal representatives, heirs and legatees of the parties hereto.

Article 15 - Termination

Franchisor may terminate this Agreement as follows:

15.01 Franchisor may terminate this Agreement upon at least thirty days notice and opportunity to cure (or longer if required by law) if Franchisee is in breach of any term of this Agreement or of any other agreement between Franchisee and Franchisor or any affiliate of Franchisor.

15.02 Franchisor may terminate this Agreement upon at least 72 hours notice and opportunity to cure (or longer if required by law) for occurrence of any one or more of the following events (each of which Franchisee acknowledges is good cause for termination and a material breach of this Agreement), notwithstanding that Franchisor may have the option to give a longer notice and cure period pursuant to other provisions of this Agreement:

- i. Franchisee fails to pay or deposit when due, and in the manner prescribed by Franchisor, any moneys owed to Franchisor or any of its related companies or to another **Le Village Cowork** franchisee;
- ii. Franchisee files a voluntary petition in bankruptcy or has an involuntary petition filed against Franchisee, Franchisee makes an assignment for the benefit of creditors, or a receiver or trustee is appointed;
- iii. Franchisee violates or attempts to violate any of the Assignment provisions of this Agreement;
- iv. Franchisee vacates, deserts, or otherwise abandons all or any substantial portion of the Premises or equipment, or abandons the Licensed Business for more than 24 hours (whether or not Franchisee intends to abandon);
- v. Franchisee sublicenses or attempts to sublicense the Marks or the System in violation of this Agreement;
- vi. Franchisee is an Entity and an impasse exists between equity or other owners or there is any change in the ownership of any interest in the Entity without having first complied with the provisions of this Agreement;
- vii. Franchisee fails to timely permit any audit or inspection by or on behalf of Franchisor;
- viii. Franchisee violates or fails to comply with any law, rule, regulation, ordinance or order relating to the operation of the Licensed Business (including any health codes, rules or regulations) or fails to obtain and continue any license, permit or bond necessary, in Franchisor's opinion, for Franchisee's operation of the Licensed Business;
- ix. Franchisee is convicted of or pleads guilty or "Nolo Contendere" to any felony;
- x. Franchisee fails to operate the Licensed Business under the Marks or fails to properly display the Marks at all times in full compliance with this Agreement and the Manual;
- xi. Franchisee engages in any business dealings in relation with the Franchise, the Licensed Business or the Franchisee which are unethical, dishonest or otherwise could cause harm to the Marks, the System, Franchisor,

other franchisees, the goodwill associated with the Marks, or to any customer, client or vendor of Franchisee or any other franchisee or the Franchisor;

- xii. Franchisee fails or refuses to timely execute and deliver a truthful certificate pursuant to paragraph 21.05;
- xiii. Franchisee fails to maintain insurance or workers compensation coverage; or
- xiv. Any other agreement, including any other Franchise Agreement to which Franchisee is a party, between Franchisee and Franchisor or between Franchisee and any of Franchisor's related companies is terminated for cause.

15.03 Franchisor may terminate this Agreement without giving notice or opportunity to cure upon occurrence of any one or more of the following events (each of which Franchisee acknowledges is good cause for termination and a material breach of this Agreement), notwithstanding that Franchisor may have the option to give a longer notice and a cure period pursuant to other provisions of this Agreement:

- i. Upon three willful and material breaches of the same term of this Agreement occurring within a twelve-month period;
- ii. Franchisee is adjudicated a bankrupt or insolvent;
- iii. Franchisee makes an assignment for the benefit of creditors or similar disposition of the assets of the Licensed Business;
- iv. Franchisee voluntarily abandons the Licensed Business; or
- v. Franchisee is convicted of or pleads guilty or no contest to a charge of violating any law relating to the Licensed Business.

15.04 Notwithstanding any right of Franchisor to terminate this Agreement, pursuant to this Agreement or otherwise, Franchisor may, in Franchisor's sole discretion, elect to not terminate this Agreement and to, in lieu thereof, impose limitations on Franchisee, including, but not limited to, revocation of Franchisee's Territorial rights, and revocation of Franchisee's rights to acquire or offer and sell certain products and services. Franchisor's election to not terminate this Agreement pursuant to this paragraph shall not constitute an election of remedies and Franchisor may, thereafter, terminate this Agreement on account of the same or any other event(s) of default as set forth herein.

Article 16 - Competition With Franchisor

16.01 Competing Business Activities During Term.

During the term of this Agreement, Franchisee shall not engage, directly or indirectly, either personally or as an employee, partner, member, manager, franchisor, franchisee, agent, consultant, shareholder, director, officer, advisor or otherwise, in any other business the same as or similar to that defined under "Licensed Business" herein or which is or would directly or indirectly compete with the Licensed Business or otherwise with the business of Franchisor or with any other franchisee of Franchisor. This prohibition includes, but is not limited to, any business offering and selling memberships to a coworking space with childcare. Franchisee shall not operate any other business from the Premises. Franchisee shall not use nor permit to be used any Trade Secret(s) of Franchisor or the Marks or anything resembling the Marks in connection with any other business, whether or not such other business is owned, controlled by or associated with Franchisee.

16.02 Competing Business Activities After Term.

16.02.01 Franchisee covenants and agrees that, for a period of twenty-four (24) months following the effective date of any termination, expiration or non-renewal ("the Termination Date"), Franchisee will not, individually or together with another, directly or indirectly, on its own behalf or on behalf of or through any other person, sole proprietorship, or Entity, do any of the following:

- a. Compete with Franchisor or any franchisee of Franchisor within a twenty mile radius of the boundary of Franchisee's designated Territory, as it existed immediately before the Termination Date, in the operation of any

business offering and marketing a coworking space with childcare, any aspect of such Licensed Business as it exists on the Termination Date, or any business substantially similar thereto or tending to compete for the same customers as Franchisor or its Franchisees (“Prohibited Activities);

b. Solicit, take away, or divert, and/or influence or attempt to influence any customers, franchisees, vendors, clients, and/or patrons of Franchisor or of any franchisee of Franchisor, which customers, franchisees, vendors, clients, and/or patrons were served by Franchisor or a franchisee of Franchisor at any time during the four (4) years preceding the Termination Date, to transfer or divert their business or patronage from Franchisor or Franchisor’s franchisee(s) to any other person or Entity engaged in the Prohibited Activities or anything similar to the Licensed Business;

c. Solicit or attempt to hire any person who was an employee of Franchisor or of any other franchisee of Franchisor during the one (1) year period ending on the Termination Date, or attempt to influence any such person to terminate his employment with Franchisor or Franchisor’s franchisee(s).

16.02.02 Franchisee covenants and agrees that, at no time will Franchisee, directly or indirectly, disclose or cause or permit to be disclosed, sell, or otherwise transfer to any party other than Franchisor, including, but not limited to, a person or Entity, for or not for consideration, the Trade Secrets, or any part thereof;

16.02.03 Franchisee covenants and agrees that, for a period of twenty-four (24) months from the Termination Date, Franchisee will not, individually or together with another, directly or indirectly, through others or on its own behalf, hold any ownership or have a financial or other interest in, be employed by, or otherwise have any ownership or management relationship with, any person or Entity, either as principal, broker, member, agent, stockholder of any class, or as a partner, officer, director, trustee, franchisee, franchisor, employee, consultant, lender, guarantor, member of a board of directors or board of trustees, or in any other capacity, which does any of the following:

a. Competes with Franchisor or any franchisee of Franchisor;

b. Solicits, takes away, or diverts, and/or influences or attempts to influence any customers, clients, franchisees, vendors, and/or patrons of Franchisor or of any other franchisee of Franchisor, which customers, clients, franchisees, vendors, and/or patrons were served by Franchisor or any franchisee of Franchisor at any time during the four (4) years preceding the Termination Date, to transfer or divert their business or patronage from Franchisor or any other franchisee to any other person or Entity engaged in the Prohibited Activities or anything similar to the Licensed Business;

c. Solicits or attempts to hire any person who was an employee of Franchisor or of any other franchisee of Franchisor during the two (2) year period ending on the Termination Date, or attempts to influence any such person to terminate his employment with Franchisor or any franchisee of Franchisor.

16.02.04 Franchisee covenants and agrees that, at no time will Franchisee, directly or indirectly, through others or on its own behalf, hold any ownership or have a financial or other interest in, be employed by, or otherwise have any ownership or management relationship with, any person or Entity, either as principal, broker, agent, stockholder of any class, or as a member, partner, officer, director, trustee, franchisee, Franchisor, employee, consultant, lender, guarantor, member of a board of directors or board of trustees, or in any other capacity, which, discloses or causes to be disclosed, sells, or otherwise transfers to any party other than Franchisor, including, but not limited to, a person, sole proprietorship, partnership, joint venture, firm, limited liability company, corporation, trust, or other Entity, for or not for consideration, the Trade Secrets, or any part thereof;

16.02.05 Franchisee acknowledges and agrees that the periods of time of this covenant and the geographical areas of restriction imposed by this covenant are fair and reasonable and are reasonably required for the protection of Franchisor and its franchisees. Franchisee would desire at least this same protection against competitive activities by another former franchisee whose franchise agreement was either expired, terminated or non-renewed. Franchisee agrees that, in the event a court or arbitrator should determine any part of this covenant to be excessively broad, unenforceable, and/or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof. Franchisee further agrees that, in the event that any of the provisions of this Agreement relating to the geographic area of restriction or the periods of time of the covenants shall be deemed to exceed the maximum area or periods of time which a court of competent jurisdiction would deem

enforceable, the geographic area or periods of time shall, without further action on the part of any person, be deemed to be modified, amended and/or limited, to the maximum geographic area or time periods which a court of competent jurisdiction would deem valid and enforceable in any jurisdiction in which such court shall be convened. Any such modification shall apply only in the jurisdiction of the deciding court or in the state where the arbitrator made the decision.

16.02.06 It shall not be a violation of this Article for Franchisee to have or maintain a passive investment in stock of any publicly traded corporation, provided said stock holdings shall not exceed five percent (5%) of the issued and outstanding stock of such corporation.

16.02.07 For purposes of this Agreement, all references to Franchisor shall be deemed to include: (a) any corporation or entity which acquires all, or substantially all, of the assets of Franchisor, whether by statutory merger or otherwise, (b) any corporation, partnership, or other entity directly or indirectly controlled by or under common control with Franchisor or its successor, and (c) any subfranchisor or other assignee of Franchisor.

16.02.08 Franchisee agrees that it would be extremely difficult to prove with certainty the exact amount of damages caused to Franchisor by a violation of this Article 16 by Franchisee and therefore, Franchisee agrees that, upon proof that Franchisee violated this Article 16, Franchisor shall be entitled to liquidated damages in an amount calculated by multiplying the amount of gross revenues generated by Franchisee or a third party that benefited from the violation during the period of breach and multiplying it by 1.5. Franchisee acknowledges that this results in a reasonable estimate of what Franchisor's actual damages would be and is not a penalty.

16.02.09 Franchisee agrees that any violation of the covenants contained in this Article will cause irreparable harm to Franchisor and its other franchisees and may, as a matter of course, be restrained by process issued out of a court of competent jurisdiction, in addition to any other remedies provided by law. In the event of any action for a temporary or permanent injunction to enforce this Covenant, Franchisee hereby waives any requirement of a bond to the extent that any bond would exceed one hundred dollars. The substantially prevailing party in any such enforcement action shall be entitled to recover their attorneys fees and costs incurred therein in addition to any and all other remedies.

