



CORPORATE CONNECTIONS®

FRANCHISE DISCLOSURE DOCUMENT

Corporate Connections Franchising, LLC

A Delaware Limited Liability Company
11525 North Community House Road, Suite 475
Charlotte, North Carolina 28277
T: (704) 248 4800
F: (704) 731 0699
www.corporateconnections.com
rgervais@corporateconnections.com

You will open and operate a CorporateConnections® franchised business, which offers business leadership training, structured peer performance teams and referral networking services and assistance to referral groups or “Chapters.” Each of the Chapters will have members who are senior level business professionals, executives, and entrepreneurs that you will train and instruct as to how to grow each business professional’s own business through qualified referrals using the structure and format provided by us.

The total investment necessary to begin operation of a single chapter) of a CorporateConnections franchise is between \$39,295 and \$81,510. This includes between \$32,295 and \$45,510 that must be paid to the franchisor or its affiliate(s), between \$1,215 and \$2,430 for customer relationship license(s) and \$80 and for video conference license(s) (see Item 5 and Item 7).

The total investment necessary to begin operation of up to five chapters of a CorporateConnections franchise is between \$98,295 and \$151,905. This includes between \$81,295 and \$ 1,00,905 that must be paid to the franchisor or its affiliate(s).and between \$1,215 and \$8,5056 for customer relationship license(s)that must be paid to the franchisor or its affiliate(s) and between \$80 and \$400 for video conference license(s) (see Item 5 and Item 7).

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

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

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as “[A Consumer’s Guide to Buying a Franchise](#),” which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: **September 22, 2023**

How to Use This Franchise Disclosure Document

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

| QUESTION | WHERE TO FIND INFORMATION |
|--|---|
| How much can I earn? | Item 19 may give you information about outlet sales, costs, profits and losses. You should also try to obtain this information from others, like current and former franchisees. You can also find their names and contact information in Item 20 or Exhibit [G]. |
| 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 CC business in my area? | Item 12 and "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 CC franchisee? | Item 20 or Exhibit [G] list current and former franchisees. You can contact them to ask about their experiences. |
| What else should I know? | These questions are only a few things you should look for. Review all 23 items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents. |

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in 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 us first by mediation and then by arbitration only in the State of North Carolina. Out- of-state mediation or arbitration may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate or arbitrate with us in North Carolina than in your own state.
2. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss to any territorial rights you are granted, termination of your franchise, and loss of your investment.
3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
5. **Franchisor's Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21) calls into question the franchisor's ability to provide services and support to you.

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

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**ADDENDUM TO CORPORATE CONNECTIONS FRANCHISING, LLC FRANCHISE
DISCLOSURE DOCUMENT
FOR THE STATE OF MICHIGAN**

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

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISION OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISE BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS; AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

(i) THE FAILURE OF THE PROPOSED TRANSFEREE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C).

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

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

ADDRESS FOR NOTICES TO THE MICHIGAN ATTORNEY GENERAL:

DEPARTMENT OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION FRANCHISE SECTION
G. MENNEN WILLIAMS BUILDING, 1ST FLOOR 525
W. OTTAWA STREET, LANSING, MI 48909
517-373-7117

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Item 1.
The Franchisor and any Parents, Predecessors, and Affiliates

The Franchisor

To simplify the language in this Disclosure Document, “We”, “Us” or “Our” refers to Corporate Connections Franchising, LLC, the franchisor. “You” or “Your” means the individual or entity who signs the franchise agreement as the franchisee. If you are a corporation, limited liability company, partnership or other business entity, then “You” also applies to your owners.

We are a Delaware limited liability company that was organized on May 16, 2017. We maintain our principal place of business at 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. We do business under our corporate name and under the name of “CorporateConnections”. We do not engage in any other business activity. Our agents for service of process are listed on Exhibit K.

We grant franchisees the right to operate a CorporateConnections® franchise, a member-based business and opportunity networking organization for Business Owners, Partners or C-Level Executives of organizations that generate \$5 million (USD) or more in GAAP revenue.

Corporate Connections has had no predecessors in interest at any time. Our affiliates BNI Global, LLC and BNI Worldwide Development, Ltd. began developing the concept of the CorporateConnections Chapters with existing BNI franchisees in Toronto, Canada in 2002. Since then, the CorporateConnections program has been tested and further refined in Toronto, Edmonton and Montreal Canada, Atlanta, Georgia and New Orleans, Louisiana. We began franchising in 2018. Accordingly, as of the date of this Disclosure Document, there are two (2) Corporate Connections franchises operating in the United States. We are not engaged in any other businesses and have never offered franchises in any other lines of business.

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

The Franchise Rights Offered

We will grant you the right to operate a CorporateConnections franchise at a location within a Region that will be specified in the Franchise Agreement found in this Disclosure Document as Exhibit B. All new franchisees will be required to sign the Franchise Agreement. You will develop and operate “Chapters,” groups made up of non-competing Business Owners, Partners or C-Level Executives of organizations that generate \$5 million (USD) or more in GAAP revenue (“members”) who will receive an established model that connects leaders around the world and empowers them to create opportunities and meaningful change in their organizations, communities, and lives. The Chapter members meet bi-weekly to engage in structured meetings to offer each other support and exchange opportunities utilizing the CorporateConnections System.

There is little difference in running one or multiple chapters, other than the number of participating members. With multiple chapters, meetings can be held on different days. Computer and software needs will likely not vary between operating single or multiple chapters. There are no additional capital needs to operate more than one chapter.

Membership in a CorporateConnections franchise is highly selective.

Our Parents and Affiliates

Corporate Connections Global, LLC (“Corporate Connections Global”), a Delaware limited liability company, formed on May 16, 2017, is our parent. The principal address of Corporate Connections Global

is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. Corporate Connections Global does not and has never offered any franchises in any lines of business in the United States. Corporate Connections Global does not operate any businesses similar to the CorporateConnections franchise.

BNI Global Holdings, LLC, a Delaware limited liability company formed on June 21, 2018, is the parent of Corporate Connections Global. The principal address of BNI Global Holdings, LLC is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. BNI Global Holdings, LLC does enter into financing arrangements pursuant to which its affiliates' assets are cross-collateralized and such financings vary from time to time. BNI Global Holdings, LLC does not and has never offered any franchises in any lines of business in the United States. BNI Global Holdings, LLC does not operate any businesses similar to CorporateConnections in the United States.

BNI Holdings, LLC, a Delaware limited liability company formed on November 6, 2014, is our affiliate and a wholly owned subsidiary of BNI Intermediate Holdings, LLC. The principal address of BNI Holdings, LLC is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. BNI Holdings, LLC does enter into financing arrangements pursuant to which its affiliates' assets are cross-collateralized and such financings vary from time to time. BNI Holdings, LLC does not and has never offered any franchises in any lines of business in the United States. BNI Holdings, LLC does not operate any businesses similar to CorporateConnections in the United States.

BNI International Holdings CTB, LLC, a Delaware limited liability company formed on April 23, 2019, is our affiliate and a wholly-owned subsidiary of BNI Intermediate Holdings, LLC. The principal address of BNI International Holdings CTB, LLC is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. BNI International Holdings CTB, LLC does not and has never offered any franchises in any lines of business in the United States. BNI International Holdings CTB, LLC does not operate any businesses similar to CorporateConnections in the United States.

BNI Intermediate Holdings, LLC, a Delaware limited liability company formed on April 23, 2019, is our affiliate and a wholly-owned subsidiary of Prosperity Brands, LLC, Our ultimate parent. The principal address of BNI Intermediate Holdings, LLC is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. BNI Intermediate Holdings, LLC does not and has never offered any franchises in any lines of business in the United States. BNI Intermediate Holdings LLC does not operate any businesses similar to CorporateConnections in the United States.

Prosperity Brands, LLC, a Delaware limited liability company formed on March 25, 2019, is our ultimate parent. The principal address of Prosperity Brands, LLC is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. Prosperity Brands, LLC does not and has never offered any franchises in any lines of business in the United States. Prosperity Brands, LLC does not operate any businesses similar to the CorporateConnections franchises.

Corporate Connections Worldwide Development Ltd. ("Corporate Connections Worldwide"), an Irish limited liability company formed on May 4, 2017, is our affiliate. The principal address of Corporate Connections Worldwide is KOG Building, Ballinrobe Road, Castlebar, Co Mayo, Ireland, F23 FT28. Corporate Connections Worldwide does not and has never offered any franchises in any lines of business in the United States. Corporate Connections Worldwide does not operate any businesses similar to the CorporateConnections franchises in the United States.

BNI Global, LLC, a Delaware limited liability company formed on November 6, 2014, is our affiliate. The principal address of BNI Global, LLC is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. Since our inception, BNI Global, LLC has provided administrative support services to Us and our franchisees, including but not limited to, personnel, accounting, marketing, printing and all services and materials provided to our franchisees. As of December 2014, BNI Global, LLC holds all interest in all BNI company-owned locations. BNI Global, LLC does not and has never offered any franchises in any lines of business in the United States. As of December 31, 2022, BNI Global, LLC operates eighty-one (81) business networking and referral businesses in the United States. They are treated as company-owned outlets.

BNI Franchising, LLC, a Delaware limited liability company formed on November 6, 2014, is our affiliate. The principal address of BNI Franchising, LLC is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. Since December 2014, BNI Franchising, LLC has been in the business of granting and providing services to franchisees consisting of the opportunity to open and operate business networking referral groups, known as Chapters, under the BNI® trade name, trademark and system of operating procedures. The BNI® system of operating procedures differs from the CorporateConnections system described in the Franchise Agreement. Prior to that, BNI Franchising, LLC's predecessor, BNI Franchise Corp., a California corporation formed on April 17, 1991 with a principal address of 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277, offered BNI® franchises until BNI Franchising, LLC became the successor in interest in December 2014. As of the issuance date of this Disclosure Document, BNI has thirty (30) company-operated and 156 BNI franchises in the United States. BNI Worldwide Development Ltd., an Irish limited liability company formed on November 18, 2014, is our affiliate. The principal address of BNI Worldwide Development Ltd. is KOG Building, Ballinrobe Road, Castlebar, Co Mayo, Ireland, F23 FT28. BNI Worldwide Development Ltd. does not and has never offered any franchises in any lines of business in the United States. BNI Worldwide Development Ltd. does not operate any businesses similar to CorporateConnections in the United States.

BNI Enterprise Business Network (Guangzhou) Co. Ltd., a Guangzhou limited liability company formed on February 9, 2018, is Our affiliate. The principal address of BNI Enterprise Business Network (Guangzhou) Co. Ltd. is Room A21, Tower A, Centre Plaza, 161 Linhexi Road, Tianhe District, Guangzhou. BNI Enterprise Business Network (Guangzhou) Co. Ltd. does not and has never offered any franchises in any lines of business in the United States. BNI Enterprise Business Network (Guangzhou) Co. Ltd. does not operate any businesses similar to CorporateConnections in the United States.

Business Network France, a French limited liability company formed on July 7, 2004, is our affiliate. The principal address of Business Network France is 34, Boulevard des Italiens – 75009 Paris, France. Business Network France does not and has never offered any franchises in any lines of business in the United States. Business Network France does not operate any businesses in the United States similar to CorporateConnections in the United States.

Chapters France, a French limited liability company formed on December 19, 2000, is our affiliate. The principal address of Chapters France is 34, Boulevard des Italiens – 75009 Paris, France. Chapters France does not and has never offered any franchises in any lines of business in the United States. Chapters France does not operate any businesses in the United States similar to CorporateConnections in the United States.

BNI Lanka Enterprises Private Limited, a Sri Lanka company formed on January 23, 2018, is Our affiliate. The principal address of BNI Lanka Enterprises Private Limited is Regus, No 33, Level 12, Park Land Building, Park Street, Colombo 00200. BNI Lanka Enterprises Private Limited does not and has never offered any franchises in any lines of business in the United States. BNI Lanka Enterprises Private Limited does not operate any businesses similar to CorporateConnections in the United States.

BNI India Enterprises Private Limited, an India company formed on June 14, 2016, is Our affiliate. The principal address of BNI India Enterprises Private Limited is Salarpuria Landmark, #2002, 2nd Floor, 100 feet road, Indira Nagar, HAL 2nd Stage, Bangalore, Karnataka, India 560038. BNI India Enterprises Private Limited does not and has never offered any franchises in any lines of business in the United States. BNI India Enterprises Private Limited does not operate any businesses similar to CorporateConnections in the United States.

BNI Hong Kong Enterprises (PVT) Limited, a Hong Kong limited company formed on November 28, 2017, is Our affiliate. The principal address of BNI Hong Kong Enterprises (PVT) Limited is 6/F, The Annex, Central Plaza, 18 Harbour Road, Hong Kong. BNI Hong Kong Enterprises (PVT) Limited does not and has never offered any franchises in any lines of business in the United States. BNI Hong Kong Enterprises (PVT) Limited does not operate any businesses similar to the CorporateConnections in the United States.

BNI Singapore Enterprises Private Limited, a Singapore company formed on November 3, 2016, is our affiliate. The principal address of BNI Singapore Enterprises Private Limited is 2 Kallang Avenue, #08-04

CT Hub, Singapore 3394071. BNI Singapore Enterprises Private Limited does not and has never offered any franchises in any lines of business in the United States. BNI Singapore Enterprises Private Limited does not operate any businesses similar to CorporateConnections in the United States.

BNI Connect Global, LLC, a Delaware limited liability company formed on November 6, 2014, is Our affiliate. The principal address of BNI Connect Global, LLC is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277 BNI Connect Global, LLC holds the software development rights for our Operating Management System, our proprietary software. BNI Connect Global, LLC does not and has never offered any franchises in any lines of business in the United States. BNI Connect Global, LLC does not operate any businesses similar to the CorporateConnections franchises.

CorpConnect Enterprises India Private Limited, an India company formed on December 5, 2017, is our affiliate. The principal address of CorpConnect Enterprises India Private Limited is Salarpuria Landmark, #2002, 2nd Floor, 100 feet road, Indira Nagar, HAL 2nd Stage, Bangalore, Karnataka, India 560038.

CorpConnect Enterprises India Private Limited does not and has never offered any franchises in any lines of business in the United States. CorpConnect Enterprises India Private Limited does not operate any businesses similar to CorporateConnections in the United States.

BNI Networking & Referral Ireland Holding Limited, an Irish limited liability company formed on March 20, 2019, is our affiliate. The principal address of BNI Worldwide Development Ltd. is KOG Building, Ballinrobe Road, Castlebar, Co Mayo, Ireland, F23 FT28. BNI Networking & Referral Ireland Holding Limited does not and has never offered any franchises in any lines of business in the United States. BNI Networking & Referral Ireland Holding Limited does not operate any businesses similar to CorporateConnections in the United States.

BNI Canada, Inc., a corporation incorporated and organized under the laws of Quebec, Canada, is our affiliate. The principal address of BNI Canada, Inc. is 2700, Diab Street, Saint-Laurent, Quebec, H4S 1E8. BNI Canada, Inc. does not and has never offered any franchises in any lines of business in the United States. BNI Canada, Inc. does not operate any businesses similar to the BNI franchises in the United States.

Business Network Scandinavia AB, a private limited liability company organized and existing under the laws of Sweden, with its registered address at P.O. Box 162 85, SE-103 25 Stockholm, Sweden, is our affiliate. Business Network Scandinavia AB does not and has never offered any franchises in any lines of business in the United States. Business Network Scandinavia AB does not operate any businesses similar to the BNI franchises in the United States.