16.02.10 Nothing in this Article 16 shall obligate Franchisor to take action to enforce this or any other covenant against competition against any other franchisee or former franchisee. Nothing in this Article 16 shall entitle Franchisee to take any action to enforce this or any other covenant against competition against any other franchisee or former franchisee.

16.02.11 The terms of this Article 16 shall survive the termination or expiration of this Agreement for any reason.

Article 17 - Effect Of Termination

17.01 Loss Of Rights.

After the Termination Date, Franchisee shall have no further rights to use, in any manner, the System, the Marks, anything similar to the Marks, the telephone numbers, the telephone listings, any proprietary computer software, any trade secrets or the Manual. Franchisee shall immediately notify such persons as Franchisor shall reasonably require of Franchisee's loss of rights thereto. All sums of money due from Franchisee to Franchisor or to any other **Le Village Cowork** franchisee as of the Termination Date shall become immediately due and payable. As between the parties hereto, whether or not a Lease Conditional Assignment Agreement has been signed, Franchisor or Franchisor's designee shall have the option, exercisable within sixty (60) days, to assume the lease for the Premises. If Franchisor elects to assume the lease for the Premises, pursuant to the Lease Conditional Assignment Agreement or otherwise, Franchisee agrees to cooperate in the transfer, to execute any documents which may be required for Franchisor or Franchisor's designee to assume the lease, and to otherwise take no actions which would interfere with the ability of Franchisor or it's designee to assume the said lease. Franchisee specifically agrees to execute such document(s) as may be necessary to transfer the telephone number(s) to Franchisor or Franchisor's designee. In the event Franchisee or any owner or affiliate of Franchisee owns the Premises, Franchisee agrees that Franchisor shall

have the option to lease the Premises at fair market value for a term of up to ten (10) years, at Franchisor's election, such option exercisable by Franchisor within sixty (60) days following the Termination Date.

17.02 Change Of Identity.

After the Termination Date, Franchisee shall immediately refrain from holding itself out to the public in any way as a Franchisee or affiliate of Franchisor or as a former Franchisee or affiliate of Franchisor. If directed by Franchisor, Franchisee shall, at Franchisee's sole cost and expense, make or cause to be made such changes in signs, telephone numbers, buildings or structures as Franchisor may direct to distinguish the Premises from its former appearance and from other **Le Village Cowork** franchisees. If Franchisee fails to make such changes within ten (10) calendar days, then Franchisor shall have the right to enter upon the Premises, without liability for trespass or otherwise, and to make or cause to be made such changes at the expense of Franchisee, which expenses shall be paid by Franchisee upon demand. Franchisee shall immediately file the appropriate forms to abandon or withdraw any assumed name certificate or to change the name of its corporation or partnership to eliminate any reference to the System or the Marks. If Franchisee fails or refuses to cooperate with Franchisor, Franchisee hereby appoints Franchisor as its Attorney in Fact to complete the changeover. Franchisee shall immediately return to Franchisor the Manual, Trade Secrets, bulletins, instruction sheets, software, forms, Marks, designs, signs, printed matter and other material containing any part of the System or the Marks together with all copies thereof (including electronic or digital copies) that are or have been within Franchisee's custody or control.

17.03 Changeover Procedure.

Upon termination of this Agreement, either by expiration, non-renewal, or otherwise, if Franchisor or Franchisor's designee has indicated its intention to assume Franchisee's lease for the Premises and to operate a **Le Village Cowork** business from that location, the parties agree to cooperate in the changeover of the Licensed Business to Franchisor, including by taking the steps set forth herein. If Franchisee fails or refuses to cooperate with Franchisor, Franchisee hereby appoints Franchisor as its Attorney in Fact to complete the changeover. In such case, the parties shall: notify the landlord of the change of tenancy pursuant to the Lease Conditional Assignment Agreement or otherwise and Franchisor shall be entitled to take control of the Premises, including by changing the locks; terminate vendor accounts at Franchisor's option; conduct an inventory of all equipment, fixtures, tenant improvements, supplies and inventory (if Franchisee elects to not participate in the inventory, Franchisor's inventory shall be presumed accurate and complete); Franchisor shall have the right to use Franchisee's equipment, furniture, fixtures and related items for up to sixty (60) days and shall pay or credit Franchisee with the fair market rental value of that use; Franchisor shall be entitled to communicate directly with Franchisee's agents, employees, customers and vendors in order to facilitate a smooth transition to ownership by Franchisor or Franchisor's designee; Franchisor or its designee shall be entitled to all Gross Revenues received after the date of termination. No action taken pursuant to this paragraph shall constitute a waiver by Franchisor of any claims against Franchisee for any reason. The parties agree that there are no circumstances justifying a stay or delay in implementation of the terms of this paragraph and the parties specifically agree that any claims, including, but not limited to, allegations of wrongful termination, can be separately resolved and that an award of damages would be an adequate remedy.

17.04 Continuing Royalties.

Franchisor shall be entitled to receive royalties on all Gross Revenues received or receivable by Franchisee as of the Termination Date. All such royalties shall be due and payable on the Termination Date.

17.05 Option To Purchase Certain Assets.

Franchisor shall have and is hereby granted an exclusive option for a period of sixty (60) days from and after the Termination Date, to purchase from Franchisee all of Franchisee's right, title and interest in all or any part of the franchise, Franchisee's Licensed Business and business assets and/or the Premises, if applicable, at the fair market value, except as otherwise specifically provided herein, of all assets purchased, but excluding any value for purported "goodwill" or "blue sky". Franchisee acknowledges that Franchisor already owns the "goodwill" or "blue sky", which is attached to the Marks and the Licensed Business. Franchisor's notice exercising the option granted herein shall contain a list, at least by major category, of the assets Franchisor is purchasing. Franchisor shall not be obligated to assume any liabilities of Franchisee.

17.06 Payment And Terms.

Franchisor shall pay to Franchisee all sums due pursuant to this Article, and any other sums required by this Agreement or by law, over a period of sixty months, or such shorter period as Franchisor, in its sole discretion, shall elect, with interest thereon at the prime interest rate as published by Bank of America or its successor, if applicable, determined as of the end of the calendar quarter immediately preceding the Termination Date.

17.07 Survival Of Terms.

The terms of this Article 17 shall survive the termination, non-renewal or expiration of this Agreement for any reason.

Article 18 – Release From Franchisee Obligations.

18.01 Release From Continuing Obligations.

At any time, upon not less than ninety (90) days prior written notice to Franchisor, Franchisee may secure a release from Franchisee's continuing obligations under this Agreement by executing a Release From Continuing Obligations in substantially the form of Exhibit L and by electing one of the alternatives contained in the Release From Continuing Obligations. Upon receipt of a notice pursuant to this paragraph, Franchisor may, but is not obligated to, accelerate the effective date of Franchisee's termination to such date as Franchisor may select in Franchisor's sole discretion.

Article 19 - Arbitration of Disputes.

19.01 Agreement to Arbitrate.

Except as provided in paragraph 19.04, any controversy or claim or dispute between the parties hereto or between any party hereto and any other person arising out of or relating to this Agreement, the negotiation thereof, the offer or acceptance thereof, or the performance or breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. This Article shall be governed by the Federal Arbitration Act. Any arbitration shall be before a panel of three arbitrators and shall take place in Chicago Illinois, U.S.A. No party shall join or attempt to join their claims in a single proceeding with the claims of any other party, person or entity even if similarly situated. The parties shall bear their own expenses, including their own attorney's fees and costs and shall share equally all expenses of the arbitrator.

19.02 Conduct of Arbitration.

Unless otherwise specifically required by applicable law, demand for arbitration or proceedings in arbitration, or court proceedings shall not operate to stay, postpone, prohibit or rescind any expiration, termination or non-renewal of this Agreement as provided in this Agreement, and the parties will be limited to their remedy in damages, as determined by the court or arbitrator, for non-renewal or termination found by the arbitrator to be wrongful. Damages would be an adequate remedy for any such wrongs. The court or arbitrator shall not extend, modify or suspend any of the terms of this Agreement or the reasonable standards of business performance set by Franchisor. The arbitrators shall permit discovery between the parties pursuant to the Federal Rules of Civil Procedure.

19.03 Conditions Precedent to Arbitration.

As conditions precedent to commencing an arbitration proceeding pursuant to this Agreement, the parties shall first comply with the terms of this paragraph 19.03. Failure to comply with this paragraph shall be a material breach of this Agreement and shall entitle the non-defaulting party to an award of all of their attorney's fees and costs reasonably expended in enforcing the terms of this paragraph. Such award of attorney's fees shall be made by the court enforcing this paragraph and shall be paid by the breaching party before and as a condition precedent to further proceeding in accordance with this Article. For the limited purpose of enforcing this paragraph 19.03, each party hereby waives arbitration and the matter shall be heard in the Cook County Superior Court in Chicago Illinois, USA. Within not more than sixty days following the date on which the aggrieved party first discovered or reasonably should have discovered the facts of a dispute between the parties, but not more than one year after the date of the events or

facts which gave rise to the dispute, the aggrieved party shall give a Notice to the other party (and any involved other persons) of the existence of the dispute, and shall set forth, in writing, a detailed description of the relevant facts together with a reasonably detailed description of the legal basis of the claim. The Notice shall include a detailed description by the aggrieved party of the remedy or outcome desired. The non-aggrieved party shall respond to the Notice within thirty days following its receipt. If the Notice and response does not resolve the dispute, the parties shall meet, in person, within sixty days following the date of the non-aggrieved party's response, in the corporate offices of the Franchisor, and attempt to informally resolve the matter. If the informal meeting does not resolve the matter, the parties shall, within sixty days following the date of the informal meeting, submit to non-binding mediation in Chicago, Illinois with a mediator selected according to the rules of the American Arbitration Association. If the dispute is not resolved through mediation, then either party may commence an arbitration proceeding, but must do so within ninety days following the date that either party or the mediator has declared the mediation terminated. The demand for arbitration shall contain a certificate by the party commencing arbitration that the party has fully complied with every provision of this paragraph 19.03. Copies of the Notice and the response thereto exchanged pursuant to this paragraph shall be attached to the demand for arbitration and the issues in the arbitration shall be limited to matters contained therein.

19.04 Limited Exceptions to Arbitration and Mediation.

The requirements of paragraphs 19.01, 19.02, and 19.03 shall not apply to actions for the sole purpose of collecting unpaid money, including franchise fees, royalties or Marketing Fees pursuant to this Agreement or to actions for the sole purpose of enforcing Franchisor's rights in the Marks (both for injunctive relief and damages), the Trade Secrets or the covenant against competition. Such actions and claims are not submitted to arbitration. Any such actions and claims shall be brought in the Cook County Superior Court in Chicago Illinois, USA

. Any counterclaims to such actions and claims are submitted to arbitration and shall be subject to paragraphs 19.01, 19.02 and 19.03.

Article 20 - Representations Of Franchisee

20.01 Representations

Franchisee represents and warrants as follows:

20.01.01 Franchisee is not currently a party to or subject to any contract or agreement, including any other franchise agreement, employment agreement or any covenant not to compete which would directly or indirectly be breached by entering into this Agreement or which would directly or indirectly prohibit or restrict Franchisee's signing of this Agreement or performance thereunder;

20.01.02 Franchisee is executing this Agreement and purchasing the license herein for Franchisee's own account and not as an agent or representative of another (unless for an Entity otherwise named herein and in compliance herewith);

20.01.03 Franchisee intends to be actively involved in the Licensed Business for the entire term of this Agreement and knows of no reason that he/she might become a passive owner;

20.01.04 Franchisee is basing Franchisee's decision to purchase this license, in full, upon statements and representations contained in this Agreement and the **Le Village Cowork** Franchise Disclosure Document and upon facts obtained pursuant to Franchisee's own investigation. Franchisee is not relying upon any statements or any information received either directly or indirectly from Franchisor or any person acting or purporting to act on behalf of Franchisor which information or statements are not contained in this Agreement or the **Le Village Cowork** Franchise Disclosure Document or otherwise in writing and signed by an officer of Franchisor. Franchisee has not received any earnings claims or financial performance information, directly or indirectly, from Franchisor excepting only such information as may be contained in Item 19 of the **Le Village Cowork** Franchise Disclosure Document.

20.01.05 Franchisee has not terminated and will not terminate Franchisee's existing employment or cease any other income-producing activity until after franchisee has an approved location, has successfully completed the Initial Training, and is open for business. If Franchisee elects, notwithstanding this sub-paragraph to terminate employment

or income-producing activity, Franchisee knowingly assumes the risk of loss of income and does so contrary to Franchisor's advice.

Article 21 - Miscellaneous Provisions

21.01 Nonwaiver.

No act or omission or delay in enforcing a right by either party shall waive any right under or breach by the other of this Agreement unless such party executes and delivers a written waiver. The waiver by either party of any right under or breach of this Agreement shall not be a waiver of any subsequent or continuing right or breach.

21.02 Attorneys Fees.

In the event that legal action is properly commenced in court by either party to enforce this Agreement or to determine the rights of any party, as permitted by paragraph 19, including any appeal proceeding, the substantially prevailing party, in addition to any other remedy, shall be entitled to receive its reasonable actual attorneys fees and costs, including expert fees and fees on appeal.

21.03 Severability.

In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction or by an arbitration panel, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby, and full effect shall be given to the intent manifested by the provisions, or portions thereof, held to be enforceable and valid, unless such invalidity shall pertain to the obligation to pay fees, in which event this Agreement shall terminate.

21.04 Warranty Of Authority.

Each person signing this Agreement for or on behalf of any party to this Agreement warrants that he/she has full authority to sign and to legally bind the party.

21.05 Estoppel Certificate

In the event that Franchisor is considering transferring, assigning or encumbering this Agreement, the System, or any other of Franchisor's rights or assets, or upon request by Franchisor at any time, Franchisee shall, within ten (10) calendar days after Franchisor shall request the same, execute, acknowledge and deliver to Franchisor, a written certificate that (a) this Agreement is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Agreement as so modified is in full force and effect); (b) the date to which royalties or other charges have been paid in advance, if any; (c) there are not, to Franchisee's knowledge, any uncured defaults on the part of Franchisor or Franchisee hereunder, or specifying such defaults if any are claimed; (d) setting forth the dates of commencement and expiration of the Term of this Agreement; (e) Franchisee has and knows of no basis for any claims of any kind against Franchisor (or, if Franchisee has or knows of any such claims, a detailed statement of all such claims and a statement that Franchisee has and knows of no other claims); and (f) any other matter upon which certification is requested by Franchisor or a prospective assignee or encumbrancer. Franchisor may rely upon any certificate given pursuant to this sub-paragraph as may any prospective purchaser or encumbrancer of all or any portion of Franchisor's rights hereunder. Any failure or refusal to timely execute a truthful certificate pursuant to this sub-paragraph shall be a material breach of this Agreement.

21.06 Paragraph Headings.

The various paragraph headings are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement or any portion thereof.

21.07 Recitals.

The recitals preceding the first numbered paragraph of this Agreement are hereby made part of this Agreement as if set forth within the numbered paragraphs. All references to "Franchisee" shall include all owners, parents and subsidiaries of Franchisee if Franchisee is an entity.

21.08 No Third Party Beneficiary.

Nothing in this Agreement shall be construed to give Franchisee any rights as a third party beneficiary or otherwise arising out of any similar or other agreement(s) between Franchisor and any other franchisee(s). Nothing in this Agreement shall be construed to give to any other franchisee or any other person any rights arising out of this Agreement. Any action or inaction by Franchisor with regard to any other franchisee's performance or non-performance as to any term of this or any similar agreement shall not give rise to any claims or rights in favor of Franchisee under this Agreement.

21.09 Choice Of Law.

Except as otherwise specified herein, this Agreement shall be governed by and construed under the laws of Illinois.

21.10 Notices.

All notices required or permitted by this Agreement ("Notice" or "Notices") shall be sent to the respective parties at the addresses set forth herein. The place of Notice may be modified by appropriate Notice to the other party. All Notices shall be sent by certified mail, return receipt requested, postage prepaid, personally delivered, or by facsimile, overnight delivery, or telegraph. Notices shall be deemed given at the earlier of (a) receipt by the addressee, including by facsimile or electronic mail, (b) two (2) days following deposit with the United States Postal Service or its successor, with postage prepaid, or (c) immediately upon refusal of delivery by the addressee.

21.11 Entire Agreement.

This document, together with any exhibits and addenda appended hereto, constitutes the full and complete agreement between the parties hereto with respect to the subject matter hereof. There are no verbal or other agreements that affect or modify this Agreement. Any prior or contemporaneous representations, promises, contracts or agreements not contained in this Agreement or the Franchise Disclosure Document presented herewith are hereby fully superseded. Notwithstanding the foregoing, nothing in any franchise agreement is intended to disclaim the express representations made in the Franchise Disclosure Document.

21.12 Modification.

This Agreement shall not be modified or changed except by a written agreement executed by an officer of Franchisor. No approval of a deviation from the terms of this Agreement shall be valid unless signed by an officer of Franchisor.

21.13 Effective Date.

This Agreement shall have no force or effect unless and until signed by an officer of Franchisor. The effective date shall be the date of such corporate signature. Notwithstanding the order of signatures, this Agreement shall be deemed made and entered into in Illinois.

21.14 Time Of Essence.

Time is of the essence of this Agreement.

Article 22 - Business Risk.

22.01 No Promises.

Franchisee has been informed by Franchisor, realizes and acknowledges that the business venture contemplated by this Agreement involves business risks and its success or failure will be largely dependent upon Franchisee's abilities in operating and managing the Licensed Business. Except to the extent expressly set forth in the **Le Village Cowork** Franchise Disclosure Document, neither Franchisor nor anyone acting or purporting to act on behalf of Franchisor has made any promises or warranties, expressed or implied, as to Franchisee's potential sales, profits or success. As to those issues, Franchisee has made its own investigation and evaluation.

22.02 Receipt For Disclosure Document.

Franchisee has received a copy of this Agreement and the **Le Village Cowork** Franchise Disclosure Document at least fourteen (14) days before signing this Agreement or paying any fee to Franchisor. Franchisee has received a complete copy of this Agreement and all exhibits and addenda, with all material blanks filled in, at least five (5) days before signing this Agreement. Franchisee has been encouraged and provided ample opportunity to consult an attorney or other advisor(s) of its own choosing before entering into this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year indicated below.

Dated: _____ [effective date]

Date signed: _____

FRANCHISOR:

Le Village Cowork Franchising, LLC

FRANCHISEE:

By _____
Daniella Cornue, CEO
3148 W Irving Park Rd
Chicago IL 60618
513.839.0684

Franchisee
Address: _____

Phone: _____

EXHIBIT B

Territory

Franchisee's designated Territory shall be defined as follows:

The geographic boundaries (all geographic boundaries shall be as they exist on the date of this Agreement): _____

The estimated population of the Territory is: _____

Map(s): Please see attached map(s).

EXHIBIT B-1

Application

Date: _____

APPLICATION FOR A LE VILLAGE COWORK FRANCHISE (US)

I/We _____
of _____ hereby submit an application to Le Village
Cowork Franchising, LLC, 3148 W Irving Park Rd, Chicago IL 66018 for a Le Village Cowork Franchise:

Our Le Village Cowork Franchise is to be located in: _____, in the state of
_____ (the "State"). This application, once submitted, is subject to the following
terms and conditions:

1. Initial Franchise Fee for this franchise is \$38,000 if I lease my Le Village Cowork space or \$46,000 if I buy my Le Village Cowork space, payable in cash/check as follows:
 - a. Five Thousand Dollars (\$5,000) deposit if I will lease my Le Village Cowork space or Thirteen Thousand Dollars (\$13,000) if I will buy my Le Village Cowork space (non refundable, except as set forth in Paragraph 2 below) Payable to Le Village Cowork Franchising, LLC upon submitting this Application.
 - b. Thirty-Three Thousand Dollars (\$33,000) is due and payable to Le Village Cowork Franchising, LLC, in cash, upon the earlier of my signing the Franchise Agreement or six months following my signing of this Application but in no event earlier than 14 calendar days after you are provided with this Franchise Disclosure Document. At such time, I/we will execute the Le Village Cowork Franchise Agreement and appropriate Exhibits.
2. If my/our Application is disapproved by Le Village Cos, the initial deposit will be immediately refunded.
3. I/we acknowledge that I/we have, at least fourteen calendar days, prior to the signing of this Application Agreement, received Le Village Cowork Franchising, LLC's current form of Franchise Disclosure Document applicable to the State. I/we understand that a completed form of the Franchise Agreement will be provided at least five business days prior to signing the Franchise Agreement, and that all other terms are to be in accordance with it.
4. I/we have submitted a completed Confidential Qualification Report, including a completed Individual Financial Statement on Le Village Cowork Franchising, LLC's form and I/we hereby authorize Le Village Cowork Franchising, LLC to conduct an investigation of my/our background(s) to verify the information submitted.
5. I/we acknowledge and understand that submission of this application does not bind or obligate Le Village Cowork Franchising, LLC, to issue a Le Village Franchise to me/us.

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

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Exhibit B-1 - Application

initials

EXHIBIT C

Required Equipment

The required equipment for the “Le Village Cowork” Licensed Business is as set forth in the Manual, but includes the following. All equipment must comply with the specifications published in the Manual.

EXHIBIT D

Items Subject To Specifications

You must purchase the following items or categories of items in compliance with Franchisor's specifications.

- All Items you will offer or sell from the Licensed Business
- Signs, banners, business cards, marketing materials and promotional items
- All Items bearing the Marks
- All items of required equipment

Phone: _____

LESSOR:

By: _____
Its _____

ACKNOWLEDGMENTS

STATE OF _____)

COUNTY OF _____) ss

On this day personally appeared before me _____, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that _____ signed the same as _____ free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ day of _____, 20____.

Notary Public in and for the State of _____
residing at _____

My appointment expires: _____

* * *

STATE OF _____)

COUNTY OF _____) ss

On this day personally appeared before me _____, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that _____ signed the same as _____ free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ day of _____, 20____.

Notary Public in and for the State of _____
residing at _____

My appointment expires: _____

* * *

STATE OF _____)

COUNTY OF _____) ss.

On this day personally appeared before me _____, to me known to be the _____ [Title], of _____, a _____ [Type of Entity and State of Organization], the Entity that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned and on oath stated that ___he___ is/are authorized to execute the said instrument on behalf of said Entity.

WITNESS my hand and official seal this _____ day of _____, 20____.