BNI Stockholm AB, a private limited liability company organized and existing under the laws of Sweden, with its registered address at P.O. Box 162 85, SE-103 25 Stockholm, Sweden, is our affiliate. BNI Stockholm AB does not and has never offered any franchises in any lines of business in the United States. BNI Stockholm AB does not operate any businesses similar to the BNI franchises in the United States.

GS Scandinavian Business Support AB, a private limited liability company organized and existing under the laws of Sweden, with its registered address at P.O. Box 162 85, SE-103 25 Stockholm, Sweden, is our affiliate. GS Scandinavian Business Support AB does not and has never offered any franchises in any lines of business in the United States. GS Scandinavian Business Support AB does not operate any businesses similar to the BNI franchises in the United States.

GS Scandinavian Support AB, a private limited liability company organized and existing under the laws of Sweden, with its registered address at P.O. Box 162 85, SE-103 25 Stockholm, Sweden, is our affiliate. GS Scandinavian Support AB does not and has never offered any franchises in any lines of business in the United States. GS Scandinavian Support AB does not operate any businesses similar to the BNI franchises in the United States.

Forretningsnettverket BNI AS, a private limited company organized and existing under the laws of Norway, with its registered offices at Wergelandsveien 7 N-0167 Oslo, is our affiliate. Forretningsnettverket BNI AS does not and has never offered any franchises in any lines of business in

the United States Forretningsnetverket BNI AS does not operate any businesses similar to the BNI franchises in the United States.

Business Growth Network Oy, a private limited liability company organized and existing under the laws of Finland, with its registered offices at Vanha Kaarelantie 33 A 01610 Vantaa, Finland, is our affiliate. Business Growth Network Oy does not and has never offered any franchises in any lines of business in the United States. Business Growth Network Oy does not operate any businesses similar to the BNI franchises in the United States.

Netwerk Organisatie Nederland en Vlaanderen B.V., a private company with limited liability, incorporated and organized under Dutch law, is our affiliate. The principal address of Netwerk Organisatie Nederland en Vlaanderen B.V. is Novalaan 15 39, 9501 VJ Stadskanaal, the Netherlands. Netwerk Organisatie Nederland en Vlaanderen B.V. does not and has never offered any franchises in any lines of business in the United States. Netwerk Organisatie Nederland en Vlaanderen B.V. does not operate any businesses similar to the CorporateConnections in the United States.

Network Organization Benelux Limited, a private company with limited liability, incorporated and organized under UK law, is our affiliate. The principal address of Network Organization Benelux Limited is 11th Floor 200 Aldersgate Street, London, England, EC1A 4HD. Network Organization Benelux Limited does not and has never offered any franchises in any lines of business in the United States. Network Organization Benelux Limited does not operate any businesses similar to the CorporateConnections franchises in the United States.

Brec S.r.l, a private company with limited liability, incorporated and organized under Italian law, is our affiliate. The principal address of Brec S.r.l is Via Monte Rosa, 51, Milan, Italy 20149. Brec S.r.l does not and has never offered any franchises in any lines of business in the United States. Brec S.r.l does not operate any businesses similar to the CorporateConnections franchises in the United States.

Business Networking & Referrals Limited, a private company with limited liability, incorporated and organized under UK law, is our affiliate. The principal address of Business Networking & Referrals Limited is One Fleet Place, London, England, EC4M 7WS. Business Networking & Referrals Limited does not and has never offered any franchises in any lines of business in the United States. Business Networking & Referrals Limited does not operate any businesses similar to the CorporateConnections franchises in the United States.

Networking & Business Referrals Limited, a private company with limited liability, incorporated and organized under UK law, is our affiliate. The principal address of Networking & Business Referrals Limited is One Fleet Place, London, England, EC4M 7WS. Networking & Business Referrals Limited does not and has never offered any franchises in any lines of business in the United States. Networking & Business Referrals Limited does not operate any businesses similar to the CorporateConnections franchises in the United States.

Scion Social Holdings, LLC, a Delaware limited liability company formed on June 25, 2020, is our affiliate and a wholly-owned subsidiary of BNI Global, LLC. The principal address of Scion Social Holdings LLC is 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277. Scion Social Holdings LLC does not and has never offered any franchises in any lines of business in the United States. Scion Social Holdings, LLC does not operate any businesses similar to the CorporateConnections franchises.

Scion Social Private Limited, an Indian company, is our affiliate. The principal address of Scion Social Private Limited is 21/3, Wood Street, Ashok Nagar, Bangalore, Karnataka, 560025 India. Scion Social Private Limited does not and has never offered any franchises in any lines of business in the United States. Scion Social Private Limited does not operate any businesses similar to the CorporateConnections franchises in the United States.

Scion Social Pte. Ltd., a Singapore company, is our affiliate. The principal address of Scion Social Pte. Ltd. is 116, Middle Road, #07-01 ICB Enterprise House, Singapore (188972). Scion Social Pte. Ltd. does not and has never offered any franchises in any lines of business in the United States. Scion Social Pte.

Ltd does not operate any businesses similar to the CorporateConnections franchises in the United States.

Competition

The market for business networking is fully developed. Your competitors include businesses that primarily help provide or generate prospective sales leads or referrals for other businesses. We believe the systems and programs we provide for you will give you a distinctive service in comparison to your competition.

Industry-Specific Regulations

While there are no specific national or state standards or laws regulating this business, you must comply with all local, state and federal laws that may apply to the general operation of a business including, but not limited to labor and employment laws, tax laws, and the American with Disabilities Act. In addition, other events such as natural disasters, political insurrections or unrest, epidemics or pandemics, or acts of god may result in the imposition of certain federal, state, and/or local laws, regulations, administrative directives and/or travel advisories, any and all of which may require you to temporarily suspend your business operations or change the manner in which you conduct business as described in this disclosure document. There may be other laws applicable to your business and we urge you to make additional inquiries about these laws. Your failure to comply with and of these laws, regulations, directives, advisories, and/or policies constitutes a material breach of your Franchise Agreement. We strongly recommend that you hire an attorney to assist you in determining which laws will impact your operation of your business.

Item 2. Business Experience

Unless otherwise noted below, our personnel are based in Charlotte, North Carolina.

Chairman and Chief Executive Officer: Graham P. Weihmiller

Mr. Weihmiller has served as our Chairman and CEO since our inception and has been the CEO of our parent, BNI Global Holdings, LLC, and our affiliate, BNI Franchising, LLC since December 2014. Mr. Weihmiller serves as Director of our ultimate parent, Prosperity Brands, LLC. He was appointed to this position in May 2019. Mr. Weihmiller performs his duties from Charlotte, North Carolina.

President: Robert Gervais

Mr. Gervais has served as President since January 2017. Previously, Mr. Gervais served as President and CEO of Pre2Post Inc. (d/b/a Zerofail) in Montreal, Canada from May 2000 to January 2017.

Chief Financial Officer: Michael Utt

Mr. Utt has served as our Chief Financial Officer since May 2022 and performs his duties from Charlotte, NC. Previously, Mr. Utt served as Vice President of Finance at Hendrick Autoguard, Inc. from February 2020 to May 2022 and Controller at Hendrick Autoguard, Inc. from January 2014 to January 2020.

Director: Jay Henry

Mr. Henry was appointed as Director of Our ultimate parent, Prosperity Brands, LLC, in May 2019 and performs his duties for us from Charlotte, North Carolina. Since July 2014 Mr. Henry has also served as a Vice President for Pamlico Capital, located in Charlotte, North Carolina.

Director: Walker Simmons

Mr. Simmons was appointed as Director of our ultimate parent, Prosperity Brands, LLC in May 2019 and performs his duties for us from Charlotte, North Carolina. Mr. Simmons also serves as a Partner for Pamlico Capital LLC, located in Charlotte, North Carolina. Mr. Simmons has been with Pamlico Capital since July 2000.

Director: David Wilkie

Mr. Wilkie was appointed as Director of our ultimate parent, Prosperity Brands, LLC in March 2022 and performs his duties for us from Atlanta, Georgia. Mr. Wilkie is also the CEO of World 50 in Atlanta, Georgia and has been in this role since January 2011.

**Item 3.
Litigation**

Pending litigation.

We have no pending litigation.

Previous litigation.

Mark Andersen et al. v. Griswold International LLC et al., (Docket No. 14-cv-02560, United States District Court for the Northern District of California).

On January 6, 2015, Plaintiffs Mark and Holly Andersen, MHA Family Holdings Inc., James J. Carlson, Marilyn N. Roach-Carlson, James Carlson LLC, Michael Geisler, M & E Family Care LLC, Dave Hinders, Hinders Home Care Inc., Barry Howland, Gigi Howland, Wade Luders, South Bay Care LLC, Michael McKaig, Ken Peters, Kerry Peters, The KPeters Group, Charlayne Redmon, Dwayne Redmon, Ledgewood Enterprise Inc., James Thelen and Thelen Enterprises Inc. (collectively, "Plaintiffs"), filed an amended complaint against Griswold International, LLC ("Griswold") and added Graham Wehmiller, our CEO, who served as Griswold's CEO from June 2009 until March 2013 and its Chairman from June 2009 until April 2015, as an additional defendant. Plaintiffs, Griswold Home Care franchisees located in California, asserted claims arising under the California Franchise Investment Law, as well as claims for fraud and breach of contract. Plaintiffs alleged that a recent change in California law adversely impacted the operation of their Griswold Home Care franchises, and that Defendants misrepresented the manner in which the Griswold Home Care franchise can be operated in California. Plaintiffs sought a rescission of the franchise agreement along with attorneys' fees, costs, expenses, actual damages and punitive damages. Defendants believed the case to be without merit and vigorously defended against the claims. This matter has been settled as described in the paragraph below.

Christopher Jenkins et al. v Griswold International LLC et al. (AAA Case No.: 01-14-0001-4884).

On September 9, 2014, Plaintiffs Christopher Jenkins, CS Family Ventures Inc., and CSAB Management, Inc. (collectively, "Plaintiffs") filed a demand for arbitration against Griswold International, LLC, Graham Wehmiller, Thomas Monaghan, Diane Walker, Kent Griswold, Lori Griswold, Patricia O'Mallery, and Fiona Middleton (collectively, the "Griswold Parties"). Graham Wehmiller, our CEO, served as Griswold International, LLC's CEO from June 2009 until March 2013 and its Chairman from June 2009 until April 2015. Plaintiffs, Griswold Home Care franchisees located in California, asserted claims arising under the California Franchise Investment Law, the California Franchise Relations Act, as well as claims for fraud, negligent misrepresentation and breach of contract. The Plaintiffs sought a rescission of the franchise agreement along with attorneys' fees, costs, expenses, actual damages and punitive damages. On August 21, 2015, Griswold International, LLC filed answers, affirmative defenses, and counterclaims asserting breach of contract, misappropriation of trade secrets, violations of the Lanham Act, and unfair competition. Griswold International, LLC sought damages, injunctive relief, and costs. This matter has been settled as described in the paragraph below.

On May 13, 2016, Griswold International, LLC and the Plaintiffs from each of the above cases entered into settlement agreements wherein Griswold was required to pay an aggregate settlement to all Plaintiffs in the amount of \$675,000. Graham Wehmiller, as an individual, was not required to pay any amount to any plaintiff as part of the settlement. Plaintiffs, in exchange, executed a release agreement wherein the Plaintiffs released the Defendants, including Graham Wehmiller, from all claims, including but not limited to, those that were or could have been asserted in the above-listed actions.

Nirupam S. Patel v. BNI Worldwide Development Limited and BNI Global Franchise Corporation Limited; BNI Global Franchise Corporation Limited v. Nirupam S. Patel, Niraj Shah, and BNI Training Services Private, LTD, International Centre for Dispute Resolution Case No. 01-16-0002-8101, filed July 11, 2016.

On July 11, 2016, Nirupam S. Patel filed an arbitration demand with the International Centre for Dispute Resolution ("ICDR") against BNI Worldwide Development Limited ("BNI") and BNI Global Franchise Corporation Limited claiming that BNI breached four master franchise agreements when BNI declined to renew those master franchise agreements in accordance with their terms. Patel also claimed that BNI breached the implied covenant of good faith and fair dealing when it declined to renew Patel's master franchise agreements. BNI Worldwide Development Limited responded by denying the allegations and filing a counterclaim and a third-party claim against Patel and his former co-master franchisees in India, Niraj Shah and their entity, BNI Training Services Private, Ltd., for breach of contract based on their failure to comply with their post-term obligations under the master franchise agreements, including but not limited to providing to BNI all documents and records required to be transferred upon expiration and paying all amounts due. Shah and BNI Training appeared and filed counterclaims against BNI for breach of contract, violation of the covenant of good faith and fair dealing, fraud, violation of the North Carolina Unfair and Deceptive Trade Practices Act, and promissory estoppel, all based on the allegation that BNI wrongfully failed to renew the master franchise agreements.

The parties engaged in mediation and successfully resolved the matter. To aid in the resolution, BNI retained an expert accountant to conduct an independent valuation of the master franchise. He determined that the fair market value of the business at the time of non-renewal was \$3.8 million. Accordingly, BNI paid Patel and Shah \$1.9 million each for their respective interests. The parties then dismissed the arbitration and the matter is closed.

BNI Training Services Pvt. Ltd. and Niraj Shah v. BNI Worldwide Development Ltd., Mahesh Srinivasan, Murali Srinivasan, and Nirupam Patel; High Court of Judicature at Bombay, Ordinary Original Civil Jurisdiction, Suit No. 752 of 2016.

BNI Training Services Private Ltd. and Niraj Shah (collectively, "Shah") filed suit against BNI Worldwide Development Ltd. ("BNI"), two individuals currently acting as master franchisees in India, and Nirupam Patel in the High Court of Judicature at Bombay, India, No. 752 of 2016. Shah and Patel were formerly Master Franchisees for BNI in India. The complaint was filed with the court on February 16, 2016. The complaint alleged that BNI wrongfully failed to renew the Master Franchise Agreements. Shah sought a declaration that BNI be estopped from carrying on any business in India except by Shah and an order directing BNI to execute a new Master Franchise Agreement with Shah. Alternatively, Shah sought damages of 4,214,914,710 Indian rupees. BNI denied all allegations and filed a motion to dismiss based on the mandatory arbitration clause in the Master Franchise Agreements. Shah thereafter moved to withdraw the suit, and the Court issued an Order on September 6, 2017, declaring that the suit was disposed as withdrawn.

David Alexander et al. v. BNI Franchising, LLC, et al.; Case No. BC638105, Superior Court of the State of California for the County of Los Angeles, filed October 19, 2016.

On October 19, 2016, David Alexander, Kimberly Alexander, Randy Borden, Vivian Borden, Jana Cardona, Mark Taylor, J.R. Chick Gallagher, Karen Gallagher, Michael Gallagher, Dana Gallagher, Clay Morgan, Kathy Morgan, Reed Morgan, Dan Rawls, Patricia Salvucci, Scott Simon, Teresa Simon and Shelli Howlett ("Plaintiffs") filed a complaint against BNI Franchising, LLC, BNI Franchise Corp., Ivan Misner, and Graham Weihmiller ("Defendants"). The Plaintiffs alleged six causes of action against all or some of the defendants. Claims included (1) wrongful non-renewal of certain franchise agreements against BNI; (2) breach of the implied covenant of good faith and fair dealing against BNI; (3) violation of the California Franchise Relations Act against BNI; (4) violation of California Franchise Investment Law and injunctive relief against all Defendants; (5) violation of California Franchise Investment Law related to BNI's October 17, 2016 FDD against BNI and Weihmiller; and (6) violation of the North Carolina Unfair Trade Practices Act against BNI and BNI Corp. After suit was filed, all parties negotiated a settlement that calls for (a) the plaintiffs to sign BNI's current franchise agreement, which has been modified since the time they filed their action based upon discussions among the parties and (b) the Plaintiffs to sign releases. Plaintiffs voluntarily dismissed their lawsuit during the course of negotiations.