Notary Public in and for the State of _____
residing at _____

My appointment expires: _____

EXHIBIT F

Assignment of Telephone Numbers

_____ Franchisee/Assignor, in consideration of Franchisor/Assignee granting a **Le Village Cowork** franchise contemporaneously herewith, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby assigns to **Le Village Cowork Franchising, LLC** all telephone numbers and listings utilized or to be utilized by Franchisee/Assignor in the operation of his **Le Village Cowork** Licensed Business. The Assignee hereby assumes the performance of all of the Terms, Covenants, and Conditions of the agreement(s) with the telephone company with respect to such telephones, telephone numbers and telephone listings with the same force and effect as if Assignee had been originally issued such telephone, telephone numbers, telephone listings and the usage thereof. This Assignment is valid on the effective date and is irrevocable. It applies equally to any numbers first used after the effective date. The telephone company is authorized to rely upon this Assignment at any time that it is delivered to the telephone company by Franchisor/Assignee. Assignee and Assignor each agree to hold harmless and indemnify the telephone company from any claims based upon the telephone company's reliance upon this Assignment. Assignee and Assignor each agree to sign any other documents necessary in the opinion of the telephone company to give effect to this Assignment.

Dated: _____ [effective date]

Date signed: _____

FRANCHISOR:

Le Village Cowork Franchising, LLC

FRANCHISEE

(Assignor)

By _____

Daniella Cornue, CEO
3148 W Irving Park Rd
Chicago IL 60618
513.839.0684

Franchisee

Address: _____

Phone: _____

Subject telephone number(s):

(as of date of this document)

EXHIBIT G

Personal Guaranty

IN CONSIDERATION of and to induce the consent by Le Village Cowork Franchising, LLC, an Illinois corporation (“Franchisor”) to the assignment of all right, title, and interest in and to the **Le Village Cowork Franchise Agreement** dated _____ to _____, a _____ [Type of Entity and State of organization] (“Franchisee”), [or alternatively, in consideration of and to induce Franchisor’s consent for the undersigned to enter into the Franchise Agreement in the Entity form], and for other good and valuable consideration, I/we, and each of us jointly, severally, absolutely and unconditionally guarantee to Franchisor:

1.01 Payment Of Obligations.

The punctual payment and satisfaction of each and every claim, demand, default, liability, indebtedness, right or cause of action of every nature whatsoever, including expenses, damages and fees, now or hereafter existing, due or to become due, or held by Franchisor, its subsidiaries, divisions, or related companies, together with any interest as it may accrue, and all costs, expenses and attorneys fees paid or incurred by Franchisor or its subsidiary, division, or related company in collecting or attempting to collect the obligations of the Franchisee or in enforcing or attempting to enforce this Guaranty; and

1.02 Continuing Performance.

The timely performance of each term, covenant, and obligation of the license set forth in the **Le Village Cowork Franchise Agreement** described above. This is a continuing Guaranty which shall apply to the Franchise Agreement and any subsequent renewals, extensions, amendments or modifications thereof, and such renewals, extensions, amendments or modifications shall be conclusively presumed to be covered by this Guaranty without further notice to or acceptance by the undersigned.

2.01 Execution And Delivery.

The undersigned acknowledge(s) and agree(s) that possession of this Guaranty by Franchisor constitutes true and correct execution and actual and proper delivery of same to Franchisor, and the undersigned waive notice of acceptance of this Guaranty and of the incurrence by Franchisee of any liability to which it applies or may apply, and waive presentment and demand for payment thereof, protest, notice of protest and notice of dishonor or non-payment thereof, collection thereof including any notice of default in payment thereof or other notice to, or demand of payment therefore on, any party. The undersigned further waive any right to have security applied before enforcing this Guaranty, any right to require suit against the Franchisee or any other party before enforcing this Guaranty, and any right to subrogation to Franchisor’s rights against the Franchisee until the Franchisee’s liabilities and obligations to Franchisor are paid and satisfied in full. Payment by the undersigned shall be made at the office of Franchisor in **Chicago, Illinois**, or such other location as Franchisor may designate in writing.

3.01 Rights Of Company

Franchisor may, at its option, at any time, without the consent of or notice to the undersigned, without incurring responsibility to the undersigned and without impairing or releasing the obligations of the undersigned, upon or without any terms or conditions and in whole or in part:

3.01.01 change the manner, place or terms of payment or change or extend the time of payment of, renew, or alter any obligation, liability or right of the Franchisee under the Franchise Agreement hereby guaranteed, or any liabilities incurred directly or indirectly hereunder, and the guaranty herein made shall apply to the obligations and liabilities of the Franchisee, so changed, extended, renewed or altered;

3.01.02 exercise or refrain from exercising any rights against Franchisee or others, or otherwise act or refrain from acting;

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Exhibit G - Personal Guaranty

initials

3.01.03 settle or compromise any liabilities hereby guaranteed or hereby incurred, and may subordinate the payment of all or any part of such liabilities to the payment of any liabilities which may be due to Franchisor or others; and

3.01.04 apply any sums paid to any liability or liabilities of Franchisee to Franchisor regardless of what liability or liabilities of Franchisee remain unpaid. Franchisor may, at its option, without the consent of or notice to the undersigned, apply to the payment of the liability created by this guaranty, at any time after such liability becomes payable, any moneys, property, or other assets belonging to the undersigned in the possession, care, custody and control of Franchisor.

4.01 Irrevocable.

This agreement shall not affect in any manner the right of Franchisor to terminate the Franchise Agreement pursuant to the terms thereof, and this Guaranty shall survive the termination, expiration, or cancellation of the Franchise Agreement. Franchisor may at its option, elect to take no action pursuant to this Guaranty or the Franchise Agreement without waiving any rights under either. The undersigned do further agree that it will not be necessary for Franchisor, in order to enforce the terms of this agreement against them, to first institute suit or exhaust its remedies against the Franchisee or any others. This Guaranty shall operate as a continuing Guaranty and shall be non revocable, except with the express written consent of Franchisor.

4.02 Joint And Several Liability.

The undersigned, if more than one, shall be jointly and severally liable hereunder and the term "undersigned" shall mean the undersigned or any one or more of them. Anyone signing this Guaranty shall be bound thereto at any time. Any married person who signs this Guaranty hereby expressly agrees that recourse may be had against his/her community and separate property for all obligations under this Guaranty.

4.03 Successors And Assigns.

This Guaranty shall bind and inure to the benefit of the heirs, executors, administrators, successors, and assigns of Franchisor and of the undersigned.

4.04 Noncompetition.

The undersigned hereby agree that they shall be individually bound by the provisions of the Franchise Agreement relating to trade secrets, confidentiality, and non-competition.

4.05 Bankruptcy Or Insolvency Of Franchisee.

In the event that a petition in bankruptcy or for an arrangement or reorganization of the Franchisee under any state or federal bankruptcy law or for the appointment of a receiver for the Franchisee or any of its property is filed by or against the Franchisee, or if the Franchisee shall make an assignment for the benefit of creditors or shall become insolvent, all indebtedness and other obligations of the Franchisee shall, for purposes of this Guaranty be immediately due and payable.

WITNESS our hands at _____, on this the _____ day of _____, 20__.

[SIGNATURE]
_____% owner of Franchisee

[SIGNATURE]
_____ % owner of Franchisee

[SIGNATURE]
_____ % owner of Franchisee

EXHIBIT H

Master Lease

_____ See Attached.

_____ None Applicable.

EXHIBIT I

Trade Secrets & Confidentiality Agreement

This Agreement is made and entered into by and between _____, (hereinafter, “the Employer”) and _____, (hereinafter, “Employee”).

WHEREAS, Employer is engaged in the business of offering and marketing a coworking space with childcare under the Marks and using the System, pursuant to a franchise agreement with **Le Village Cowork Franchising, LLC** (herein, “the Licensed Business”) according to a unique formula and under the trade name and mark, “Le Village”.

WHEREAS, Employer has a need for a manager or key employee for the Licensed Business;

WHEREAS, Employee is willing and able to become a manager or key employee for the Licensed Business;

WHEREAS, Employer is willing to hire Employee or to promote Employee to the position of manager or key employee of the Licensed Business, but only upon the terms and conditions set forth herein,

NOW THEREFORE, for and in consideration of the mutual covenants herein contained and other good and faithful consideration, the receipt and sufficiency of which is hereby acknowledged by each party, the parties hereby agree as follows:

Employment.

Employer agrees to employ Employee as _____, and to pay compensation as follows: _____

_____.

1. Trade Secrets.

Employee agrees that all of the information provided to Employee by Employer in the course of employment relating to the Licensed Business, its operation, management, policies, relationship with its Franchisor, identity of its customers, members and vendors, pricing structures and formulas, product mix, and similar information, constitutes trade secrets. Employee acknowledges that such information has been received only from Employer and that it is not generally available to the public and that it derives independent economic value from not being widely known. Employee acknowledges and agrees that certain items or information to be made available may not, if analyzed in isolation, be trade secrets; however, unless Employer specifically agrees otherwise in writing, all such items and information, when placed in the context of those things which are trade secrets if analyzed in isolation, become and are part of the trade secrets and are subject to this Agreement. Employee further acknowledges that should the information be misappropriated or transferred to any third party, the Employer and Employer’s Franchisor would suffer irreparable harm. Trade secrets does not include information on public record or readily available from a third party without consent by Employer.

2. Employer Owns All Incidents.

Employer shall be entitled to all of the benefits, profits and other issues arising from or incident to all work, services, and advice of Employee relating to the Trade Secrets or arising out of discussions with Employer regarding same, and in any way communicated to Employer or becoming known to Employer during or after the term of employment.



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3. Nondisclosure.

Employee shall not at any time or in any manner, either directly or indirectly, divulge, disclose or communicate to any unauthorized person(s) any information regarding any trade secret(s) or any proprietary information of Employer. All such information shall be held by Employee in complete confidence. Such information is important, material, and confidential and gravely affects the effective and successful conduct of Employer's Licensed Business and goodwill. Should Employee, at any time, cease to be an employee of Employer, Employee shall immediately return to the Employer the originals and all copies of all documents or other media containing or representing trade secrets. Breach of any of the terms of this paragraph shall be a material breach of this Agreement. The terms of this paragraph shall survive termination of this Agreement for any reason. Employee shall be in breach of this Agreement during any month in which Employee or any third party has possession or use of any trade secrets in violation of this Agreement.

4. Remedies.

Employee agrees that, in the event of alleged breach, Employer shall be entitled, in addition to all other remedies available at law or in equity, to a temporary restraining order, a preliminary injunction and other interim relief and that the maximum bond to be required of Employer for such relief shall be ten dollars (\$10.00). Employee waives any right to a higher bond. Employee agrees that any action taken by Employer pursuant to this Agreement shall not constitute an election of remedies. In addition to, and not in lieu of, an injunction, Employer shall be entitled to a judgment against Employee for the greater of (a) Employer's actual damages (if provable under the circumstances) or (b) liquidated damages calculated as Employee's average monthly gross compensation for the last six months (or portion thereof) for which Employee was employed by Employer, multiplied by the number of months during which Employee was in breach of this Agreement. The parties mutually agree that the liquidated damages agreed herein are not a penalty, but are a best good faith effort to estimate what Employer's actual damages would be in the event of a breach under circumstances where actual damages may, because of facts known at that time, not be readily susceptible of accurate calculation.

5. Enforcement By Franchisor.

Both Employer and Employee acknowledge and agree that this Agreement is for the benefit not only of the Employer, but also of the Employer's Franchisor, **Le Village Cowork Franchising, LLC**. Employer and Employee each agree that **Le Village Cowork Franchising, LLC** shall have the same right to enforce this Agreement as Employer has; provided only that as between Employer and **Le Village Cowork Franchising, LLC**, they shall be entitled to only one recovery of damages or liquidated damages.

6. Effectiveness.

This Agreement shall become effective when signed and shall be enforceable at any time thereafter.

7. Nonwaiver.

No act or omission or delay in enforcing a right by either party shall waive any right under or breach by the other of this Agreement unless such party executes and delivers a written waiver. The waiver by either party of any right under or breach of this Agreement shall not be a waiver of any subsequent or continuing right or breach.