Andrew Hall; Jihong Hall; BNI China, Ltd.; BNI South, Ltd.; and BNI, Ltd. v. BNI Worldwide Development, Ltd., Case No. 01-17-0006-0879 (International Centre for Dispute Resolution (“ICDR”)).

On or about October 10, 2017, claimants filed an arbitration demand against BNI Worldwide Development, Ltd., seeking a declaration that they had a right to renew two master franchise agreements they had entered with BNI Worldwide Development, Ltd.’s predecessor, as well as asserting claims for breach of the master franchise agreements and violation of the California Franchise Relations Act’s provisions regarding renewal of franchise agreements. Claimants sought a declaration that they were entitled to renewal of the master franchise agreements; specific performance for renewal of the master franchise agreements, or, in the alternative, actual and consequential damages; and costs, disbursements, and attorneys’ fees. On October 13, 2017, BNI Worldwide Development, Ltd. filed a preliminary answer denying claimants’ allegations and a counterclaim against Andrew Hall and Jihong Hall (the “Halls”), asserting a claim for breach of the master franchise agreement for China based upon the Halls obtaining registrations of the BNI trademark in China and failing to transfer such registration to BNI Worldwide Development, Ltd. as required by the master franchise agreement. The counterclaim sought a temporary and preliminary injunction requiring the Halls to immediately enter a license agreement for the BNI trademark in China, requiring the Halls to cooperate in promptly transferring the trademark to BNI Worldwide Development, Ltd., and requiring the Halls to immediately cease all use of the BNI trademarks and to return all materials containing the BNI trademarks, as well as an award of costs and attorneys’ fees. On the same date, BNI Worldwide Development, Ltd. also filed an emergency motion for injunctive relief seeking the same relief sought in the counterclaim. Claimants then filed an emergency motion seeking to nullify the expiration and non-renewal of their master franchise agreements. Arbitration proceedings were stayed by mutual agreement while the parties engaged in settlement negotiations. On October 29, 2017, the parties executed a settlement term sheet, which was memorialized in formal settlement documents effective November 30, 2017. Pursuant to the terms of the settlement: the Halls entered a license agreement for the BNI trademark in China and agreed to take all steps necessary to formally transfer the BNI trademark to BNI Worldwide Development, Ltd.; BNI acquired all master franchise rights to the territory of China for \$680,000; and the Halls were provided until July 1, 2018 to transfer the master franchise rights for Taiwan, Hong Kong, and Macau to an approved purchaser, or to sell any such rights not transferred by July 1, 2018 to BNI Worldwide Development, Ltd. for \$1,470,000, less any amounts received by the Halls for any territories transferred. On December 5, 2017, the ICDR formally closed its file on this matter.

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

Item 4. Bankruptcy

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

Item 5. Initial Fees

Initial Franchise Fee

The range of the Initial Franchise Fee (as defined in the Franchise Agreement as Exhibit B) is from \$30,000 to \$79,000 depending upon the number of businesses located in your Region.

The Region granted to you for Initial Franchise Fee of \$79,000. This Initial Franchise Fee grants the right to launch and operate up to five (5) chapters at any given time. Other than the Initial License Fee that you pay to us, there are no additional costs in operating one or more franchises other than what is set forth in Item 7 of this disclosure document.

A single chapter franchise fee shall be granted. The Initial Franchise Fee is Thirty Thousand Dollars (\$30,000). The single chapter franchise fee grants the right to launch and operate one (1) chapter at any given time.

Should a franchisee wish to launch and operate additional chapters to those granted in their Franchise Agreement, an application must be made to purchase another Region. Initial Franchise Fee must be paid in conjunction with signing any additional Franchise Agreement.

The Initial Franchise Fee will include the Initial Training Fee for up to two (2) people. The Initial Franchise Fee is deemed fully earned and non-refundable when you sign the Franchise Agreement. The Initial Franchise Fee is uniform on all franchisees subject to the offering in this Disclosure Document and it is not refundable under any circumstances.

We presently offer the following discount programs:

Veteran Discount. To qualified veterans of the U.S. Armed Forces, we offer a 15% discount on the Initial Franchise Fee.

Your franchise agreement does not give you any option, right of first refusal, or similar right to acquire additional franchises.

Training Fees for Additional Training/Personnel

If you wish to send additional personnel to in person Executive Director or Chapter Director Training in addition to the two persons that are included in the Initial Franchise Fee, you must pay us the training fee for each additional person of \$2,500. If you wish to send additional personnel to attend the in person Executive Director Training the fee is \$2,500 per person. These amounts do not include each person's expenses to attend the training program such as travel, lodging, meals, transportation, any translator and/or translation services costs, and other incidental expenses. Training sessions will be held either virtually or in Montreal, Canada, or in another location we designate. Accordingly, the range of Training Fees is \$0,-\$5,000. None of these fees are refundable under any circumstances.

We expect that the Initial Franchise Fee and the fee for training will be uniformly imposed on franchisees who receive this Disclosure Document, except that we may provide a discount of the Initial Franchise Fee and or training fee to franchisees of our affiliates BNI Franchising, LLC and BNI Worldwide Development Ltd. who had previously operated pilot CorporateConnections Chapters. All of the initial payments to us and/or our affiliate(s) are deemed to be earned when received and are not refundable under any circumstances.

Video Conferencing License

You must purchase Zoom video conferencing license to provide Chapters with an alternative to in-person Chapter meetings when in-person meetings are not possible. You can sign up for the enterprise account with Zoom for Eighty Dollars (\$80) or the then most current cost per license, which you pay directly to us and which shall renew annually on March 13 unless otherwise noted. Should you require more than one license, the costs will be multiplied accordingly. The cost of the license fees may run anywhere from Eighty Dollars (\$80) to Four Hundred Dollars (\$400) depending on your needs and the number of Chapters. Where you have multiple Chapters that meet on the same day with overlapping times, multiple licenses will be needed as CorporateConnections strongly recommends that each Chapter utilize its own CorporateConnections Zoom license. Your Zoom license can only be used by one user at a time and as a result, we anticipate that you will need multiple licenses in order to support your CorporateConnections® Virtual Chapter Meeting or CorporateConnections Hybrid Chapters. The Zoom license fee paid to us shall not be refunded for any reason and upon termination for any reason the Zoom license granted to you through us terminates as of the date of termination or expiration of the Franchise Agreement.

The Salesforce License Fee

You must purchase and use a customer relationship management ("CRM") system, currently from Salesforce ("Salesforce License Fee"). You can sign up for the enterprise account with Salesforce for Seven Dollars (\$7) per license per month for each member and One Hundred and One Dollars and Twenty-Five Cents (\$101.25) per license per month for each director, or the then most current cost per license for member and director. You are required to purchase at least one director license. A director

license can only be transferred to another director and a member license can only be transferred to another member. Licenses are paid annually and will be renewed annually on February 15 unless otherwise noted. The initial cost of the Salesforce license will be One Thousand Two Hundred Fifteen Dollars (\$1,215) for one director's license or Two Thousand Four Hundred Thirty Dollars (\$2,430) annually for two licenses. If you purchase a franchise license for more than 5 chapters then your Salesforce license(s) will be between \$1,215.00 and \$8,505. A Salesforce License Fee is paid in full for the coming year and it is nonrefundable. This Salesforce License Fee will be in addition to the Global Marketing and Technology Fee and Video Conferencing License referenced herein. The cost will be billed by us.

Supplies, Equipment and Software

Upon the execution of your Franchise Agreement for a franchise without any Chapters, you must purchase from us, our affiliates, or a supplier we authorize initial supplies, materials and software licenses required for the operation of your franchise. The range of these costs is from \$1,000 to \$8,000. These payments are not refundable under any circumstances.

**Item 6.
Other Fees**

| (1) Type of fee | (2) Amount (See Notes 1 and 6) | (3) Due Date | (4) Remarks |
|-------------------------------------|--|---|--|
| Continuing Royalty | 20% of the previous month's Gross Revenues (Note 2) | On or before the 15 th day of each month | (See Notes 1 and 2) |
| Local Marketing Expenditure | Up to 5% of the previous month's Gross Revenues (Note 3) | Varies | We reserve the right to require you to spend the Local Marketing Expenditure for local marketing and promotion in your Region. (See Note 3) |
| Global Marketing and Technology Fee | 2% of the previous month's Gross Revenues | On or before the 15 th day of each month | We may increase the Global Marketing and Technology Fee if we implement new software programs, if the costs of existing software licenses increase or if we undertake material marketing initiatives. We reserve the right to increase the Global Marketing and Technology Fund Fee to up to 5% of the previous month's Gross Revenues. (See Note 4) |

| | | | |
|--------------------------------|--|--|--|
| New Member Kit Materials Fee | Then-current fee, currently \$175 per kit | As incurred | 15 New Member Kit Materials are included in the cost of your Initial Supplies. You must purchase from us, our affiliates, or an authorized supplier, each additional kit required for new members as determined by us. You must provide New Member Kit Materials to each new Member. |
| (1) Type of fee | (2) Amount (See Notes 1 and 6) | (3) Due Date | (4) Remarks |
| Indemnification | Will vary on the circumstances | On demand | You must indemnify us and reimburse us for our costs (including our attorneys' fees) if we are sued or held liable in any case having anything to do with your business operations. |
| Audit | Any unpaid fees that are understated or any other relevant inaccuracy and the cost of audit if Gross Revenues are inaccurate or understated by more than 2% | Within 7 days of being invoiced by us | You must pay any unpaid fees and the costs of the audit if Gross Revenues are inaccurate or understated by more than 2%. |
| Renewal Fee | 50% of the then-current Initial Franchise Fee | Prior to renewal | You must pay this fee to us when you renew your Franchise Agreement. |
| Transfer/Assignment Fee | 10% of the sales price including any fees and interest on payments over time (inclusive of any non-cash consideration using market valuation) or your Renewal Fee, whichever is more | Prior to the transfer or assignment | You must pay this fee to us before your franchise is transferred/assigned. |
| Business Entity Assignment Fee | \$500 | Prior to the assignment to the Business Entity | (See Note 5) |
| Liquidated Damages | Up to \$2,000 per month until the default is cured and \$2,000 per day if we (or our designee) provide any on-site support | On demand | Due only if you are in default of the Franchise Agreement and/or we (or our designee) provide on-site support |

| | | | |
|--|---|-------------------|--|
| Insufficient Funds | \$100 | On demand | If there are insufficient funds in your account from which we will make a withdrawal by electronic funds transfer, then we have the right to charge you the fee for each declined transaction. We may also resubmit the EFT payment request to the bank. |
| (1) Type of fee | (2) Amount (See Notes 1 and 6) | (3) Due Date | (4) Remarks |
| Late Fee | Immediately upon being late, 5% of the outstanding amount, or the maximum allowed by law, whichever is more | On demand | Applies to any fee owed under the Franchise Agreement that is late. |
| Interest for all Late Payments | 5% per month or the maximum allowed by law, whichever is more, on any balance unpaid by more than 30 days | On demand | Payable on all amounts overdue by more than 30 days. |
| Video Conferencing License | \$80 per license | Annually | (See Note 7) |
| | | | |
| CC360 (Per Member) | \$84 per license | Annually | (See Note 8) |
| CC360 (Per Director) | \$1,215 per license | Annually | (See Note 8) |
| Franchise Leadership Summit | \$500 to \$1500 | Once in two years | (See Note 9) |
| Franchise Leadership Summit Non Attendance Fee | \$1000 to \$3000 | On-demand | (See Note 9) |
| Annual Global Convention | \$2000 to \$4000 | Annually | (See Note 10) |
| Annual Global Convention Non-Attendance Fee | \$4000 to \$8000 | On demand | (See Note 10) |

Notes:

1. All fees are imposed by us and are payable to us unless we tell you otherwise. All fees are non-refundable. All fees must be paid via ACH or in any other form that we may require. Business checks are not an accepted method of payment. All fees imposed by us are uniformly imposed

on all franchisees subject to the offering in this Disclosure Document; however, we reserve the right to waive or reduce any such fees as circumstances warrant. Unless we specify another method of payment, we will generally obtain payment from you for all fees due to us through electronic fund transfer procedures.

2. You must pay us a Continuing Royalty in the amount of 20% of the prior month's Gross Revenues. The term "Gross Revenues" is defined in the Franchise Agreement and means all sums received or receivable by you in and from the operation of your CorporateConnections franchise, (including but not limited to application, registration, membership, participation, and training fees and such other fees we designate), including any applicable associated late fees. We reserve the right to modify our policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from "Gross Revenues", as circumstances, business practices, and technology change.

We must receive your payment of the Continuing Royalty on or before the 15th of each month. The Franchise Agreement requires that you pay by electronic funds transfer ("EFT") in readily available funds or in any other form that we may require. You must establish an appropriate EFT and sign the EFT authorization forms that we specify. Since payments are due to us or our bank no later than the 15th of each month, you must have sufficient funds in your account by the 14th of each month, as the EFT process will usually draft funds from the specified account the day before for payment on the next day. You may not pay your Continuing Royalty or any other fees due under the Franchise Agreement by credit card.

We have the right to specify the minimum Membership Fee and the maximum Membership Fee to be charged by You. We retain the right to modify the minimum Membership Fee and the maximum Membership Fee from time-to-time in our sole discretion. You must strictly adhere to the lawful Membership Fees established by us because the purpose of establishing such Membership Fees is to enhance interbrand competition. Notwithstanding the above, You shall not be required to comply with any Membership Fees that are deemed to be per se unlawful.

3. We do not currently require you to spend money on local marketing and promotion in your Region, but we reserve the right to do so. If required by us, you must spend up to 5% of the previous month's Gross Revenues as the Local Marketing Expenditure. You will pay vendors for local marketing and promotion directly.
4. We require you to pay a Global Marketing and Technology Fee contribution at the monthly rate of 2% of the previous month's Gross Revenues. The Global Marketing and Technology Fee covers the cost of maintaining advertising, marketing and promotional programs, materials and activities that we believe will enhance the image of the System. The contributions also cover your cost to use the Operating Management System we designate for the operation of your CorporateConnections franchise, the accounting and financial software we designate and any other computer software or IT support services we designate as covered under these contributions. We reserve the right to raise the Global Marketing and Technology Fee to a maximum of 5% after providing you with written notice. Additional details of the Global Technology Fee can be found below in Item 11, under the subheading "Advertising and Promotion."
5. Under the Franchise Agreement, you must pay this fee to us when you assign your franchise to any non-individually owned entity that you own 100% of the voting stock of or, if the ownership of your franchise consists of more than one individual, then each individual must have the same proportionate ownership interest in the non-individually owned entity as that individual had in the franchise prior to the assignment.
6. All fees listed above exclude any applicable taxes and shipping fees.
7. CorporateConnections has developed two new meeting formats – CorporateConnections Virtual Chapter Meeting and CorporateConnections Hybrid Meeting. CorporateConnections Virtual Chapter Meeting is a virtual online tool to serve as an alternative to in-person Chapter meetings when in-person meetings are not possible and has now become one of our permanent options for meetings. The program consists of a virtual online meeting platform, a meeting

manual/agenda/script, and a customized PowerPoint deck. CorporateConnections Virtual Chapter Meeting are Chapters that meet permanently online using video conferencing software each week. CorporateConnections Hybrid Chapters are Chapters that meet the first week in person and the remaining weeks online. CorporateConnections may change the schedule of in-person and online meeting cadences for Hybrid Chapters in the future. CorporateConnections may, in its sole discretion, modify or require you to resume face-to-face meetings at any time, upon written notice to the franchise system, without an individual written notice to each franchisee.