8. Attorneys Fees.

In the event that legal action or arbitration is commenced by either party to enforce this Agreement or to determine the rights of any party, including any appeal proceeding, the substantially prevailing party, in addition to any other remedy, shall be entitled to receive its reasonable attorney's fees and costs.

9. Severability.

In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby, and full effect shall be given to the

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Exhibit I – Trade Secrets & Confidentiality Agreement

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intent manifested by the provisions, or portions thereof, held to be enforceable and valid, unless such invalidity shall pertain to the obligation to pay fees, in which event this Agreement shall terminate.

10. Warranty Of Authority.

Each person signing this Agreement for or on behalf of any party to this Agreement warrants that he/she has full authority to sign and to legally bind the party.

11. Paragraph Headings.

The various paragraph headings are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Agreement or any portion thereof.

12. Recitals.

The recitals preceding the first numbered paragraph of this Agreement are hereby made part of this Agreement as if set forth within the numbered paragraphs.

13. Choice Of Law.

This Agreement shall be governed by and construed under the laws of Illinois.

14. Notices.

All notices required or permitted by this Agreement shall be sent to the respective parties at the addresses set forth herein. The place of notice may be modified by appropriate registered or certified mailing to the other party. All notices shall be sent by certified mail, return receipt requested, postage prepaid, or personally delivered. Notices shall be deemed given at the earlier of (a) receipt by the addressee or (b) two (2) days following deposit with the United States Postal Service or its successor.

15. Entire Agreement.

This document, together with any exhibits and addenda appended hereto, constitutes the full and complete agreement between the parties hereto with respect to the subject matter hereof. There are no verbal or other agreements that affect or modify this Agreement. Any prior representations, promises, contracts or agreements are hereby fully superseded.

16. Modification.

This Agreement shall not be modified or changed except by a written agreement executed by an officer of Employer. No approval of a deviation from the terms of this Agreement shall be valid unless signed by an officer of Employer.

Date: _____

THE EMPLOYER

EMPLOYEE

By _____,
_____, its _____

Address: _____

Signature

Address: _____

Phone: _____



initials

EXHIBIT J

Mutual Termination of Franchise Agreement and Release

This Mutual Termination of **Le Village Cowork** Franchise Agreement and Release is entered into by and between _____ (Franchisee) and **Le Village Cowork Franchising, LLC** (Franchisor).

WHEREAS Franchisee is a franchisee of Franchisor pursuant to a franchise agreement dated _____ (the Agreement), governing a Licensed Business located at _____;

WHEREAS Franchisee and Franchisor desire to mutually terminate the Agreement and wind up and resolve all matters between them relating to or arising out of the Agreement and their relationship as Franchisor and Franchisee; and

WHEREAS Franchisee and Franchisor each desire to be bound by the terms of this Mutual Termination of **Le Village Cowork** Franchise Agreement and Release,

NOW THEREFORE, the parties hereby agree as follows, acknowledging that each has received adequate consideration for this agreement.

1. Franchisee and Franchisor each acknowledge and agree that, by entering into this Agreement, all of their respective rights under the Agreement are terminated except only as specifically reserved herein.

2. Except for any remaining financial obligations of Franchisee to Franchisor for franchise fees or for goods purchased and except for any post-termination requirements of the Agreement involving competition and trade secrets, all claims, demands, rights, duties, obligations, debts, dues, sums of money, accounts, covenants, contracts, controversies, agreements, promises, torts, judgments, executions, liabilities, damages, injunctions, assignments, suits or causes of action of every kind and nature, however or wherever arising, whether known or unknown, foreseen or unforeseen, direct, indirect, contingent or actual, liquidated or unliquidated, which have arisen or which might or could arise under Federal, state or local law from any relationship under the Agreement (including any supplier-purchaser relationship) or under any agreement in connection therewith, or from the execution, operation under or termination of the Agreement and any services to Franchisee thereunder or under any prior agreement relating to the Licensed Business, existing or arising at any time prior to or at the item of the execution hereof or the Effective Date (whichever is later) are hereby mutually satisfied, acquitted, discharged and released by Franchisee and Franchisor, it being the express intention of each party that this Release is as broad as permitted by law.

3. Franchisee intends this Release to acquit and forever fully discharge Franchisor and any parent or direct or indirect subsidiary thereof, any division, affiliate or supplier who provided merchandise for Franchisee’s operation of the Licensed Business, and its and their respective officers, directors, agents, employees, representatives, successors and assigns, and all other persons, firms or corporations who have acted in agreement or in concert with any of them or with Franchisee.

4. This Mutual Termination of **Le Village Cowork** Franchise Agreement and Release shall be binding upon Franchisee and the heirs, legal representatives, successor and assigns of Franchisee and upon Franchisor and its successors and assigns.

5. Franchisee has either been advised by independent counsel before signing this or, acknowledging the need for independent counsel, knowingly waives any such review and advice.

6. In the event of litigation or arbitration to enforce this Agreement, the substantially prevailing party shall be entitled to its reasonable attorney’s fees in addition to all other sums owed pursuant to this Agreement or otherwise.

7. The Effective Date of this document shall be: _____

Franchisee(s)

FRANCHISOR:

Le Village Cowork Franchising, LLC

By _____

Daniella Cornue, CEO

Franchisee



Franchisee

le Village

Exhibit J – Mutual Termination of Franchise Agreement and Release

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EXHIBIT K

Consent, Waiver And Release For Training

This Consent, Waiver and Release is entered into by and between _____
_____(Franchisee) and **Le Village Cowork Franchising, LLC** (Franchisor) and shall also be for the benefit of any franchisee of **Le Village Cowork Franchising, LLC** in whose office or premises Franchisee receives any part of his training under Franchisee's Franchise Agreement (Trainer).

Franchisee recognizes and acknowledges the value of receiving part of Franchisee's training (or Franchisee's employees' training, if appropriate) under the **Le Village Cowork** Franchise Agreement in an actual **Le Village Cowork** office owned and operated by another **Le Village Cowork** franchisee. At least some of the training will be "hands-on", actually operating the Licensed Business or some aspect of the Licensed Business on a day-to-day basis. In some cases, Franchisee may be left solely in charge of the **Le Village Cowork** office of the Trainer for some periods of time. "Franchisee" as used in this agreement shall include any employee(s) of franchisee who obtain training.

In consideration of the value of the hands-on, on-location training, Franchisee covenants and agrees:

Franchisee is not and will not be or become an employee of Trainer unless by a separate written agreement.

Franchisee covenants and agrees to not sue or make any claim, including under any federal, state or local statute or ordinance, for any compensation for services or for any benefits.

Franchisee shall not make any statement(s) or representation(s) inconsistent with this agreement.

Franchisee hereby assumes the risk of injury or death arising out of Franchisee's presence on the Licensed Business premises of Trainer and agrees to defend, hold harmless and indemnify Franchisor and Trainer from and against all claims, demands, damages, injuries or settlements arising out of or related to Franchisee's training on the premises of Trainer, excepting only for intentional or grossly negligent acts of Franchisor or Trainer.

Franchisee hereby assumes the risk of injury or death to others arising out of any negligent or intentional acts of Franchisee while on the Licensed Business premises of Trainer and agrees to defend, hold harmless and indemnify Franchisor and Trainer from and against all claims, demands, damages, injuries or settlements arising out of or related to Franchisee's training on the premises of Trainer caused in whole or in part by Franchisee's negligent or intentional acts.

Franchisee consents to having some or all of Franchisee's training occur under the guidance and on the premises of Trainer. Franchisee's training will take approximately two weeks or until Franchisee has achieved a level of competency as determined by Franchisor.

Franchisee understands and acknowledges that each **Le Village Cowork** franchisee conducts the Licensed Business slightly differently and that Franchisee is advised to consider Trainer's methods and procedures, in light of Franchisee's own study of the Manual(s), as one way of operating the Licensed Business. Franchisee is solely responsible for Franchisee's conduct of Franchisee's Licensed Business. If Franchisee is in doubt as to the appropriateness of a procedure or manner of operating the Licensed Business, Franchisee shall obtain clarification from the Franchisor directly. Franchisee understands that it would not be a defense to a later breach of contract notice that he/she acted consistently with what Trainer did.

Trainer covenants and agrees as follows:

Trainer shall not be or become an employer of Franchisee, unless by separate written agreement.

Trainer covenants and agrees to not sue or make any claim, including under any federal, state or local statute or ordinance, for any compensation for services or for any benefits to Trainer.

Trainer shall not make any statement(s) or representation(s) inconsistent with this agreement.

Trainer hereby assumes the risk of injury or death arising out of Franchisee's presence on the Licensed Business premises of Trainer and agrees to defend, hold harmless and indemnify Franchisor from and against all

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Exhibit K – Consent, Waiver & Release For Training

initials

claims, demands, damages, injuries or settlements arising out of or related to Franchisee's training on the premises of Trainer, excepting only for intentional or grossly negligent acts of Franchisor.

Trainer hereby assumes the risk of injury or death to others arising out of any negligent or intentional acts of Trainer and agrees to defend, hold harmless and indemnify Franchisor from and against all claims, demands, damages, injuries or settlements arising out of or related to Franchisee's training on the premises of Trainer caused in whole or in part by Trainer's negligent or intentional acts.

Trainer consents to having some or all of Franchisee's training occur under the guidance and on the premises of Trainer. Franchisee's training will take approximately two weeks or until Franchisee has achieved a level of competency as determined by Franchisor.

Trainer will make best efforts to teach Franchisee the operation of the Licensed Business in accordance with the current version of the Manual(s) and to remind Franchisee that, if Franchisee has questions about the proper procedure under the Manual(s) to obtain clarification from the Franchisor. If Franchisor requests it, Trainer will immediately modify the training to comply with the Manual(s).

Franchisor undertakes as follows:

Franchisor will be responsible for determining whether Franchisee has achieved a level of competency sufficient to satisfy the training requirement under the Franchise Agreement.

By signing below, the parties each hereby agree to be bound by this Consent, Waiver and Release for Training Agreement.

Executed this _____ day of _____, _____

Trainer:

Franchisee

Franchisor:

Le Village Cowork Franchising, LLC

By _____
Daniella Cornue, CEO



EXHIBIT L

Release From Continuing Obligations

This Release From Continuing Obligations is entered into by and between _____
_____ (Franchisee) and **Le Village Cowork Franchising, LLC** (Franchisor).

WHEREAS Franchisee is a franchisee of Franchisor pursuant to a franchise agreement dated _____
_____ (the Agreement), governing a Licensed Business located at _____
_____;

WHEREAS Franchisee desires to be released from certain of Franchisee’s continuing obligations under the terms of the Agreement; and

WHEREAS Franchisor is willing to release Franchisee from certain continuing obligations under the terms of the Agreement, but only upon the terms and conditions herein,

NOW THEREFORE, the parties hereby agree as follows, acknowledging that each has received adequate consideration for this agreement.

1. Release from Continuing Obligations.

For the consideration set forth in the alternative selected by Franchisee below, Franchisor hereby releases Franchisee from Franchisee’s continuing obligations under the Agreement to the extent set forth in the alternative selected by Franchisee. Except to the extent specifically released by Franchisor according to this Release from Continuing Obligations, Franchisee shall continue to be obligated and shall continue to fully and timely perform all of Franchisee’s continuing obligations under the Agreement.