You must use Zoom or then current video conferencing software in order to help facilitate CorporateConnections Virtual Chapter Meeting and CorporateConnections Hybrid Meeting. You can sign up for the enterprise account with Zoom for Eighty Dollars (\$80) or the then most current cost per license, which you pay directly to us and which shall renew annually on March 13 unless otherwise noted. Should you require more than one license, the costs will be multiplied accordingly. Where you have multiple Chapters that meet on the same day with overlapping times, multiple licenses will be needed as CorporateConnections strongly recommends that each Chapter utilize its own Corporate Connections Zoom license. Your Zoom license can only be used by one user at a time and as a result, we anticipate that you will need multiple licenses in order to support your CorporateConnections Virtual Chapter Meeting or CorporateConnections Hybrid Meeting. This price is subject to change at any time and without prior notice. You must agree in writing to Zoom's terms and conditions (available at <https://www.zoom.us/terms>). You agree to indemnify and hold harmless Corporate Connections, its parents, affiliates, and their respective officers, directors, and employees from and against any claims, damages or losses resulting from your acts and/or omissions in using the Zoom licenses. We reserve the right to change the third-party video conferencing provider or add an additional third-party video conferencing provider at any time and in our sole discretion with prior notice to you.

You shall make the initial payment for your license(s) prior to opening your franchise for business to us and shall subsequently receive an invoice for any costs incurred. The Zoom license fee paid to us shall not be refunded for any reason and upon termination for any reason the Zoom license granted to you through us terminates as of the date of termination or expiration of the Franchise Agreement. We reserve the right to inspect any chapter meetings occurring through Zoom (or then-current video conferencing provider platform) and access your Zoom (or then-current video conferencing provider) accounts at any time and without prior notice.

8. Customer Relationship Management System (also known as "CC360"). You must purchase and use a customer relationship management ("CRM") system, currently from Salesforce ("Salesforce License Fee"). You can sign up for the enterprise account with Salesforce for Seven Dollars (\$7) per license per month for each member and One Hundred and One Dollars and Twenty-Five Cents (\$101.25) per license per month for each director, or the then most current cost per license for member and director. You are required to purchase at least one CRM license. Depending upon the number of coaches or directors you appoint to your chapter you may wish to purchase an additional CRM license, but you are not required to do so. The CRM license through Salesforce held by a director ("Director License") can only be transferred to another director, while a member's license can only be transferred to another member. All licenses shall renew annually on February 15 unless otherwise noted. Should you require more than one license, the costs of multiple CRM licenses will be the number of licenses times the cost of the first license. A Salesforce License Fee is paid in full for the coming year and it is nonrefundable. This Salesforce License Fee will be in addition to the Global Marketing and Technology Fee and Video Conferencing License referenced herein. The cost will be billed by us.

The Salesforce License Fee is subject to change at any time upon sixty (60) days' advance written notice. The Salesforce License Fee paid to us shall not be refunded for any reason and upon expiration or termination of your Franchise Agreement for any reason the Salesforce license granted to you through us terminates as of the date of termination or expiration of your Franchise Agreement. You agree to indemnify and hold us, our parents, affiliates, and our respective officers, directors, and employees from and against any claims, damages or losses resulting from your acts and/or omissions in using the Salesforce licenses. We reserve the right to change the third-party CRM provider or add an additional third-party CRM provider upon providing prior notice

to you, but we will not change such provider more than one time each year during the term of your Franchise Agreement.

9. You must attend the Franchise Leadership Summit (“FL Summit”) organized by us once every two years at a location determined by us. If the FL Summit is offered in person, then you should attend in person. If you fail to attend the mandatory FL Summit, you must pay an FL Summit non-attendance fee to us, which will be between \$1000 to \$3000, within thirty (30) days of conclusion of the FL Summit. Payment of the FL Summit non-attendance fee does not absolve you from potential default for non-compliance with this requirement. Travel, food and lodging is not included in the Registration Fee,
10. You must attend the annual Global Convention for Directors (“Global Convention”) in its entirety each year organized by us at a location determined by us. If the Global Convention is offered in person, then you should attend in person. You are expected to attend and fully participate in the Global Convention. Full participation is defined as attending all general sessions and no fewer than 80% of breakout sessions and/or training. If you fail to attend the mandatory Global Convention each year, you must pay an annual Global Convention Non-Attendance Fee non-attendance fee to us, which will be between \$4000 to \$8000, within thirty (30) days of conclusion of the Global Convention. Payment of the Global Convention fee non-attendance fee does not absolve you from potential default for non-compliance with this requirement. Travel, food and lodging is not included in the Registration Fee,

**Item 7.
Estimated Initial Investment YOUR ESTIMATED INITIAL INVESTMENT**

Up to Five (5) Chapters Franchise

| (1) Type of expenditure | (2) Amount | | (3) Method of Payment | (4) When Due | (5) To Whom Payment is to Be Made |
|--|-------------------------|--------------------------|--------------------------|-----------------|--|
| | Lowest Estimated Amount | Highest Estimated Amount | | | |
| Initial Franchise Fee* (See Note 1) | \$79,000 | \$79,000 | (See Note 1) | (See Note 1) | Us |
| Training Fees for Additional Training/Personnel* (See Notes 2) | \$0 | \$5,000 | (See Note 2) | (See Note 2) | Us |
| Supplies, Equipment and Software* (See Note 3) | \$1,000 | \$8,000 | (See Note 3) | (See Note 3) | Us or Our Affiliate or approved Supplier |
| Computer | \$500 | \$5,000 | As Arranged | When Arranged | Independent Vendors |
| Advertising Expenses (See Note 4) | \$500 | \$5,000 | As Arranged | As Incurred | Independent Vendors |
| Business Registration/License (See Note 5) | \$500 | \$3,000 | As Arranged | As Incurred | Independent Vendors |
| Insurance (See Note 6) | \$500 | \$8,000 | As Arranged | When Arranged | Independent Carrier |
| Video Conferencing License | \$80 | \$400 | (See Note 7) | (See Note 7) | Us or Third-Party Approved Vendor |
| Salesforce License Fee/CC 360* (See Note 8) | \$1,215 | \$8,505 | As Arranged | As Arranged | Us |

| | | | | | |
|---|-----------------|----------------|------|-------------|-------------------|
| Additional Funds - 3 Months (See Note 9) | \$15,000 | \$30,000 | Cash | As Incurred | Various Payees |
| Total | \$98,295 | 151,905 | | | |

*This payment to Us or Our Affiliate is non-refundable.

Notes:

1. You must pay us the Initial Franchise Fee in the minimum amount of Seventy-Nine Thousand Dollars (\$79,000) for five (5) Chapters Franchise. You will need to pay us the Initial Franchise Fee when you sign your Franchise Agreement. The Initial Franchise Fee will include the Initial Training Fee for up to two (2) people. The Initial Franchise Fee is deemed fully earned and non-refundable when you sign the Franchise Agreement, and it is not refundable under any circumstances. You are required to pay the Initial Franchise Fee by electronic funds transfer in readily available funds or in any other form that we may require, payable to us. All payments to us are non-refundable. Payments made to third parties are subject to the terms you have with the third parties.
2. The fee for you and the Key Person to attend the Initial Training Program is included in the Initial Franchise Fee. If you wish to send additional personnel to Managing Director and Chapter Director Training, the training fee for each additional person is \$2,500. The fee for each additional person to attend the Executive Director Training is \$2,500. This does not include each person's expenses to attend the training program such as travel, lodging, meals, transportation, any translator and/or translation services costs, and other incidental expenses. Training sessions will be held virtually, or in another location we may designate from time to time.
3. Upon the execution of your Franchise Agreement for a franchise without any Chapters, you must purchase from us, our affiliates, or a supplier we authorize initial supplies, materials and software licenses required for the operation of your franchise. These payments are not refundable.
4. This includes your estimated expenditures to advertise the opening of your CorporateConnections franchise.
5. This includes the estimated cost to establish a business entity or to obtain any required licenses to operate your franchise.
6. You will need to purchase and maintain in effect at all times during the term of the Franchise Agreement, a policy or policies of insurance, naming us as an additional insured on the face of each policy, for (1) bodily and personal injury, death, property damage, personal and advertising injury, products liability and contractual liability in the amount of \$2,000,000 per occurrence, and (2) data breach, data security and cyber liability in the amount of \$1,000,000 per occurrence. You must also purchase and maintain throughout the term of the Franchise Agreement professional liability insurance, errors and omissions insurance, employment practices liability insurance and such other insurance as we designate. The limit of liability for such coverage shall be no less than One Million Dollars (\$1,000,000) per occurrence. You must also purchase any other insurance as required by law.
7. CorporateConnections has developed two new meeting formats CorporateConnections Virtual Chapter Meeting and CorporateConnections Hybrid Meeting. CorporateConnections Virtual Chapter Meeting is a virtual online tool to serve as an alternative to in-person Chapter meetings when in-person meetings are not possible and has now become one of our permanent options for meetings. The program consists of a virtual online meeting platform, a meeting manual/agenda/script, and a customized PowerPoint deck. CorporateConnections Virtual Chapter Meeting Chapters are Chapters that meet permanently online using video conferencing software each week. CorporateConnections Hybrid Meeting Chapters are Chapters that meet the first week in person and the remaining weeks online. CorporateConnections may change the schedule of in-person and online meeting cadences for CorporateConnections Hybrid Meeting Chapters in the future. CorporateConnections may, in its sole discretion, modify or require you to resume face-to-face meetings at any time, upon written notice to the franchise system, without

an individual written notice to each franchisee.

You must use Zoom In order to help facilitate CorporateConnections Virtual Chapter Meeting and to ensure all Members have the same great online experience worldwide. CorporateConnections has worked with Zoom Video Conferencing to negotiate a preferred rate to meet your digital connectivity needs. Through CorporateConnections, you can sign up for the enterprise account with Zoom for Eighty Dollars (\$80) per license, which you pay directly to us, and which shall renew annually on March 13. Should you require more than one license, the costs will be multiplied accordingly. Where you have multiple Chapters that meet on the same day with overlapping times, multiple licenses will be needed. Your Zoom license can only be used by one user at a time and as a result, we anticipate that you will need multiple licenses in order to support your Chapters transition to CorporateConnections® Virtual Chapter Meeting. This price is subject to change at any time and without prior notice. You must agree in writing to Zoom's terms and conditions (available at <https://www.zoom.us/terms>). You agree to indemnify and hold harmless Corporate Connections, its parents, affiliates, and their respective officers, directors, and employees from and against any claims, damages or losses resulting from your acts and/or omissions in using the Zoom licenses. We reserve the right to change the third-party video conferencing provider or add an additional third-party video conferencing provider at any time and in our sole discretion with prior notice to you.

The highest estimated amount is calculated based on the number of Chapters in your Region multiplied by the Zoom Video Conferencing rate of \$80 per license. If you do not use Zoom Video Conferencing, your video conferencing license fee will vary depending on the amount per license charged by our video conferencing provider. We reserve the right to inspect any chapter meetings occurring through Zoom (or then-current video conferencing provider platform) and access your Zoom (or then-current video conferencing provider) accounts at any time and without prior notice.

You shall make the initial payment for your license(s) prior to opening your franchise for business to us and shall subsequently receive an invoice for any costs incurred. The Zoom license fee paid to us shall not be refunded for any reason and upon termination for any reason the Zoom license granted to you through us terminates as of the date of termination or expiration of the Franchise Agreement.

8. You must use Sales Force CRM in order to help and support members of CorporateConnections in your region to connect and build relationships with other members from across the globe. You must purchase and use a customer relationship management ("CRM") system, currently from Salesforce ("Salesforce License Fee" also known as CC360). You can sign up for the enterprise account with Salesforce for Seven Dollars (\$7) per license per month for each member and One Hundred and One Dollars and Twenty-Five Cents (\$101.25) per license per month for each director, or the then most current cost per license for member and director. You are required to purchase at least one director's License. A director license can only be transferred to another director and a member license can only be transferred to another member. All licenses shall renew annually on February 15 unless otherwise noted. Should you require more than one license, the costs will be multiplied accordingly. A Salesforce License Fee is paid in full for the coming year and it is nonrefundable. This Salesforce License Fee will be in addition to the Global Marketing and Technology Fee and Video Conferencing License referenced herein. The cost will be billed by us.

The highest estimated amount as initial investment is calculated based on the number of Chapter Directors you plan to have to launch and support the Chapters. You could have five Chapter Directors licenses for launch and support along with one for the Executive Director and another for your regional office admin. Each director license would cost Twelve Hundred and Fifteen Dollar \$1,215, per year, thus Eight Five Hundred and Five Dollars\$8,505 forseven licenses per year. The Chapter Director of launch for one Chapter can transfer the Chapter Director License to Chapter Director License for support after the Chapter is launched. If your Region has one or more active Chapters, then there will be additional licenses need to be procured along with licenses for each member. The License fees for each member is Eighty-Four Dollars\$84 per annum.

You shall make the initial payment for your license(s) upon opening your franchise for business to us and shall subsequently receive an invoice for any additional licenses required. The Salesforce License Fee paid to us shall not be refunded for any reason and upon termination for any reason the Salesforce License Fee will be payable to full term as originally purchased.

9. We recommend that you have additional funds available during the start-up phase of your franchise. These amounts are our estimates of the amount needed to cover your expenses for a 3-month period from the date you open for business. These additional funds are necessary if you choose to work from a commercial space. In that event you will incur additional costs for real estate expenses, which may vary based on the real estate market of your location. If you are a BNI® franchisee, you may operate your BNI® franchise and CorporateConnections franchise from the same location. We based these cost estimates on our experience with opening similar franchises for our affiliated company BNI Franchising, which we have operated over the past 38 years.
10. Neither we nor any of our affiliates finances part of the initial investment.

YOUR ESTIMATED INITIAL INVESTMENT

Single Chapter Franchise

| (1) Type of expenditure | (2) Amount | | (3) Method of Payment | (4) When Due | (5) To Whom Payment is to Be Made |
|--|-------------------------|--------------------------|--------------------------|-----------------|--|
| | Lowest Estimated Amount | Highest Estimated Amount | | | |
| Initial Franchise Fee* (See Note 1) | \$30,000 | \$30,000 | (See Note 1) | (See Note 1) | Us |
| Training Fees for Additional Training/Personnel* (See Notes 2) | \$0 | \$5,000 | (See Note 2) | (See Note 2) | Us |
| Supplies, Equipment and Software* (See Note 3) | \$1,000 | \$8,000 | (See Note 3) | (See Note 3) | Us or Our Affiliate or approved supplier |
| Computer | \$500 | \$5,000 | As Arranged | When Arranged | Independent Vendors |
| Advertising Expenses (See Note 4) | \$500 | \$5,000 | As Arranged | As Incurred | Independent Vendors |
| Business Registration/License (See Note 5) | \$500 | \$3,000 | As Arranged | As Incurred | Independent Vendors |
| Insurance (See Note 6) | \$500 | \$8,000 | As Arranged | When Arranged | Independent Carrier |
| Video Conferencing License | \$80 | \$80 | (See Note 7) | (See Note 7) | Us or Third-Party Approved Vendor |
| Salesforce License Fee/CC 360* (See Note 8) | \$ 1215 | \$2430 | As Arranged | As Arranged | Us |
| Additional Funds - 3 Months (See Note 9) | \$5,000 | \$15,000 | Cash | As Incurred | Various Payees |
| Total | \$39,295 | \$81,510 | | | |

*This payment to Us or Our Affiliate is non-refundable.

Notes:

1. You must pay us the Initial Franchise Fee in the minimum amount of Thirty Thousand Dollars (\$30,000) for single Chapter franchise. You will pay us the Initial Franchise Fee when you sign your Franchise Agreement. The Initial Franchise Fee will include the Initial Training Fee for up to two (2) people. The Initial Franchise Fee is deemed fully earned and non-refundable when you sign the Franchise Agreement, and it is not refundable under any circumstances. You are required to pay the Initial Franchise Fee by electronic funds transfer in readily available funds or in any other form that we may require, payable to us. All payments to us are non-refundable. Payments made to third parties are subject to the terms you have with the third parties.
2. The fee for you and the Key Person to attend the Initial Training Program is included in the Initial Franchise Fee. If you wish to send additional personnel to Managing Director and Chapter Director Training, the training fee for each additional person is \$2,500. The fee for each additional person to attend the Executive Director Training is \$2,500. This does not include each person's expenses to attend the training program such as travel, lodging, meals, transportation, any translator and/or translation services costs, and other incidental expenses. Training sessions will be held virtually, in Montreal, Canada, or in another location we may designate from time to time.
3. Upon the execution of your Franchise Agreement for a franchise without any Chapters, you must purchase from us, our affiliates, or a supplier we authorize initial supplies, materials and software licenses required for the operation of your franchise. These payments are not refundable.
4. This includes your estimated expenditures to advertise the opening of your CorporateConnections franchise.
5. This includes the estimated cost to establish a business entity or to obtain any required licenses to operate your franchise.
6. You will need to purchase and maintain in effect at all times during the term of the Franchise Agreement, a policy or policies of insurance, naming us as an additional insured on the face of each policy, for (1) bodily and personal injury, death, property damage, personal and advertising injury, products liability and contractual liability in the amount of \$2,000,000 per occurrence, and (2) data breach, data security and cyber liability in the amount of \$1,000,000 per occurrence. You must also purchase and maintain throughout the term of the Franchise Agreement professional liability insurance, errors and omissions insurance, employment practices liability insurance and such other insurance as we designate. The limit of liability for such coverage shall be no less than One Million Dollars (\$1,000,000) per occurrence. You must also purchase any other insurance as required by law.
7. CorporateConnections has developed two new meeting formats CorporateConnections Virtual Chapter Meeting and CorporateConnections Hybrid Meeting. CorporateConnections Virtual Chapter Meeting is a virtual online tool to serve as an alternative to in-person Chapter meetings when in-person meetings are not possible and has now become one of our permanent options for meetings. The program consists of a virtual online meeting platform, a meeting manual/agenda/script, and a customized PowerPoint deck. CorporateConnections Virtual Chapter Meeting Chapters are Chapters that meet permanently online using video conferencing software each week. CorporateConnections Hybrid Meeting Chapters are Chapters that meet the first week in person and the remaining weeks online. CorporateConnections may change the schedule of in-person and online meeting cadences for CorporateConnections Hybrid Meeting Chapters in the future. CorporateConnections may, in its sole discretion, modify or require you to resume face-to-face meetings at any time, upon written notice to the franchise system, without individual written notice to each franchisee.

You must use Zoom In order to help facilitate CorporateConnections Virtual Chapter Meeting and to ensure all Members have the same great online experience worldwide. CorporateConnections has worked with Zoom Video Conferencing to negotiate a preferred rate to meet your digital

connectivity needs. Through CorporateConnections, you can sign up for the enterprise account with Zoom for Eighty Dollars (\$80) per license, which you pay directly to us and which shall renew annually on March 13. Should you require more than one license, the costs will be multiplied accordingly. Where you have multiple Chapters that meet on the same day with overlapping times, multiple licenses will be needed. Your Zoom license can only be used by one user at a time and as a result, we anticipate that you will need multiple licenses in order to support your Chapters transition to CorporateConnections® Virtual Chapter Meeting. This price is subject to change at any time and without prior notice. You must agree in writing to Zoom's terms and conditions (available at <https://www.zoom.us/terms>). You agree to indemnify and hold harmless Corporate Connections, its parents, affiliates, and their respective officers, directors, and employees from and against any claims, damages or losses resulting from your acts and/or omissions in using the Zoom licenses. We reserve the right to change the third-party video conferencing provider or add an additional third-party video conferencing provider at any time and in our sole discretion with prior notice to you.

. If you do not use Zoom Video Conferencing, your video conferencing license fee will vary depending on the amount per license charged by our video conferencing provider. We reserve the right to inspect any chapter meetings occurring through Zoom (or then-current video conferencing provider platform) and access your Zoom (or then-current video conferencing provider) accounts at any time and without prior notice.

You shall make the initial payment for your license(s) prior to opening your franchise for business to us and shall subsequently receive an invoice for any costs incurred. The Zoom license fee paid to us shall not be refunded for any reason and upon termination for any reason the Zoom license granted to you through us terminates as of the date of termination or expiration of the Franchise Agreement.

8. You must use Sales Force CRM in order to help and support members of CorporateConnections in your region to connect and build relationships with other members from across the globe. You must purchase and use a customer relationship management ("CRM") system, currently from Salesforce ("Salesforce License Fee" also known as CC360). You can sign up for the enterprise account with Salesforce for Seven Dollars (\$7) per license per month for each member and One Hundred and One Dollars and Twenty-Five Cents (\$101.25) per license per month for each director, or the then most current cost per license for member and director. You are required to purchase at least one director's License, but you may purchase additional licenses to assist in the support of your chapter if you appoint additional directors or coaches to monitor your chapter. But you are not required to purchase more than one license. The cost of multiple licenses will be the cost of the initial Salesforce license fee times the number of licenses you may wish to have for your chapter. A director license can only be transferred to another director and a member license can only be transferred to another member. All licenses shall renew annually on February 15 unless otherwise noted. A Salesforce License Fee is paid in full for the coming year and it is nonrefundable. This Salesforce License Fee will be in addition to the Global Marketing and Technology Fee and Video Conferencing License referenced herein. The cost will be billed by us.

The highest estimated amount as initial investment is calculated based on the number of Chapter Directors you plan to have to launch and support the chapters. You could have two-Chapter Directors licenses for launch and support directors. Each director license would cost \$1,215 per year, thus \$2,430 for the two licenses per year.

You shall make the initial payment for your license(s) upon opening your franchise for business to us and shall subsequently receive an invoice for any additional licenses required. The Salesforce License Fee paid to us shall not be refunded for any reason and upon termination for any reason the Salesforce License Fee will be payable to full term as originally purchased.

9. We recommend that you have additional funds available during the start-up phase of your franchise. These amounts are our estimates of the amount needed to cover your expenses for a 3-month period from the date you open for business. You may incur additional costs if you have

dedicated commercial real space, which may vary based on the real estate market of your location. If you are a BNI® franchisee, you may operate your BNI® franchise and CorporateConnections franchise from the same location. We based these cost estimates on our experience with opening similar franchises for our affiliated company BNI Franchising, which we have operated over the past 38 years.

10. Neither we nor any of our affiliates finances part of the initial investment.

**Item 8.
Restrictions on Sources of Products and
Services**

You must purchase initial supplies (Membership Applications and New Member Kit,) from the list of items in Exhibit B of the Franchise Agreement, from us or an authorized supplier prior to the opening of your CorporateConnections franchise. You must license and use the Operating Management System in the operation of each Chapter. We will issue you specifications and standards through our operations manual or other directives that we may provide you from time to time. You must purchase additional supplies from us as you need them in the operation of your franchise. We currently act as an approved supplier, but we will allow you to use other suppliers to provide many of our supplies and materials as long as we approve the alternative supplier in writing (as described in the procedure below) and these supplies and materials meet the branding standards we designate. At your request, we will provide you with criteria for approving suppliers. We will receive revenue from franchisees' purchases of these supplies based on an increase in their costs of producing these supplies and the proprietary value assessed to these supplies.

You may use only those promotional and marketing materials or items which are authorized by us in writing. You must get our prior written approval prior to releasing or using any local printing, marketing or promotional programs, other than those provided by us.

You must purchase a computer from an independent vendor with the capabilities of utilizing our operating software for the operation of your franchise. We do not receive any revenue from your purchase of a computer.

We require you to use a customer relationship management system ("CRM") in order to better organize your members or local marketing efforts. You are required to use the company or organization that is approved by us, currently Salesforce. You will pay us our cost of using the CRM system or we may require you to pay for the CRM service directly to the provider. We may change the CRM provider upon notice to you, but we will not change such provider more than one time each year during the Term of your Franchise Agreement with us. This fee will be in addition to the Global Marketing and Technology Fee and Video Conferencing License. See note 8 under Item 6.

If you wish to purchase any of the required materials described above from an alternative supplier, you must first submit an electronic or written request to us requesting permission to do so. We do not require a fee for you to make such a request. Upon your request, we may require that you send us samples of the materials you wish to purchase from the alternative supplier. The materials must meet our branding standards and properly use our trademarks, which are the only criteria we consider when reviewing your request. We will approve or deny your request within seven (7) business days after we receive it. If we discover that an item you have purchased from an alternative supplier does not meet our branding standards, we will send you an electronic notification, upon which you must immediately cease using such item(s).

None of our officers own any interest in any supplier other than us and our affiliates.

We do not have any purchasing or distribution cooperatives. We have not negotiated any purchase arrangements with any suppliers for the benefit of the franchisees. We do not provide any material benefits to a franchisee based on a franchisee's purchase of particular products or services or use of any particular suppliers.

We and our affiliates did not derive any revenue from the sale of required supplies and materials to

franchisees. In determining how revenues were computed the most recent audited financial statements dated December 31, 2022 were used.

We estimate that your purchases from approved suppliers or according to our specifications will represent approximately 1% to 5% of your total purchases necessary to establish and operate your CorporateConnections franchise.

As noted above, you must obtain and, at all times during the term of your Franchise Agreement, maintain in full force and effect, a commercial general liability policy providing coverage for any and all claims including (1) bodily and personal injury, death, property damage, personal and advertising injury, products liability, contractual liability (including coverage for the indemnification) in the amount of \$2,000,000 per occurrence, (2) data breach, data security, cyber liability and other electronic network losses in conjunction with the conduct of the CorporateConnections franchise in the amount of \$1,000,000 per occurrence, and (3) other coverage required by law in conjunction with the conduct of the CorporateConnections franchise. Such insurance coverage must be maintained under one or more policies of insurance issued by an insurance carrier or carriers acceptable to us. The policies shall provide coverage with combined single limits of not less than Two Million Dollars (\$2,000,000) per occurrence (One Million Dollars (\$1,000,000) for data breach, date security and cyber liability), or in such other amounts or coverage as we may periodically require. You shall also purchase and maintain throughout the term of your Franchise Agreement, in those markets where available, professional liability insurance, errors and omissions insurance, employment practices liability insurance and such other insurance as we may require. The limit of liability for such coverage shall be no less than Two Million Dollars (\$2,000,000) per occurrence. You must name us and our affiliates as additional insureds on all policies. We may require, at any time, on reasonable prior notice to you, different or additional kinds of insurance.

**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 other items of this Disclosure Document.

| <i>Obligation</i> | <i>Section in Agreement</i> | <i>Disclosure Document Item</i> |
|--|------------------------------------|--|
| a. Site selection and acquisition/lease | Not applicable | Not applicable |
| b. Pre-opening purchases/leases | Article 4 | Item 7 |
| c. Site development and other pre-opening requirements | Article 5 | Item 11 |
| d. Initial and ongoing training | Articles 4 and 5 | Item 11 |
| e. Opening | Articles 5 and 6 | Item 11 |
| f. Fees | Articles 4, 5, 6, 15, 17 and 19 | Items 5, 6 and 7 |
| g. Compliance with standards and policies/Manuals | Article 6 | Item 11 |
| h. Trademarks and proprietary information | Articles 6 and 11 | Items 13 and 14 |
| i. Restrictions on products/services offered | Article 6 | Items 8 and 16 |
| j. Warranty and customer service requirements | Article 7 | Not Applicable |
| k. Territorial development and sales quotas | Article 7 | Item 12 |
| l. Ongoing product/service purchases | Article 6 | Items 8 and 16 |
| m. Maintenance, appearance and remodeling requirements | Article 3 | Item 17 |
| n. Insurance | Article 13 | Item 7 |
| o. Advertising | Articles 6, 8, 9 and 11 | Items 7, 11, 12 and 16 |
| p. Indemnification | Article 13 | Items 6, 13 and 14 |

| | | |
|---|----------------------|----------------|
| q. Owner's participation/management/ staffing | Article 6 | Item 15 |
| r. Records and reports | Articles 6, 7 and 10 | Item 11 |
| s. Inspections and audits | Articles 6 and 10 | Item 6 |
| t. Transfer | Article 15 | Item 17 |
| u. Renewal | Article 3.3 | Item 17 |
| v. Post-termination obligations | Article 18 | Item 17 |
| w. Non-competition covenants | Article 19 | Item 17 |
| x. Dispute resolution | Article 20 | Item 17 |
| y. Owners' Guaranty | Article 2 | Item 15 |
| z. Other (describe) | Not Applicable | Not Applicable |

**Item 10.
Financing**

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

**Item 11.
Franchisor's Assistance, Advertising, Computer Systems, and Training**

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

Before you open your business, we will:

1. Designate your Region (Franchise Agreement, Exhibit A). Other than approving your Region, we do not need to approve the specific location of your franchise, as we assume you may work from a home office.
2. Advise as to methods of training staff to work in and assist in operating a franchise and provide trainings or orientations as necessary or requested. (Franchise Agreement, Articles 5 and 6)
3. Provide you, or have our designee provide you, with the necessary initial inventory of supplies, materials and software that you are required to purchase to open your franchise (Franchise Agreement, Article 4 and Exhibit B). We will provide you with the names of approved suppliers. Beyond providing you with names of approved suppliers, we will not assist you in obtaining equipment, signs, fixtures, and/or inventory and supplies.
4. Provide you and your Key Person with our Initial Training Program, which consists of Executive Director onboarding, Chapter Support Training, and Chapter Launch Training (Franchise Agreement, Article 5).
5. Provide you and your Key Person with Franchise Training and approximately 2 days of training and education at the annual Franchise Leadership Summit. Franchise Leadership Summit is an annual summit exclusive for National Directors and Executive Directors from across the world. The objective of the summit is to learn and share best practices for building a world class global community of leaders. This is also an opportunity to recognize the franchisees for their exceptional contributions and growth in their countries.