2. Election by Franchisee and Terms of Release

Franchisee, by initialing one of the following options, hereby elects to be released from certain continuing obligations under the Franchise Agreement (and to continue to fully perform otherwise) as set forth in the option:

initials

A. By selecting this Option A, Franchisee elects to be released from all continuing obligations under the Agreement except for any existing financial obligations of Franchisee to Franchisor for franchise fees or for goods purchased, except that Franchisee shall continue to fully and timely perform according to the terms of Articles 6 (Trade Secrets), 17 (no competition), 18 (effect of termination) and 20 (arbitration) of the Agreement. In consideration of this Release, Franchisee shall pay to Franchisor \$5,000.00 (USD).

initials

B. By selecting this Option B, Franchisee elects to be released from all continuing obligations under the Agreement except for any existing financial obligations of Franchisee to Franchisor for franchise fees or for goods purchased, except that Franchisee shall continue to fully and timely perform according to the terms of Articles 6 (Trade Secrets) and 20 (Arbitration) of the Agreement. In consideration of this Release, Franchisee shall pay to Franchisor the sum of \$30,000.00 (USD) plus the greater of (a) 1.5 times the average monthly royalty paid during the months Franchisee was a franchisee times the number of months remaining in the Term of the Agreement or (b) 1.5 times the average monthly royalty paid during the immediately preceding twelve months Franchisee was a franchisee times the number of months remaining in the Term of the Agreement. The consideration for this Option B shall be due and payable upon execution of this Release of Continuing Obligations.

initials

C. By selecting this Option C, Franchisee elects to be released from all continuing obligations under the Agreement except for any existing financial obligations of Franchisee to Franchisor for franchise fees or for goods purchased, except that Franchisee shall continue to fully and timely perform according to the terms of Articles 6 (Trade Secrets) and 20 (Arbitration) of the Agreement. In addition, for so long as Franchisee is not in breach of any term of this Release of Continuing Obligations, Franchisor hereby agrees to not open or permit to be opened a company-owned or franchised **Le Village Cowork** office within Franchisee’s Territory as described in the Agreement,

initials

(Initial Only One Box)

as modified to the date of this Release of Continuing Obligations, for the greater of two calendar years following this date or the balance of the Term of the Agreement had it not been terminated by this Release of Continuing Obligations. In consideration of this Release, Franchisee shall pay to Franchisor the sum of **\$75,000.00 (USD)** plus the greater of (a) two times the average monthly royalty paid during the months Franchisee was a franchisee times the number of months remaining in the Term of the Agreement or (b) two times the average monthly royalty paid during the immediately preceding twelve months Franchisee was a franchisee times the number of months remaining in the Term of the Agreement. The consideration for this Option C shall be due and payable upon execution of this Release of Continuing Obligations.

3. Mutual Release and Termination

3.01 Franchisee and Franchisor each acknowledge and agree that, by entering into this Agreement, all of their respective rights under the Agreement are terminated except only as specifically reserved herein. The parties specifically agree to fully and timely perform pursuant to this Release From Continuing Obligations.

3.02 Except for any existing financial obligations of Franchisee to Franchisor for franchise fees or for goods purchased and except for any post-termination requirements of the Agreement specifically preserved by this Release From Continuing Obligations, all claims, demands, rights, duties, obligations, debts, dues, sums of money, accounts, covenants, contracts, controversies, agreements, promises, torts, judgments, executions, liabilities, damages, injunctions, assignments, suits or causes of action of every kind and nature, however or wherever arising, whether known or unknown, foreseen or unforeseen, direct, indirect, contingent or actual, liquidated or unliquidated, which have arisen or which might or could arise under Federal, state or local law from any relationship under the Agreement (including any supplier-purchaser relationship) or under any agreement in connection therewith, or from the execution, operation under or termination of the Agreement and any services to Franchisee thereunder or under any prior agreement relating to the Licensed Business, existing or arising at any time prior to or at the time of the execution hereof or the Effective Date (whichever is later) are hereby mutually satisfied, acquitted, discharged and released by Franchisee and Franchisor, it being the express intention of each party that this Release is as broad as permitted by law.

3.03 Franchisee intends this Release to acquit and forever fully discharge Franchisor and any parent or direct or indirect subsidiary thereof, any division, affiliate or supplier who provided goods or services for Franchisee's operation of the Licensed Business, and its and their respective officers, directors, agents, employees, representatives, successors and assigns, and all other persons, firms or corporations who have acted in agreement or in concert with any of them or with Franchisee.

4. This Release of Continuing Obligations shall be binding upon Franchisee and the heirs, legal representatives, successors and assigns of Franchisee and upon Franchisor and its successors and assigns.

5. Franchisee has either been advised by independent counsel before signing this or, acknowledging the need for independent counsel, knowingly waives any such review and advice.

6. Terms defined in the Franchise Agreement shall have the same meanings in this Agreement. Jurisdiction and Venue shall be in **Chicago, Illinois**. The law of the state of Illinois shall govern interpretation of this Agreement. In the event of litigation or arbitration to enforce this Agreement, the substantially prevailing party shall be entitled to its reasonable attorney's fees in addition to all other sums owed pursuant to this Agreement or otherwise.

7. The Effective Date of this document shall be: _____

FRANCHISEE(s)

Franchisee

FRANCHISOR:

Le Village Cowork Franchising, LLC

By _____
Daniella Cornue, CEO

initials



Exhibit L – Release From Continuing Obligations

Franchisee

1e Village

Exhibit L – Release From Continuing Obligations

Page 2

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EXHIBIT M

Confidentiality Agreement – Additional Information

[Applicable only if additional information requested by Franchisee]

This Confidentiality Agreement is entered into by and between _____
(Franchisee) and **Le Village Cowork Franchising, LLC** (Franchisor).

Whereas Franchisee is considering purchasing a **Le Village Cowork** Franchise;

Whereas Franchisee has requested additional information from Franchisor beyond that contained in the Franchise Disclosure Document;

Whereas the Franchisor regards the information Franchisee has requested to be proprietary, confidential information, and Trade Secrets;

Whereas, notwithstanding the foregoing, Franchisor is willing to provide certain additional information, but only upon the terms of this Confidentiality Agreement.

Therefore, the parties agree as follows, acknowledging the existence and sufficiency of consideration, and fully intending to be bound hereby.

1. Upon receipt of this Confidentiality Agreement, unaltered and fully executed by Franchisee, Franchisor will make a reasonable effort to provide to Franchisee one copy of the following information (the “Confidential Information”):

2. Franchisee shall be entitled to review the Confidential Information and may permit Franchisee’s advisors with a genuine need to know and who are disclosed herein, including attorneys, accountants and confidential business advisors, to review it. No person shall make any reproduction, photo, electronic or other copy of the Confidential Information or any part thereof for any purpose, including summaries. No person shall use the Confidential Information or any part thereof for any purposes except as specifically permitted pursuant to this Confidentiality Agreement. Franchisee warrants that every person, including attorneys, accountants and confidential business advisors, who reviews any portion of the Confidential Information shall be subject to this Confidentiality Agreement, has been informed of the contents of this Confidentiality Agreement before reviewing any of the Confidential Information and has indicated, in writing, a willingness to be bound by this Confidentiality Agreement.

Franchisee’s advisors whom Franchisee may permit to review the Confidential Information on Franchisee’s behalf are as follows. Franchisee shall not, directly or indirectly, permit any other person to review the Confidential Information or any part thereof:

Name	Address & Telephone	Relationship to Franchisee



[Attach and initial an additional page if necessary]

3. Franchisee agrees that, immediately upon completion of Franchisee's review of the Confidential Information, regardless of whether Franchisee ever purchases a **Le Village Cowork** franchise, to return the original and all copies of the Confidential Information to Franchisor, including all summaries of the information contained therein.

4. No person shall ever transfer or convey the Confidential Information or any part thereof to any person not specifically authorized to review the information pursuant to this Agreement. No person shall ever use, directly or indirectly, the Confidential Information or any part of it for any purpose whatsoever except as specifically permitted by this Confidentiality Agreement.

5. In the event Franchisee or any person authorized or permitted by Franchisee or this Confidentiality Agreement to review or possess any of the Confidential Information violates this Confidentiality Agreement, in addition to all other remedies available to Franchisor, Franchisee agrees to defend, hold harmless and indemnify Franchisor and its officers, directors, attorneys, agents and assigns, from and against any claims and liability arising out of or resulting from the violation, including, but not limited to claims by any person that the information provided constituted earnings claims or financial performance information which was unlawfully provided to a prospective franchisee. The obligation to defend, indemnify and hold harmless contained in this paragraph shall specifically require Franchisee to pay any attorneys fees, costs and expert witness fees incurred by Franchisor and the other beneficiaries of this paragraph in defending any such claim or in monitoring Franchisee's defense of any such claim.

6. In the event Franchisee or any person authorized or permitted by Franchisee or this Confidentiality Agreement to review or possess any of the Confidential Information violates this Confidentiality Agreement, in addition to all other remedies available to Franchisor, Franchisee agrees to pay to Franchisor, as liquidated damages, an amount calculated as the greater of: (a) all gross revenues of the person or entity who improperly had any of the Confidential Information during the time the person or entity retained or used any of the Confidential Information for any purpose; or (b) \$250.00 per page, or equivalent, of Confidential Information as to which this Confidentiality Agreement is violated for each day that any provision of this Confidentiality Agreement is violated. Franchisee acknowledges and agrees that calculating actual damages would be impossible and that the liquidated damages calculated pursuant to this paragraph would be a reasonable approximation of actual damages Franchisor would sustain on account of such breach and does not constitute a penalty.

7. In the event Franchisee or any person authorized or permitted by Franchisee or this Confidentiality Agreement to review or possess any of the Confidential Information violates this Confidentiality Agreement, in addition to all other remedies available to Franchisor, Franchisor shall be entitled to obtain a temporary and a permanent injunction or similar equitable relief from any court having jurisdiction thereof and any statutory or other requirement of a bond in excess of \$100.00 as a condition of obtaining such relief is hereby waived to the extent permitted by applicable law.

8. This Agreement shall be construed under the laws of Illinois and jurisdiction and venue of any action brought to enforce or interpret this Agreement shall be in **Chicago, Illinois**. Terms defined in the Franchise Agreement shall have the same meanings in this Agreement.

9. If any action is brought to enforce or interpret this Confidentiality Agreement, the substantially prevailing party, in addition to all other remedies, shall be entitled to an award of their attorney's fees and costs, including expert witness fees and any fees on appeal.

10. This Confidentiality Agreement is the complete agreement of the parties with regard to the Confidential Information and supersedes any prior or contemporaneous written or unwritten communications, representations or agreements.

11. Time is of the essence of this Agreement.

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Exhibit M – Confidentiality Agreement – Additional Information

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DO NOT SIGN THIS CONFIDENTIALITY AGREEMENT UNTIL YOU HAVE HAD THE LE VILLAGE COWORK FRANCHISE DISCLOSURE DOCUMENT FOR AT LEAST TEN BUSINESS DAYS AND UNTIL AT LEAST FIVE DAYS AFTER ALL BLANKS IN THIS CONFIDENTIALITY AGREEMENT HAVE BEEN FILLED IN.

Dated: _____

Franchisee(s)

FRANCHISOR:

Le Village Cowork Franchising, LLC

By _____
Daniella Cornue, CEO

Franchisee

Franchisee

Attachment C – List of Current and Former Franchisees

Kellie Overton
7111 Porchester Ln
Greendale WI 53129
(815) 341- 1366

Attachment D – Manual Table of Contents

LE VILLAGE COWORK OPERATIONS MANUAL TABLE OF CONTENTS

TABLE OF CONTENTS

Preface	Business Insurance
The Manual Organization	Obtaining Required Licenses/Certifications/Permits
Purpose	Setting Up Bank Accounts/Meeting Tax Obligations
Keeping the Le Village Cowork Franchise Operations Manual Current	Tax Information
Submitting Suggestions to LeVillage CoWork Franchise Corporation	Unemployment Insurance Tax
Manual Disclaimer	Administrative Procedures
Introduction	Introduction
Welcome!	Tour to Registration Process
A Note from the Owner	First Day
Services Provided to the LeVillage CoWork Franchisee	Office Memberships, Private Desks, and Preferred Seating
Responsibilities of the LeVillage CoWork Franchisee	Events at Le Village
Visits From the Corporate Office	Software / Services
Pre- Opening Procedures	We use the following software and services to manage our daily businesses and processes. Extensive training will be provided on each of these tools.
Introduction	Determining Pricing Structure
Pre-Opening Checklist	Services
Establish a Business Entity	Products
The Business Plan	Billing Procedures
Supporting Documents	Generating Reports
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Building Out Your Territory	Using Designated and Approved Sources of Supply
Required List of Equipment/Initial Inventory	Royalty Payment
Establishing Credentials with Insurance Companies	Personnel
Business Licenses	Introduction
Certificate of Occupancy	Wage and Labor Laws

Attachment D – Manual Table of Contents

Tax Forms & Requirements	Daily Task Lists
W-4 Tax Forms	Public Space Checklists
Profile of the Ideal LeVillage CoWork Employee	Wigglers Checklists
Job Descriptions	Explorers/Learners Checklists
Mentors (Assistant Teachers)	Open Play Checklists
Profs (Lead Teachers)	LV Emergency Procedures
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Curriculum Coordinator	Tornado
Director	Lockdown
Getting the Word Out	Severe Injury/Allergic Reaction
Background Check Procedures	Accident and Incident Procedures
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Training Employees/Training Schedules/Use of Training Materials	Safety and Security Issues
Onboarding	
Uniform and Dress Code	
Conducting Performance Evaluations	
Quarterly Reviews	
Progressive discipline	
Resignation	
Employee Handbook	
Public Relations and Marketing	
Key Marketing Mission	
Marketing and Advertising Outlets:	
Brand Guidelines	
Trademarks and Trade Secrets	
Public Relations/Community Involvement	
Operating Procedures	
Suggested Hours of Operation	
Daily Check In and Check Out	

Attachment E – Registered Agents

Registered Agents

Franchisor's agents for service of process are as follows:

California:

Commissioner of Corporations
1390 Market Street
Suite 800
San Francisco, California 94102

Hawaii:

Business Registration Division
Department of Commerce and Consumer
Affairs
1010 Richards Street
Honolulu, HI 96813

Illinois:

Daniella Briseno Cornue
3334 W Eastwood Ave
Chicago, IL 60625

Indiana:

Indiana Secretary of State
201 State House
Indianapolis, IN 46204

Maryland:

Maryland Securities Commissioner
200 St. Paul Place, 20th Floor
Baltimore, MD 21202-2020

Michigan:

Franchise Administrator
Michigan Department of Attorney General
670 Law Building
Lansing, MI 48913

Minnesota:

Minnesota Commissioner of Commerce
133 East Seventh Street
St. Paul, MN 55101

New York:

New York Secretary of State

41 State Street
Albany, NY

North Dakota:

Franchise Examiner
Office of Securities Commissioner
600 East Boulevard, Fifth Floor
Bismarck, ND 58505

Rhode Island:

Chief Securities Examiner
Division of Securities
233 Richmond Street, Suite 232
Providence, RI 02903

South Dakota:

Franchise Administrator
Division of Securities
118 West Capitol
Pierre, SD 57501

Virginia:

Clerk
State Corporation Commission
1300 E Main Street, 1st Floor
Richmond, VA 23219

Washington:

Director
Department of Financial Institutions
Securities Division
PO Box 9033
Olympia, WA 98507-9033

Wisconsin:

Franchise Administrator
Division of Securities
Department of Financial Institutions
PO Box 1768
Madison, WI 53701

Attachment F – State Agencies

Attachment F – State Agencies

State Agencies

The State agencies involved with franchising are as follows:

California:

Department of Financial Protection
& Innovation
1515 K Street, Suite 200
Sacramento, California 95814-4052

Connecticut:

Securities and Business Investment
Division
Connecticut Department of Banking
260 Constitution Plaza
Hartford, CT 06103-1800

Florida:

Department of Agriculture &
Consumer Services
Division of Consumer Services
P.O. Box 6700
Tallahassee, FL 32314-6700

Hawaii:

Business Registration Division
Department of Commerce and
Consumer Affairs
P.O. Box 40
Honolulu, HI 96810

Illinois:

Illinois Attorney General
Office of Attorney General
500 S Second
Springfield, IL 92796

Indiana:

Franchise Section
Secretary of State
302 West Washington Street
Indianapolis, IN 46204

Iowa:

Director of Regulated Industries Unit
Iowa Securities Bureau
340 East Maple

Des Moines, IA 50319-0066

Maryland:

Office of the Attorney General
Securities Division
200 St. Paul Place, 20th Floor
Baltimore, MD 21202-2020

Michigan:

Franchise Administrator
Michigan Department of Attorney
General
670 Law Building
Lansing, MI 48913

Minnesota:

Franchise Examiner
Minnesota Department of Commerce
133 East Seventh Street
St. Paul, MN 55101

Nebraska:

Department of Banking and Finance
1200 N Street, Suite 311
PO Box 95006
Lincoln, NE 68509

New York:

Bureau of Investor Protection and
Securities
New York State Department of Law
120 Broadway, 23rd Floor
New York, NY 10271

North Dakota:

Franchise Examiner
Office of Securities Commissioner
600 East Boulevard, Fifth Floor
Bismarck, ND 58505

Attachment F – State Agencies

Oregon:

Director
Department of Consumer and
Business Services
Corporate Securities Section
Labor and Industries Building
Salem, OR 97310

Rhode Island:

Chief Securities Examiner
Division of Securities
233 Richmond Street, Suite 232
Providence, RI 02903

South Dakota:

Franchise Administrator
Division of Securities
118 West Capitol
Pierre, SD 57501

Texas:

Statutory Document Section
PO Box 12887
Austin, TX 78711

Utah:

Division of Consumer Protection
Utah Department of Commerce
160 East Three Hundred South
PO Box 45804
Salt Lake City UT 84145-0804

Virginia:

State Corporations Commission
Division of Securities and Retail
Franchising
1300 E Main Street, 9th Floor
Richmond, VA 23219

Washington:

Director
Department of Financial Institutions
Securities Division
PO Box 9033
Olympia, WA 98507-9033

Wisconsin:

Franchise Administrator
Division of Securities
Department of Financial Institutions
PO Box 1768
Madison, WI 53701

Attachment G - State Law Addendum

Addendum for State-Specific Requirements

General

These states have statutes which may supersede the franchise agreement in your relationship with Us including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e *et seq.*], DELAWARE [Code, Tit. 6, Chap. 25, Section 2551 *et seq.*], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [ILCS 705/1-44], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1 – 523H.17], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], SOUTH DAKOTA [Codified Laws Section 37-5A-51], VIRGINIA [Code 13.1-557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03]. These and other states may have court decisions that may supersede the franchise agreement in your relationship with Us including the areas of termination and renewal of your franchise.

Some states have statutes that limit Our ability to restrict your activity after the franchise agreement has ended. Other states have court decisions limiting Our ability to restrict your activity after the franchise agreement has ended.

A provision in the franchise agreement that terminates the franchise upon your bankruptcy may not be enforceable under Title 11, United States Code.

Attachment G - State Law Addendum

California Addendum

(Applies only to California franchisees)

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

SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER, BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

Neither We nor any person identified in Item 2 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 the persons from membership in that association or exchange.

YOU MUST SIGN A GENERAL RELEASE OF CLAIMS IF YOU TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE §31512 VOIDS A WAIVER BY THE PERSON ACQUIRING A FRANCHISE OF CERTAIN RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE §§31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE §20010 VOIDS A WAIVER OF CERTAIN RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§20000 THROUGH 20043).

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

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

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

You must resolve disputes through binding arbitration. The arbitration will occur at Wayne, New Jersey, USA, with the costs of arbitration being borne equally by the parties. Each party will bear its own expenses, including attorney's fees. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act. As long as this represents

Attachment G - State Law Addendum

the law of the State of California, We will not interpret the Franchise Agreement as permitting or requiring maximum price limits.

If your Le Village Cowork Franchise will be in California, You will not pay your Initial Fee to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Name: Daniella Briseno Cornue

Franchisee

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

Hawaii Addendum

(Applies only to Hawaii franchisees)

If your Le Village Cowork Franchise will be in Hawaii, You will not pay your Initial Fee to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Franchisee

Name: Daniella Briseno Cornue

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

Illinois Addendum

(Applies only to Illinois franchisees)

The receipt and the Franchise Agreement are both amended to provide that We must provide the Franchise Disclosure Document to You at least fourteen calendar days before You sign any binding contract or give us any money.

The Illinois Franchise Disclosure Act, Section 4, prohibits any agreement that specifies jurisdiction or venue of any lawsuit in a place outside of the state of Illinois. The Act does permit agreements to require you to arbitrate outside the state of Illinois. The Act prohibits choice of law provisions that would require the application of any laws except the laws of the state of Illinois (Section 41). You cannot waive any of your rights given to you by the Illinois Franchise Disclosure Act (Section 41). You may have other rights under the Illinois Franchise Disclosure Act or other laws of the state of Illinois. To the extent that the Franchise Agreement is inconsistent with Illinois law, the inconsistent terms of the Franchise Agreement will not be enforced and the terms of the applicable Illinois law shall apply.

Item 5 of the Franchise Disclosure Document is amended by adding the following: In conformance with section 15 of the Illinois Franchise Disclosure Act, and section 200.508 of the Illinois Administrative Rules promulgated thereunder, the Illinois Attorney General's Office has imposed a requirement that all Initial Fees for Illinois franchisees be deferred pending Our fulfillment the initial obligations owed to You under the franchise agreement and other agreements and your commencement of business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

Section 2.01 of the Franchise Agreement is amended to provide that the payment of the Initial Fee shall be deferred until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced doing business.

Section 22.03 of the Franchise Agreement is added to provide as follows:

22.03 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[SIGNATURES ON FOLLOWING PAGE]

Attachment G - State Law Addendum

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Franchisee

Name: Daniella Briseno Cornue

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

Indiana Addendum

(Applies only to Indiana franchisees)

Indiana law prohibits requiring you to prospectively agree to a release or waiver which purports to relieve any person from liability imposed by the Indiana Franchise Practices Act (IC 23-2-2.7(5)). The Franchise Agreement shall be deemed amended to the extent necessary to comply with IC 23-2-2.7(5).

Indiana law limits the parties agreement to resolve disputes in any jurisdiction outside of Indiana (IC 23-2-2.7(10)). Subject to the Federal Arbitration Act, the Franchise Agreement shall be deemed amended and the forum for any court proceedings shall be in Indiana.

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Name: Daniella Briseno Cornue

Franchisee

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

Maryland Addendum

(Applies only to Maryland franchisees)

The Maryland Franchise Registration and Disclosure Law, COMAR 02.02.08.16L, provides that, as a condition of the sale of a franchise, We may not require you to agree to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability under the Franchise Registration and Disclosure Law. Item 17 of the Franchise Disclosure Document is amended by adding: any general release required as a condition of sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement and Franchise Disclosure Document shall be deemed amended so that no release, assignment, novation, waiver or estoppel is required if it would violate the Maryland Franchise Registration and Disclosure Law. Nothing in the franchise agreement, including any acknowledgments or representations, shall be deemed a release or waiver of any right or obligation under the Maryland Franchise Registration and Disclosure Law.