Continuing Obligations

During the operation of your business, we will:

1. Provide support and assistance through e-mail or telephone. (Franchise Agreement, Article 8)
2. Provide marketing assistance to help promote your franchise. (Franchise Agreement, Article 8)
3. Provide information from our continuing research and development as we deem necessary to improve your franchise. (Franchise Agreement, Article 8)

4. Provide production and distribution of newsletters as provided in the Franchise Agreement. (Franchise Agreement, Article 8)
5. Provide additional training, periodic seminars, advice and assistance to you at our discretion that we may deem proper and advisable. (Franchise Agreement, Articles 5 and 8)

Site

You do not need to have a site in order to operate your franchise. There is no fixed location required in which to hold your meetings. You may change the venue to adopt to the various needs of your members. Accordingly, we do not provide any assistance if you choose to have a site for the operation of your franchise. Any site you choose to have must be located within your Region. If you are a BNI® franchisee, you may operate your BNI® franchise and CorporateConnections franchise from the same location.

Typical Length of Time Before Operation

Though the time may vary, the typical length of time between the signing of the franchise agreement and the opening of your first Chapter is approximately 9 months if you are purchasing a new franchise. You are required to successfully complete Initial Training Program within 3 months of signing your franchise agreement if you are purchasing a new franchise. (Franchise Agreement, Article 5). Your successful completion of the onboarding and training programs are the main factor in determining when you are able to open your first Chapter.

Training

Within 3 months of the signing of your CorporateConnections franchise agreement or acquisition of the Franchised Business through succession or assignment (Franchise Agreement, Article 15), you, or your Key Person (or, if you are a business entity, all of your owners, unless otherwise agreed with Franchisor) must attend and successfully complete, to our satisfaction, the Initial Training Program Chapter Directors must attend and successfully complete, to our satisfaction, applicable Support or Launch Director Training. Your CorporateConnections franchise must also be under the active full-time management of either you or your designated Key Person. You and your designated Key Person will be required to complete the Initial Training Program once every five (5) years. We offer in-person training classes to accommodate new franchisees.

The Initial Training Fee for two of your personnel is included in the Initial Franchise Fee. Therefore, we will bear the cost of the Initial Training Program (instruction and required materials) for you and your Key Person (if you are not the Key Person) or Chapter Director. You, however, are solely responsible for all travel-related expenses, meals and payroll expenses associated with sending these attendees (and any others you designate) to our training programs. If you request additional training or if you ask us to provide initial training for additional employees, you must also pay for all of our travel, meals, lodging and payroll expenses associated with providing the additional training, whether it is delivered and performed at one of our CorporateConnections franchises, your CorporateConnections franchise, or another location we designate.

If any of the Directors or your Key Person cease active management or employment at your CorporateConnections franchise, then you must enroll a qualified replacement (who must be reasonably acceptable to us) in the Initial Training Program not more than 90 days after the end of the former person's full time employment or management responsibilities. This training will be provided by us at your CorporateConnections franchise or another location we designate. You will be obligated to pay all our then-current training fees and per diem expenses.

We may require that you and/or your personnel attend refresher courses, seminars, and other training programs periodically, including up to ten days of refresher programs each year during the term of the Franchise Agreement, but in no event will you be required to attend more than two trainings annually.

If you are in default under the Franchise Agreement, you and your personnel may also be required to attend

refresher courses, seminars, and other training programs as we may reasonably specify periodically, which may include up to ten days of refresher programs each year during the term of the Franchise Agreement. In addition, you may be required, from time to time, to attend additional trainings throughout the year.

We offer our Initial Training Program, virtually or at locations we select across the globe.

The following chart outlines our Initial Training Program:

TRAINING PROGRAM

Executive Director Onboarding

| Subject | Hours of Training | Hours of On-The-Job Training | Location |
|------------------------|--------------------------|-------------------------------------|--|
| The CC Basics | 2 | 0 | Locations determined by us, or video conferencing or video recording |
| Goal Setting & Purpose | 2 | 0 | Locations determined by us, or video conferencing or video recording |
| Marketing & Events | 2 | 0 | Locations determined by us, or video conferencing or video recording |
| Training & IT | 2 | 0 | Locations determined by us, or video conferencing or video recording |
| Planning your Growth | 2 | 0 | Locations determined by us, or video conferencing or video recording |
| Ongoing Support | 2 | 0 | Locations determined by us, or video conferencing or video recording |
| TOTALS | 12 | 0 | |

Chapter Support Director Training

| Subject | Hours of Training | Hours of On-The-Job Training | Location |
|---|--------------------------|-------------------------------------|--|
| The CC Offering & Support Director Role | 2 | 0 | , Locations determined by us, or video conferencing or video recording |
| Member Value and Skills | 2 | 0 | , Locations determined by us, or video conferencing or video recording |
| Chapter Leadership, Operations & Growth | 2 | 0 | , Locations determined by us, or video conferencing or video recording |
| TOTALS | 6 | 0 | |

Chapter Launch Director Training

| Subject | Hours of Training | Hours of On-The-Job Training | Location |
|--|--------------------------|-------------------------------------|--|
| The CC Offering & Launch Director Role | 2 | 0 | Locations determined by us, or video conferencing or video recording |
| Timeline for Launching | 2 | 0 | Locations determined by us, or video conferencing or |

| | | | |
|------------------------------|----------|----------|--|
| Chapters | | | video recording |
| Planning your launch success | 2 | 0 | Locations determined by us, or video conferencing or video recording |
| TOTALS | 6 | 0 | |

All of our instructors for the Initial Training Program instruct as to any of the subjects listed in the above tables. Our instructor for the Initial Training Program is currently Kelly Irons. Kelly has been working with Corporate Connections since 2020 and has been a training instructor since she came to Corporate Connections. We may change our training instructors at any time. Our training instructors will have at least one year of experience with the services and products that we offer through this franchise. We will conduct training as often as we need to in order to accommodate new franchisees coming into the system.

Manuals

We will provide you with access to our director and consultant materials and our leadership manuals (the "Manuals") either in electronic or paper format as provided in the Franchise Agreement (Franchise Agreement, Article 6). You may view the Manuals before you purchase your franchise, subject to your signing a confidentiality agreement.

Operating Manual

The table of contents to the Operations Manual follows below.

Total number of pages in the manual: 42.

Pages devoted to each subject:

1. Introduction to the Manual: 2 pages
2. CorporateConnections: The Company: 11 pages
3. Franchise Development: 3 pages
4. Appendix A: Brand Guidelines: 23 pages

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This Executive Director Operations Manual is designed to provide an orientation regarding the basic policies, procedures, premises and program of the CorporateConnections® System. Throughout this document, references made to a Director may refer to a Managing Director, Chapter Consultant or Executive Director. However, nothing contained herein shall change or impact the relationship the Director or Chapter Consultant has with CorporateConnections® (where applicable) or the Franchisee.

CorporateConnections®, *Where Leaders Connect*®, and the CorporateConnections® logo(s) are trademarks of Corporate Connections Global, LLC in the United States and other countries. The absence of a product or service, name or logo from this list does not constitute a waiver of CorporateConnections® trademark or other intellectual property rights concerning that name or logo. Other product and company names mentioned herein may be the trademarks of their respective owners.

Advertising and Promotion

Local Marketing

As described in Item 6 above, we reserve the right to require you to spend money on local marketing and promotion in the Region each month during the term of the Franchise Agreement (the “Local Marketing Expenditure”). If we do require the Local Marketing Expenditure, it will be no more than 5% of Gross Revenues of the Franchised Business during the preceding month. We are not required to spend any amount on advertising in your area or territory.

You may only market, promote and solicit for members within the boundaries of the Region. You may use our trademarks only in the forms prescribed by us. You may use only the marketing or promotional materials, signs or other items using our trademarks and/or connected in any way to the franchise which are approved in writing by us or as pre-approved pursuant to our standards. (Franchise Agreement, Article 6).

Global Marketing and Technology Fee

You will pay to us a Global Marketing and Technology Fee, which we are not required to segregate from our other funds. The Global Marketing and Technology Fee contributions will be maintained and administered by us or our designee as follows:

1. We or a designee will have the right to direct all advertising programs, as well as all aspects of the advertising program, including the concept, materials, and media used in the programs and the placement and allocation of the programs. We or a designee will also have the right to direct all technological enhancements and developments for the System. In part, the Global Marketing and Technology Fee is intended to maximize general public recognition, acceptance, and use of the System; and we and our designee are not obligated to make expenditures for you which are equivalent or proportionate to your contributions, to ensure that any particular franchisee benefits directly or pro rata from expenditures of the Global Marketing and Technology Fee contributions, or to expend any particular amount of money in any franchisee’s Region. We are not required to spend any amount of advertising in your area or territory.
2. All Global Marketing and Technology Fee contributions will be used only (except as otherwise provided below) to meet any and all costs of exploring and/or implementing technological developments and enhancements for the System and maintaining, administering, directing, conducting, creating, and/or otherwise preparing advertising, marketing, public relations and promotional programs and materials, and any other activities that we believe will enhance the image of the System. This includes, among other things, the costs of conducting research on new technologies, preparing and/or conducting media advertising campaigns, social media campaigns, direct mail advertising, marketing surveys and other public relations activities; product development and market testing; brand research and development; developing and hosting marketing, brand enhancement, and customer engagement seminars for franchisees; employing advertising and/or public relations agencies to assist therein; developing new or modified trade dress and marks; point-of-purchase (POP) materials; design and photographs; conducting and administering visual merchandising, and other merchandising programs; purchasing media space or time (including all associated fees and expenses); administering regional and multi-regional marketing and advertising programs; market research and customer satisfaction surveys; developing and implementing customer retention programs; the creative development of, and actual production associated with, premium items, giveaways, promotions, contests, public relation events, and charitable or non-profit events; developing and maintaining our website; developing, implementing and maintaining an electronic commerce website; developing, implementing and maintaining social media platforms and/or related strategies; maintaining and developing one or more websites devoted to the System, the trademarks and/or the “CorporateConnections” brand; providing promotional and other marketing materials and services to the CorporateConnections franchises operated under the System; and the salaries of our employees to the extent such employees provide services in conjunction with System marketing activities. The Global Marketing and Technology Fee may also be used to provide rebates or reimbursements to franchisees for local

expenditures on products, services, or improvements, approved in advance by us, which products, services, or improvements we will have the right to determine, that we believe will promote general public awareness and favorable support for the System. The Global Marketing and Technology Fee is not designed to solicit franchisees but solicitations for the sale of CorporateConnections franchises may be included in the advertisements that we produce and distribute. We will have the sole right to decide how to use the Global Marketing and Technology Fee, which may be used to create, place and pay for marketing and for researching and implementing technological developments and enhancements. We are not obligated to spend the contributions of the Global Marketing and Technology Fee in the same year the contributions are received. We may spend these contributions in the year they are received or in subsequent years.

3. We may engage in joint marketing and technological development activities with our affiliate BNI Franchising, LLC. We may use Global Marketing and Technology Fee contributions we receive from you and other CorporateConnections franchisees and/or technology fees received from BNI franchisees to, among other things, pay for marketing and promotional activities and/or implement technological developments and enhancements for the CorporateConnections System and the BNI System, such as our respective websites, online social media platforms, mobile apps, and operating management systems. We are not obligated to allocate these fees towards local or national media coverage. The advertising or marketing medium that we employ shall be at our discretion and can include, but not be limited to, local, regional, national, social media, and local and/or national website(s). We are currently not using any national or regional advertising agency to place any media that is employed in any of our marketing programs. As of the date of this disclosure document we pay retail costs for the placement of any media used in the operation of the franchise.
4. You must make your Global Marketing and Technology Fee contributions in the manner we specify, which will be by electronic fund transfer, by the 15th of each month. These contributions will not be kept in a separate fund or account and may be co-mingled with the other funds of Corporate Connections or its affiliates.
5. We will have the right to allocate or charge against the Global Marketing and Technology Fee contributions reasonable administrative costs and overhead that we incur in activities reasonably related to the direction and implementation of the Global Marketing and Technology Fee and marketing and technology programs for you and the System (for example, costs of personnel for creating and implementing, associated overhead, advertising, merchandising, promotional and marketing programs, and accounting services reasonably related to the administration of your contributions). While we will not set up a separate fund or account for Technology Fee contributions, we or our designee will maintain separate bookkeeping accounts for these contributions.
6. Your Global Marketing and Technology Fee contributions will not be used for ordinary operating expenses of our company. We do not assume any fiduciary obligation to you or any other franchisee for maintaining, directing, or administering the Technology Fee contributions. A statement of the operations related to Technology Fee contributions will be prepared annually by us and will be made available to you on an annual basis, upon your written request to us. This annual statement is not required to be audited, but we may choose to provide an audited statement upon request by you and at your expense.
7. Although the Global Marketing and Technology Fee contributions are intended to be of unlimited duration, we maintain the right to terminate the requirement at any time upon notice to you. If we terminate the requirement to make Global Marketing and Technology Fee contributions, we will spend any monies previously collected for technological, marketing, or promotional purposes. Our current policy is that we or our affiliates that operate CorporateConnections franchises will make Global Marketing and Technology Fee contributions on the same basis as is required of our franchisees.

We have established a requirement to make Global Marketing and Technology Fee contributions. Global Marketing and Technology Fee was collected for last fiscal year, but no expenditures were made yet.

Software development 0%
Software licenses 0%
Production 0%
Media Placement 0%
Administrative Expenses 0%
Other 0%

We may receive payment for providing goods or services that we may allocate to uses related to Global Marketing and Technology Fee contributions. However, as described above, we are not required to spend any particular amount on marketing in the Region where your CorporateConnections franchise is located.

Promotional and Marketing Campaigns

We may establish and conduct promotional and marketing campaigns on a national or regional basis, which may, by way of illustration and not limitation, promote particular events or programs. The sources of these campaigns may either be developed by us or by a third-party advertising/marketing agency, as we deem appropriate. You must participate in such promotional and marketing campaigns and in any official membership drive as developed by us. If required by us, you must purchase material, posters, flyers, and other promotional material. (Franchise Agreement, Article 6).

Advertising Council

We have not established a marketing/advertising council but we reserve the right to do so in the future. If we establish such a council, it will serve in an advisory capacity to us with respect to certain marketing expenditures, including providing advice/guidance on how to administer any marketing expenses. At our discretion, the council may be comprised of our management representatives, employees, you and/or other franchisees in the System. We will have the right to modify or dissolve the council (if created) at any time.

Advertising Cooperatives

We have not established any regional advertising cooperatives and have not contemplated how much a franchisee might be required to contribute to such a cooperative. If created, we will have the right to establish, modify, merge and dissolve any cooperative, as we deem appropriate, and we will administer the cooperative. As such a cooperative has not yet been established, we have not yet determined how membership will be defined, how much you must contribute, or whether our company-owned outlets must contribute. If such a cooperative is created, its governing documents will be available to you upon your request.

Computer Systems

Technology Council

We have not established a technology council, but we reserve the right to do so in the future. If we establish such a council, it will serve in an advisory capacity to us with respect to certain technological expenditures, including providing advice/guidance on how to administer any technological investments (if established in the future). At our discretion, the council may be comprised of our management representatives, employees, you and/or other franchisees in the System. We will have the right to modify or dissolve the council (if created) at any time.

Website and Landing Page

We provide a CorporateConnections website. You must obtain our prior written approval to maintain a separate landing page. If we approve you to have a separate landing page you must comply with our mandatory policies and procedures regarding website use. You must have our prior written approval prior to making any significant change to your landing pages content. You may only use e-mail addresses that we have previously approved.

Computer System

You are required to have available in your franchise the necessary computer hardware and software to carry on business with us online, as those terms are understood in the computer technology world, including an active email address which shall, at all times, be provided to us. You are not required to have a specific brand or type of computer hardware, except that you must have a computer that is capable of running the current Microsoft Office and QuickBooks or equivalent accounting software. Your computer hardware and software must provide you sufficient access to the internet with the ability to download or upload reports as may be necessary from time to time. You are required to pay for the maintenance of your computer hardware and software. We are not required to pay for the maintenance of these items. (Franchise Agreement, Article 9).

You are required to license and use in the operation of your franchise our operating system currently called the Operating Management System (Franchise Agreement, Article 4). You are currently required to pay us, or a third party that we designate, a Global Marketing and Technology Fee for the Operating Management System of 2% of the preceding month's Gross Revenues. We may change this Global Marketing and Technology Fee with a 60-day notice to you (Franchise Agreement, Article 4). The data to be stored on the Operating Management System includes the following information about customers: member information of the Chapters including each member's name, address, phone numbers and e-mails. We will have independent access to all of this information without any contractual limitations (Franchise Agreement, Article 7).

You are responsible for all costs necessary for regular maintenance of your computer hardware and software, if necessary, which costs will vary depending on the quality of computer system that you have. We estimate your costs associated with this computer system to be in the range between \$500 and \$1,500. Your costs could be greater than \$1,500 depending on what computer system you choose to purchase. The estimated potential upgrade or maintenance costs of your computer system may be approximately \$100 to \$500 every 2 to 3 years based on your computer system. We have no contractual limitations on the frequency and cost of requiring you to purchase and use a software program or hardware. (Franchise Agreement, Article 9).

You are responsible for reviewing all communications we send to you to your e-mail address(es) (Franchise Agreement, Article 9). You are required to complete and send certain reports on the operation of your franchise to us (Franchise Agreement, Article 4).

CorporateConnections Meeting Management Tool. Franchisor reserves the right to introduce and require Franchisee to pay for management tools, including but not limited to a CorporateConnections Meeting Management Tool ("Meeting Management Tool"), in order to better administer and run Franchisee's weekly CorporateConnections Meetings. Franchisee is required to use the Meeting Management Tool that is approved by Franchisor. Franchisor may change the Meeting Management Tool upon notice to Franchisee, but Franchisor will not change such Meeting Management Tool more than one time each year during the Term of this Agreement.

Item 12. Territory

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. You will receive rights to operate a CorporateConnections franchise within a specific area physical, geographic referred to as a "Region," and identified in your Franchise Agreement. You may not operate your franchise outside of your Region without prior written approval from us. You or your Key Person if you are an entity, must reside within your Region. If you wish to relocate your franchise, you must make such request to us in writing. We will consider the following when considering your request to relocate: (i) whether the relevant demographics of your Region have changed; and (ii) potential impact on neighboring franchisees. If these considerations indicate a relocation is favorable for you, us, and other franchisees, we will approve it. We expect that you will work from a home office, but you have the option of working from a commercial space. You do not receive any options, rights of first refusal or any other similar rights to acquire additional franchises. Your Region is not an exclusive territory.


You must achieve certain growth targets and comply with a development schedule. Generally, you must have a minimum of one chapter within your first year of operation. We do not set uniform goals that apply to all franchisees. We and you will set development goals for your franchise and memorialize these goals in a development schedule attached to the Franchise Agreement. We plan on holding meetings to review your progress toward these goals on at least an annual basis, which may entail a meeting with members of our executive team to evaluate growth, retention, complaints, achievements and whether you and your leadership team have gone through certain CorporateConnections training courses. You must attend these meetings. If you fail to meet development goals, we may, after giving you a period of six (6) months to meet the development goals, (i) terminate your Franchise Agreement, (ii) reduce or change the size of your Region, or (iii) take another remedy at our discretion.

We reserve the right to use other channels of distribution within your Region, such as the Internet, the metaverse and direct marketing sales, to sell products that bear the same trademarks licensed to you under the Franchise Agreement or different trademarks than those used under the Franchise Agreement. We are not required to compensate you for any products or services that we sell within your Region. You cannot solicit customers, provide products or services, use any other channels of distribution, such as the Internet, the metaverse, catalog sales, telemarketing or other direct marketing, or advertise outside of your Region. BNI franchises also offer strategic business connections, client prospect referrals and marketing assistance. However, BNI franchises do not have specific business revenue or enterprise value threshold requirements for members and the membership costs are lower. BNI Franchising LLC or its franchisees may solicit or accept customers within your Region. We do not anticipate conflicts between you and us and between you and BNI franchisees regarding territory, customers, and franchisor support because the CorporateConnections franchise and BNI franchise will service different member bases. BNI Franchising LLC's principal business address is the same as ours. We may maintain some physically separate offices and training facilities for the CorporateConnections franchise.

Beyond our affiliate BNI's offering we do not currently operate or franchise any business under a different trademark selling products and services similar to those you will offer in your franchise, but we reserve the right to do so and both we and our affiliates may offer such additional products and services in the future. Our affiliates may sell or operate, in your market or any territory granted to you, a business that is similar to yours but which operates under a different trademark. Our affiliates may sell on the Internet some of the products with the same trademarks that you may be offering for sale in your franchise.

**Item 13.
Trademarks**

We will grant you the right to operate a franchise under the trademarks listed below together with any future trademarks we designate. You may also use the other current or future trademarks, service marks, trade names and logos we designate to operate your CorporateConnections franchise. Our affiliate, Corporate Connections Global, LLC has registered the following trademarks with the United States Patent and Trademark Office ("USPTO") on its Principal Register:

| Trademark | Registration Number | Registration Date | Goods/Services |
|---|----------------------------|--------------------------|---|
|  | 5329780 | 11/7/2017 | 41: Educational services, namely, conducting conferences and seminars in the field of business promotion. |
| Where Leaders Connect | 5301646 | 10/3/2017 | 41: Educational services, namely, conducting conferences and seminars in the field of business promotion. |

| Trademark | Registration Number | Registration Date | Goods/Services |
|----------------------|---------------------|-------------------|---|
| CorporateConnections | 5764242 | 05/28/19 | 35: Business services, consulting and advertising. 41: Educational services, namely, conducting conferences and seminars in the field of business promotion. |

Corporate Connections Global, LLC has timely filed and intends to timely file with the USPTO, all required affidavits of use and an affidavit of incontestability, when due.

Corporate Connections Global, LLC has granted us a license to use and sublicense the use of these trademarks. The license agreement entered into in 2017 is of perpetual duration. In the event this license agreement is terminated, your rights to use these marks will not be materially altered. We may reference these marks in this Disclosure Document as our trademarks with the understanding that Corporate Connections Global, LLC, our affiliate, owns the registrations and we have the exclusive rights to them. You must follow our rules, our branding standards and our memorandums for your use of these marks. You cannot use these marks or words similar to these marks in any trade, firm, association, corporation, or business name, unless we approve it in writing and any approval by us would automatically be revoked upon the termination of the Franchise Agreement. You must not use our registered marks in connection with the sale of any unauthorized product or service or in a manner not authorized in writing by us.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings and no pending litigation involving any of the marks that may significantly affect the ownership or use of any mark listed above. No agreements limit our right to use or license the use of our marks.

You must notify us immediately when you learn about an infringement of or challenge to your use of our marks. We will take the action we think appropriate although we are not required to take any affirmative action. We have the sole right to control any administrative proceedings or litigation involving a trademark licensed by us to you. If we do bring such action, we may name you as a nominal party to the action. We will indemnify you or reimburse you for your liability and reasonable costs if there is a challenge to your authorized use of our marks provided you have notified us immediately after you learn of the challenge and cooperate with us in defending the challenge as necessary.

You must modify or discontinue the use of a mark if we modify or discontinue the mark. If this happens, then you will be responsible for your tangible costs of compliance (for example, changing signs or letterhead). You may not directly or indirectly contest the validity of our ownership of the marks or our right to use or license our marks, trade secrets, confidential information or business techniques that are part of our business.

We do not know of any superior prior rights, besides by our affiliate, or infringing uses that could materially affect your use of our marks.

Item 14. Patents, Copyrights and Proprietary Information

Patents

We do not own any registered patents or pending patent applications that are material to the franchise.

Copyrights

We and our affiliates do claim common law copyright and trade secret protection for several aspects of the

System including our Manuals, training materials, advertising, and business materials. Additionally, our affiliates have obtained federal copyright registrations for certain versions of materials used in the System. We have not filed for any copyrights for any of the items where we claim common law copyrights or trade secret protection.

There are no current determinations, proceedings or litigation involving any of our copyrighted materials. We are not aware of any patent or copyright infringement that may materially affect you or the franchise. There are no agreements in effect limiting your use of any patents, pending patents and/or copyrights associated with your franchise. Should you become aware that any unauthorized third party is using any of our copyrighted materials, we request that you notify us of such unauthorized use. We will not defend you against claims arising from your use of the patented or copyrighted items, but we will indemnify you for losses brought by a third-party concerning infringement by your use of this information. We may revise our System and any of our copyrighted materials at our discretion, and may require that you cease using any outdated copyrighted material. You will be responsible for printing any revised or new advertising, marketing or other business materials.

Proprietary Materials

You can use the proprietary information in our Manuals, podcasts, newsletters, blogs, articles and other publications and media we provide to you for use in your franchise in the manner in which we prescribe (you do not have any rights to create derivative works or use the material in any other manner not intended by us). Although we may not have filed an application for a copyright registration for all of our Manuals, podcasts, newsletters, blogs, articles and other publications and media we provide to you for use in your franchise, the information is proprietary and we will exercise discretion in determining when and how to protect these materials.

Confidential Information

We consider our Manuals, podcasts, newsletters, blogs, articles, and other publications and media we provide to you for use in your franchise to be proprietary confidential information and part of our trade secret. The use of these materials is limited only to you, your employees and any independent contractors authorized and approved by us, as necessary. You are permitted to use these materials only in the manner that we prescribe in the Franchise Agreement and our Manuals. Each individual with access to these materials as provided in the Franchise Agreement must, prior to having access to these materials, execute our Non-Solicitation, Non-Disclosure and Non-Compete Agreement. You acknowledge that we own the member relationship and any data associated with members is our proprietary information. You must promptly tell us if you learn about any unauthorized use of our proprietary information. We are not obligated to take any action but will respond to this information, as we deem appropriate.

Item 15.

Obligation to Participate in the Actual Operation of the Franchise Business

If you are a BNI® franchisee, you must employ and designate at least one (1) full-time supervisor (the “Key Person”), approved by us, to handle the operation of the franchise. If you are not a BNI® franchisee, you (or if you are a legal entity, one of your owners) may serve as the Key Person. The Key Person must devote his/her full-time attention and effort to the support and operation of the franchise. Under the Franchise Agreement, the franchise must be directly supervised by an individual who has successfully completed Initial Training Program. The Key Person must successfully complete the Initial Training Program and must reside in the Region.

You must identify a Key Person whom we approve to handle the operation of your franchise and all of your owners must sign a principal owners' guaranty in the form attached to the Franchise Agreement as Exhibit E, and the owners' spouses, if any, must sign a spousal limited guaranty in the form attached to the Franchise Agreement as Exhibit E-1.

The Key Person, manager or supervisor need not have an ownership interest in a corporate or partnership franchisee, unless you are operating your first CorporateConnections franchise. During the term of the Franchise Agreement, one individual owner of the corporate or partnership franchisee must own at least

fifty-one percent (51%) of the entity, must have controlling voting power and must successfully complete the initial training program. You or any Key Person or any manager or supervisor supervising your franchise cannot have any interest or business relationship with any of our competitors. Our competitors are any business referral, networking, or word-of-mouth marketing concept, any business networking organization or any variation other than the CorporateConnections franchise or the BNI franchise. The Key Person must be authorized to bind the Franchisee with respect to issues related to the operation of the Franchise (while Franchisee may put in place monetary limits on the authority of Key Person, regardless of the limits, the Key Person must have the unlimited ability to order the supplies needed by the Region for use by the Chapters/members). Upon request by the Franchisee, we may approve an Executive Director to be the Key Person if such Executive Director resides in close proximity to the Region. If the Key Person has not signed the Franchise Agreement, Franchisee will ensure that the Key Person enters into a Non-Disclosure, Non-Solicitation and Non-Competition Agreement. Franchisee shall also ensure that a manager or supervisor must sign a written agreement to comply with the covenants not to compete described in Item 17. Franchisees must ensure that the insurance required by law and the Franchise Agreement is in force and effect for such Key Person during the Term of the Franchise Agreement.

Item 16.
Restrictions on What the Franchisee May Sell

You must offer and sell only the goods and services which conform to our standards and specifications (see Item 8).

You must offer all goods and services that we designate as required for all franchisees. We restrict these required goods and services for the purpose of developing business networking organizations and referral groups, as specified in the Franchise Agreement and our director manuals, and in the changes to them as may be periodically given to you. We have the right to add additional authorized goods and services that you must offer. There are no limits on our right to do so although we have no present plans to do so.

You may only offer the goods and services that we designate to CorporateConnections members. If an individual does not qualify for a CorporateConnections membership, but may be suitable for a BNI membership, we will ask you to refer the individual to our affiliate BNI Franchising, LLC.

You must comply with all applicable federal, state and local laws and obtain all appropriate governmental approvals for the franchise. You must operate in conformity with the methods, standards and specifications we prescribe to maintain uniformity within our system and to provide the highest degree of quality and service. You must not deviate from our standards and specifications without our prior written consent.

We limit or restrict you (and other franchisees) to the Region on Exhibit A of the Franchise Agreement in the offering, selling or advertising of your goods and services.