Item 17 of the Franchise Disclosure Document is amended by adding the following: The provision in the Franchise Agreement that provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et. seq.).

If you are a resident of Maryland or your Le Village Cowork Franchise will be in Maryland, You will not pay your Initial Fee or any other money to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

Item 17 of the Franchise Disclosure Document and Article 19 of the Franchise Agreement are amended by adding: any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Article 19 of the Franchise Agreement is amended to provide as follows: Any lawsuit permitted under this Article shall be brought in the federal or state courts located in the State of Maryland. Item 17 is hereby amended by adding the identical language in the “summary” column of line v.

[SIGNATURES ON FOLLOWING PAGE]

Attachment G - State Law Addendum

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Franchisee

Name: Daniella Briseno Cornue

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

Minnesota Addendum

(Applies only to Minnesota franchisees)

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. §80C.214, Subds. 3, 4, and 5 which require, except in certain specified cases, that We give you 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the franchise agreement.

We will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name, to the extent required by Minn. Stat. §80C.12, Subd. 1(g).

To the extent governed by Minn. Rule 2860.4400J, you shall not be deemed to have waived any rights under Minnesota law. You shall not be deemed to have consented to Us obtaining injunctive relief, although We may seek injunctive relief. A Court or the arbitrators shall determine whether to require a bond as a condition of injunctive relief.

If your Le Village Cowork Franchise will be in Minnesota, You will not pay your Initial Fee to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

[SIGNATURES ON FOLLOWING PAGE]

Attachment G - State Law Addendum

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Franchisee

Name: Daniella Briseno Cornue

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

New York Addendum

(Applies only to New York franchisees)

Item 3 is amended to read as follows:

Neither We nor any person identified in Item 2 above have any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against us alleging a violation of any franchise law, antitrust or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations.

Neither We nor any person identified in Item 2 above have been convicted of a felony or pleaded *nolo contendere* to any felony charge or during the 10 year period immediately preceding the date of this Franchise Disclosure Document, been convicted of or pleaded *nolo contendere* to a misdemeanor charge been held liable in any other civil action by final judgment or been the subject of any other material complaint or other legal proceeding where such felony, misdemeanor civil action, complaint or other legal proceeding involved violation of any franchise law, antifraud or securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations.

Neither We nor any person identified in Item 2 above is subject to any currently effective injunctive or restrictive order or decree relating to the franchise or under any federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange as defined by 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.

Item 4 is amended to read as follows:

During the 10 year period immediately preceding the date of the Franchise Disclosure Document neither We nor any predecessor, affiliate, current officer or general partner of Us has been the subject of a bankruptcy proceeding, been adjudged bankrupt or reorganized due to insolvency or been a principal officer of a company or a general partner of a partnership at or within one year of the time that such company or partnership became the subject of a bankruptcy proceeding or was adjudged bankrupt or reorganized due to insolvency or is subject to any such pending bankruptcy or reorganization proceeding.

Item 5 is amended by adding the following: We will use the Initial Fee for the purposes of covering the costs of selling the franchise and other franchises, for your initial training, for general overhead and for profit.

Item 12 is amended by adding the following: Although We will consider many factors in determining the boundaries of your Marketing Area, it will contain a population of not less than 25,000 people.

Attachment G - State Law Addendum

Item 17 is amended by changing the caption and preliminary statement to read as follows:

Item 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AND RELATED AGREEMENTS PERTAINING TO RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENTS ATTACHED TO THIS FRANCHISE DISCLOSURE DOCUMENT.

Item 17 D is amended by adding the following: You may terminate the agreement on any grounds available by law.

Item 17 J is amended by adding the following: We will only assign to an assignee who in Our good faith judgment is willing and able to assume Our obligations.

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Franchisee

Name: Daniella Briseno Cornue

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

North Dakota Addendum

(Applies only to North Dakota franchisees)

Under North Dakota law, no modification or change We make to the Manual or method of operation may materially affect your status, rights or obligations under the Franchise Agreement.

Covenants not to compete are considered unenforceable in the State of North Dakota.

Under North Dakota law, a requirement that you consent to liquidated damages or termination penalties in the event of termination of the franchise agreement is considered unenforceable.

The North Dakota Franchise Investment Law (Section 51-19-09) requires that the laws of North Dakota, which laws will prevail, will govern the Franchise Agreement. Further, North Dakota law requires that all issues or disagreements relating to the Franchise Agreement will be arbitrated, tried, heard and decided within the jurisdiction of courts in the state of North Dakota.

Under the North Dakota Franchise Investment Law (Section 51-19-09), a North Dakota franchisee may not be required to execute a general release upon renewal of the Franchise Agreement.

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Franchisee

Name: Daniella Briseno Cornue

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

Rhode Island Addendum

(Applies only to Rhode Island franchisees)

Item 17 is amended by adding the following: Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.

If your Le Village Cowork Franchise will be in Rhode Island, You will not pay your Initial Fee to Us until your business is open and we have completed all of Our material pre-opening obligations to you. Item 5 of the Franchise Disclosure Document and Article 2 of the Franchise Agreement are amended accordingly. Please review Item 11 for our pre-opening obligations. You must have your bank verify that you have sufficient funds available at the time We sign the Agreement. The only condition on your obligation to pay the Initial Fee is that We must complete all of Our material pre-opening obligations to you.

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Name: Daniella Briseno Cornue

Franchisee

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

South Dakota Addendum

(Applies only to South Dakota franchisees)

Covenants not to compete upon termination or expiration of a franchise agreement are generally unenforceable in South Dakota, except in certain instances as provided by law.

In the event that either party shall make demand for arbitration, such arbitration shall be conducted in a mutually agreed upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, this agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement and interpretation under the governing law of the state where the franchise is located.

Any provision of the franchise agreement which requires you to agree to jurisdiction and venue outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

Notwithstanding any term of the franchise agreement, We not terminate the franchise agreement upon default without first affording you thirty (30) days notice with an opportunity to cure the default within that time.

To the extent required by South Dakota law, all provisions giving any party a right to liquidated damages are hereby deleted from the franchise agreement and the parties shall be entitled to their actual damages instead.

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Franchisee

Name: Daniella Briseno Cornue

Title: CEO

3148 W Irving Park Rd

Address: _____

Attachment G - State Law Addendum

Chicago IL 60618

Phone: _____

Attachment G - State Law Addendum

Virginia Addendum

(Applies only to Virginia franchisees)

Item 17 of the Franchise Disclosure Document is amended by adding the following: The provision in the Franchise Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et. seq.).

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Franchisee

Name: Daniella Briseno Cornue

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment G - State Law Addendum

Washington Addendum

(Applies only to Washington franchisees)

If any of the provisions in the Franchise Disclosure Document or franchise agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the Franchise Disclosure Document and franchise agreement with regard to any franchise sold in Washington.

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

Initial Fees of new Washington franchisees are held in an escrow account until the franchisee's business is open.

The state law addendum, above, if applicable, is a part of the Franchise Agreement and supersedes any inconsistent term(s) of the Franchise Agreement

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year indicated below.

Dated: _____

Dated: _____

FRANCHISOR:
Le Village Cowork Franchising, LLC

FRANCHISEE:

By: _____

Franchisee

Name: Daniella Briseno Cornue

Title: CEO

3148 W Irving Park Rd
Chicago IL 60618

Address: _____

Phone: _____

Attachment H – Franchise Application

Date: _____

APPLICATION FOR A LE VILLAGE COWORK FRANCHISE (US)

I/We _____

of _____ hereby submit an application to Le Village Cowork Franchising, LLC, 3148 W Irving Park Rd, Chicago IL 66018 for a Le Village Cowork Franchise:

Our Le Village Cowork Franchise is to be located in: _____, in the state of _____ (the “State”). This application, once submitted, is subject to the following terms and conditions:

1. Initial Franchise Fee for this franchise is \$38,000 if you will be leasing a space for your Le Village Cowork Franchise, or \$46,000 if you will be buying a space for your Le Village Cowork Franchise, payable in cash/check as follows:
 - a. Five Thousand Dollars (\$5,000) deposit if you will be leasing a space for your Le Village Cowork Franchise, or Thirteen Thousand Dollars (\$13,000) deposit if you will be buying a space for your Le Village Cowork Franchise (non refundable, except as set forth in Paragraph 2 below). Payable to Le Village Cowork Franchising, LLC upon submitting this Application.
 - b. Twenty Five Thousand Dollars (\$25,000) is due and payable to Le Village Cowork Franchising, LLC within fourteen (14) days of notification that my/our application has been approved. At such time, I/we will execute the Le Village Cowork Franchise Agreement and appropriate Exhibits.
2. If my/our Application is disapproved by Le Village Cos, the \$5,000 deposit will be immediately refunded. After We have approved Your Application, We will not refund the Initial Franchise Fee except if, through no fault of You, We determine that You have not successfully completed the initial training. If that happens, We will refund one-half of the Initial Fee.
3. I/we acknowledge that I/we have, at least fourteen calendar days, prior to the signing of this Application Agreement, received Le Village Cowork Franchising, LLC’s current form of Franchise Disclosure Document applicable to the State. I/we understand that a completed form of the Franchise Agreement will be provided at least five business days prior to signing the Franchise Agreement, and that all other terms are to be in accordance with it.
4. I/we have submitted a completed Confidential Qualification Report, including a completed Individual Financial Statement on Le Village Cowork Franchising, LLC’s form and I/we hereby authorize Le Village Cowork Franchising, LLC to conduct an investigation of my/our background(s) to verify the information submitted.
5. I/we acknowledge and understand that submission of this application does not bind or obligate Le Village Cowork Franchising, LLC, to issue a Le Village Franchise to me/us.

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Attachment I – Effective Dates

State Effective Dates

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

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

State	Effective Date
Illinois	Pending
Indiana	Pending
Michigan	Pending
Wisconsin	Pending

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

RECEIPT

[Retain This Copy For Your Records]

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

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

If Le Village Cowork Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and the appropriate state administrator listed in Attachment F. Our agents for service of process are listed in Attachment E.

Issuance Date: April 5, 2024

Le Village Cowork Franchising, LLC's sales agent for this offering is Daniella Cornue, 3148 W Irving Park Rd, Chicago, IL 60618, daniella@levillagecowork.com, 513-839-0684.

I have received a disclosure document dated April 5, 2024 that included the following Attachments:

- A. Financial Statements
- B. Franchise Agreement
- C. List of Current and Former Franchisees
- D. Manual Table of Contents
- E. Agents For Service of Process
- F. State Agencies
- G. State Law Addendum
- H. Application for Franchise
- I. Effective Dates

If a corporation or other business entity:

If an individual:

(Name of Entity)

(Signature)

By: _____

Name: _____

Title: _____

Date: _____

(Printed Name)

Date: _____

RECEIPT

[Return This Copy To Us]

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

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

If Le Village Cowork Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and the appropriate state administrator listed in Attachment F. Our agents for service of process are listed in Attachment E.

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- E. Agents For Service of Process
- F. State Agencies
- G. State Law Addendum
- H. Application for Franchise
- I. Effective Dates

If a corporation or other business entity:

If an individual:

(Name of Entity)

(Signature)

By: _____
Name: _____
Title: _____
Date: _____

(Printed Name)
Date: _____