Item 17.
Renewal, Termination, Transfer, and Dispute Resolution

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

| Provision | Section in or franchise other agreement | Summary |
|---|---|--|
| a. Length of the franchise term | Article 3 | Term is five (5) years. |
| b. Renewal or extension of the term | Article 3 | You may renew your Agreement for one (1) successive 5-year term only by notifying us in writing at least six (6) months, and no more than one (1) year, prior to the expiration of your Agreement. We can approve or deny your request for a renewal. If we approve your request for a renewal, then you must sign our then current form of franchise agreement. We may offer you additional renewal opportunities depending on the specific circumstances; however, you do not have a right to renew without our written approval. |
| c. Requirements for franchisee to renew or extend | Article 3 | We will not sign a renewal Franchise Agreement with you if you are in default of any provision of your Franchise Agreement. You must notify us in writing at least 12 months prior to the expiration date of the Franchise Agreement if you intend to renew your Franchise Agreement. To renew you must sign our then-current Franchise Agreement which will supersede the old Franchise Agreement and which may contain terms that are materially different from the terms in your Franchise Agreement, including the term, conditions, and obligations and obligations. You must pay a Renewal Fee of 50% of the then-current Initial Franchise Fee. You must successfully complete any training that we require. You must sign a general release and any other documents we may require. You must bring your franchise into compliance with our then-current specifications and standards for new franchises, including any applicable re-imaging. You must satisfy any monetary obligations owed to us, our affiliates, or the Global Marketing and Technology Fund. You must participate in Regional Business Plan Meeting. |
| d. Termination by franchisee | Article 3 | You do not have the right to terminate your Agreement (subject to State law). |
| e. Termination by franchisor without cause | None | We cannot terminate your Agreement without cause. |
| f. Termination by franchisor with cause | Article 17 | We can terminate your Agreement only if you are in default of the Agreement. |
| g. "Cause" defined – curable defaults | Article 17 | A curable default includes any default by you of any provision of your Franchise Agreement and not covered by the provisions of 17.1 of your Franchise Agreement listed in section (h) of this chart. You will have 20 days to cure any curable default (subject to local state law). |

| | | |
|--|-------------------|--|
| <p>h. "Cause" defined non-curable defaults</p> | <p>Article 17</p> | <p>We may terminate your Franchise Agreement without giving you an opportunity to cure for the following reasons, subject to applicable law: (a) you become insolvent or make a general assignment for the benefit of creditors; or proceedings for a composition with creditors under any state or federal law should be instituted by or against you or you file a petition in bankruptcy or you are adjudicated as bankrupt or insolvent or a bill in equity or other proceeding for the appointment of a receiver or other custodian for your business or assets is filed and consented to by you or a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or (b) A final judgment related to you remains unsatisfied or of record for 30 days or longer (unless a supersedeas bond is filed); or your assets are liquidated; or execution is levied against you; or suit to foreclose any lien or mortgage against any assets of the CorporateConnections franchise is instituted against you and not dismissed within 30 days; or the real or personal property of the CorporateConnections franchise must be sold after levy thereupon by any sheriff, marshal or constable; or (c) you make any material misrepresentations or misstatements, or omits any material facts to us on your application, or with respect to the ownership of the CorporateConnections franchise; or (d) you abandon the franchise relationship without our prior written consent; or (e) you default on any payment and do not cure such default within 20 days after written notice; or (f) After 20 days' written notice, you continue to engage in a similar business to that licensed and established under and pursuant to the Franchise Agreement without obtaining our prior written consent, or continues to violate the covenant against competition under the Franchise Agreement, or, in violation of the Franchise Agreement, continues to market any service or product under a name or mark which is confusingly similar to the CorporateConnections Marks; or (g) you or your owners are convicted of a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect.</p> |
|--|-------------------|--|

| Provision | Section in franchise or other agreement | Summary |
|-----------|---|---------|
|-----------|---|---------|

| | | |
|--|------------|---|
| | | <p>upon the CorporateConnections franchise, the CorporateConnections Marks, the goodwill associated therewith, or CorporateConnections' interest therein; or (h) you or any of your owners intentionally discloses or divulges the contents of the Directors Materials or other confidential information contrary to the terms of the Franchise Agreement, or you or any of your owners intentionally uses or duplicates the CorporateConnections System or engages in unfair competition or discloses any trade secrets; or (i) you purport to effect any sale, assignment, merger or transfer in violation of the Franchise Agreement; or</p> <p>(j) you knowingly maintain false books or records, or knowingly submits any false or fraudulent reports, statements or documents to us; or (k) you misuse or make any unauthorized use of the CorporateConnections Marks or any other identifying characteristics of the CorporateConnections System, or otherwise materially impairs the goodwill associated therewith or our rights therein; or (l) you are repeatedly in default for failing to comply with any part of the Franchise Agreement, whether or not cured after written notice; or (m) you are the subject of repeated complaints by members, Chapter Directors, visitors, or other CorporateConnections officials/agents; or (n) the Managing Director/Key Person ceases to live within the Region or ceases to devote full time, attention and effort to the promotion and operation of CorporateConnections franchise and no suitable replacement is provided within 30 days after written notice; or (o) you fail to meet the development goals as set forth in Article 7.3, subject to the opportunity to cure in Article 7.3; or (p) you contest our ownership of the CorporateConnections Marks or any other trademarks owned or used by CorporateConnections; or (q) Your actions, in the business judgment of CorporateConnections, threaten or endanger the health and safety of its members; or (r) if you default under the Franchise Agreement or any other agreement between you and us, and there is no opportunity to cure such default, we may terminate the Franchise Agreement and any other agreement between you and us.</p> |
| i. Franchisee's obligations on termination/non renewal | Article 18 | <p>Upon termination or expiration of your Franchise Agreement, you must: immediately stop using our trademarks and intellectual property; immediately return proprietary and confidential information; stop using our System and comply with the post-term covenants not to compete; assign to us telephone numbers and listings for your franchise; assign to us membership Lists and related information for your franchise; promptly pay all amounts you owe us and your creditors; promptly resolve all Member disputes satisfactorily; promptly transfer the balance of any unused prepaid membership fees or the amount of any outstanding member certificates of credit to us, net of any Continuing Royalty paid by you to us on these prepaid membership fees or certificates of credit; and promptly grant us the right to use any meeting facilities used in your franchise's operation.</p> |
| j. Assignment of contract by franchisor | Article 15 | No restriction on our right to assign. |
| k. "Transfer" by franchisee – defined | Article 15 | Any change of interest in the ownership of the franchise or franchise agreement. |
| l. Franchisor approval of transfer by franchisee | Article 15 | We have the right to approve all requests for transfers. |

| Provision | Section in franchise or other agreement | Summary |
|---|---|--|
| m. Conditions for franchisor approval of transfer | Article 15 | You are not in default, proper notification by you to us of requested transfer as required under the Agreement, providing us with a copy of a purchase agreement that meets our approval, compliance with all conditions listed under Article 15.3 of the Franchise Agreement. Some of these conditions include qualification of prospective buyer as a franchisee, payment of all fee amounts, payment of all debts owed by you associated with your business, training arranged as required for the prospective buyer, release signed by you, and a then current agreement signed by new franchisee (also see r, below). |
| n. Franchisor's right of first refusal to acquire franchisee's business | Article 16 | We can match any offer for your business. |
| o. Franchisor's option to purchase franchisee's business | None | |
| p. Death or disability of franchisee | Article 15 | The franchise must be assigned to approved individual within 90 days of death or disability of franchisee, unless a temporary manager has already been approved by us pursuant to Article 15. |
| q. Non-competition covenants during the term of the franchise | Article 19 | No concurrent involvement in competing business anywhere in the U.S. without our prior written approval (subject to State law). |
| r. Non-competition covenants after the franchise is terminated or expires | Article 19 | No competing business for two (2) years within 75 miles from the outer boundary of the Region or within 75 miles from your residence (including after transfer) (subject to State law). |
| s. Modification of the agreement | Article 21 | No modification except by written agreement signed by both parties. |
| t. Integration/merger clause | Article 21 | Only the terms of the franchise agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of the disclosure document and franchise agreement are not enforceable. |
| u. Dispute resolution by arbitration or mediation | Article 20 | If you have a dispute regarding your Franchise Agreement, then it must be mediated. If mediation fails, your only option is to file for arbitration (subject to State law). |
| v. Choice of forum | Article 20 | Arbitration must be in Charlotte, North Carolina (subject to state law). |
| w. Choice of law | Article 20 and 21 | North Carolina law applies (subject to state law). |

**Item 18.
Public Figures**

We do not employ any public figure or celebrity in our management, nor do we use a public figure or celebrity to promote our franchises.

**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 franchises, 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 any 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 our Chief Financial Officer, Michael Utt, Corporate Connections Franchising, LLC, 11525 N. Community House Road, STE 475, Charlotte, NC 28277, (704) 248-4800 Ext. 28, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20.
Outlets and Franchisee Information**

**Table No. 1 Systemwide Outlet Summary
For years 2020 to 2022**

| Column 1 Outlet Type | Column 2 Year | Column 3 Outlets at the Start of the Year | Column 4 Outlets at the End of the Year | Column 5 Net Change |
|---------------------------------|--------------------------|--|--|--------------------------------|
| Franchised | 2020 | 1 | 1 | 0 |
| | 2021 | 1 | 1 | +1 |
| | 2022 | 2 | 2 | 0 |
| Company-Owned* | 2020 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 |
| Total Outlets | 2020 | 1 | 1 | 0 |
| | 2021 | 1 | 2 | +1 |
| | 2022 | 2 | 2 | 0 |

**Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2020 to 2022**

| Column 1 State | Column 2 Year | Column 3 Number of Transfers |
|---------------------------|--------------------------|---|
| All States | 2020 | 0 |
| | 2021 | 0 |
| | 2022 | 0 |
| Total | 2020 | 0 |
| | 2021 | 0 |
| | 2022 | 0 |
| | | |

**Table No. 3
Status of Franchised Outlets
For years 2020 to 2022**

| Col. 1 State | Col. 2 Year | Col. 3 Outlets at the Start of Year | Col. 4 Outlets Opened | Col. 5 Terminations | Col. 6 Non-Renewals | Col. 7 Reacquired by Franchisor | Col. 8 Ceased Operations - Other Reasons | Col. 9 Outlets at End of the Year |
|-----------------|----------------|--|--------------------------|------------------------|------------------------|------------------------------------|---|--------------------------------------|
| Louisiana | 2020 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| North Carolina | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Totals | 2020 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2021 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2022 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |

**Table No. 4
Status of Company-Owned Outlets
For years 2020 to 2022**

| Col. 1 State | Col. 2 Year | Col. 3 Outlets at Start of the Year | Col. 4 Outlets Opened | Col. 5 Outlets Reacquired From Franchisee | Col. 6 Outlets Closed | Col. 7 Outlets Sold to Franchisee | Col. 8 Outlets at End of the Year |
|-----------------|----------------|--|--------------------------|--|--------------------------|--------------------------------------|--------------------------------------|
| Totals | 2020 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | | |

**Table No. 5
Projected Openings as of Issuance Date of Disclosure Document**

| Column 1 State | Column 2 Franchise Agreements Signed But Outlets Not Opened | Column 3 Projected New Franchised Outlets In the Next Fiscal Year | Column 4 Projected New Company-Owned Outlets In the Next Fiscal Year |
|-------------------|--|--|---|
| California | 0 | 1 | 0 |
| Florida | 0 | 1 | 0 |
| Massachusetts | 0 | 1 | 0 |
| North Carolina | 0 | 1 | 0 |
| Texas | 0 | 1 | 0 |
| New York | 0 | 1 | 0 |
| Total | 0 | 6 | 0 |

The names, addresses and telephone numbers of our franchisees as of the issuance date of this Disclosure Document are listed on Exhibit G.

The name, city and state, and current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who has had a franchise agreement terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year, or who has not communicated with us within ten (10) weeks of the issuance date of this Disclosure Document is listed on Exhibit I. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

As of the issuance date of this Disclosure Document, we have no current or former franchisees who have signed provisions during the last three fiscal years restricting their ability to speak openly to you about their experience with CorporateConnections.

As of the issuance date of this Disclosure Document, no independent trademark-specific franchisee organizations have asked to be included in this Disclosure Document and there are no franchisee organizations sponsored or endorsed by us.

Item 21. Financial Statements

We have attached as Exhibit A to this Disclosure Document our unaudited financial statements from January 1, 2023 through July 31, 2023, and our audited financial statements as of December 31, 2022, December 31, 2021, and December 31, 2020. The unaudited interim financial statements are prepared on an accrual basis and in accordance with GAAP. THE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

Item 22. Contracts

EXHIBIT B – Franchise Agreement
EXHIBIT C – Form of General Release
EXHIBIT D – State Specific Addenda
EXHIBIT E – Franchise Compliance Certificate

Item 23. Receipts

You must sign two copies of the Receipt attached as the last two pages to this Disclosure Document. After execution, you keep one copy and provide the other to us.

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EXHIBIT A
FINANCIAL STATEMENTS

Corporate Connections Franchising, LLC

(a wholly owned subsidiary of Corporate Connections Global, LLC)

Financial Report
December 31, 2020

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| Notes to Financial Statements | 7-9 |



**Plante & Moran,
PLLC**

Suite 400
634 Front
Avenue N.W.
Grand
Rapids, MI
49504 Tel:
616.774.8221
Fax:

616.774.0702
plantemoran.com

Independent Auditor's Report

To the Board of Directors
Corporate Connections Franchising, LLC

We have audited the accompanying financial statements of Corporate Connections Franchising, LLC (the "Company"), which comprise the balance sheet as of December 31, 2020 and 2019 and the related statements of operations, member's deficit, and cash flows for the years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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.

Opinion

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

Plante & Moran, PLLC

March 23, 2021



Corporate Connections Franchising, LLC

Balance Sheet

December 31, 2019 and 2018

| | 2020 | 2019 |
|---|------------------|------------------|
| Assets | | |
| Current Assets | | |
| Cash | \$ 17,512 | \$ 15,692 |
| Accounts receivable | 660 | - |
| Prepaid expenses and other current assets | - | 3,541 |
| Total assets | <u>\$ 18,172</u> | <u>\$ 19,233</u> |
| Liabilities and Member's Deficit | | |
| Current Liabilities | | |
| Related party payable (Note 3) | \$ 188,669 | \$ 181,145 |
| Contract liabilities - Deferred revenue | 6,738 | 9,188 |
| Total liabilities | 195,407 | 190,333 |
| Member's Deficit | <u>(177,235)</u> | <u>(171,100)</u> |
| Total liabilities and member's deficit | <u>\$ 18,172</u> | <u>\$ 19,233</u> |

Statement of Operations

Years Ended December 31, 2020 and 2019

| | <u>2020</u> | <u>2019</u> |
|---------------------------|--------------------------|---------------------------|
| Net Revenue | \$ 4,930 | \$ 6,982 |
| Operating Expenses | <u>11,065</u> | <u>49,046</u> |
| Net Loss | <u><u>\$ (6,135)</u></u> | <u><u>\$ (42,064)</u></u> |

Statement of Member's Deficit

| | Years Ended December 31, 2020 and 2019 | |
|---|---|----------------------------|
| Balance - January 1, 2019 | | \$ (117,398) |
| Net loss | (42,064) | |
| Adoption of new accounting pronouncement (Note 2) | | <u>(11,638)</u> |
| Balance - December 31, 2019 | (171,100) | |
| Net loss | | <u>(6,135)</u> |
| Balance - December 31, 2020 | | <u><u>\$ (177,235)</u></u> |

Statement of Cash Flows

Years Ended December 31, 2020 and 2019

| | <u>2020</u> | <u>2019</u> |
|--|-------------------------|-------------------------|
| Cash Flows from Operating Activities | | |
| Net loss | \$ (6,135) | \$ (42,064) |
| Adjustments to reconcile net loss to net cash from operating activities - Changes in operating assets and liabilities that (used) provided cash: | | |
| Accounts receivable | (660) | 330 |
| Prepaid expenses and other assets | 3,541 | 2,000 |
| Accounts payable | - | (651) |
| Related party payable | 7,524 | 46,900 |
| Accrued and other liabilities | <u>(2,450)</u> | <u>(4,073)</u> |
| Net Increase in Cash | 1,820 | 2,442 |
| Cash - Beginning of year | <u>15,692</u> | <u>13,250</u> |
| Cash - End of year | <u>\$ 17,512</u> | <u>\$ 15,692</u> |

December 31, 2020 and 2019

Note 1 - Nature of Business

Corporate Connections Franchising, LLC (the "Company") was formed on May 12, 2017 and is a single-member LLC wholly owned subsidiary of Corporate Connections Global, LLC. The Company is engaged in the sale of area franchises for proprietary business network membership organizations, which offer business leadership training, structured peer performance evaluations and coaching, and referral networking services and assistance to referral groups or "chapters" for business executives located in the United States of America. As of December 31, 2020 and 2019, the Company had one franchised region.

Note 2 - Significant Accounting Policies

Basis of Presentation

The financial statements of the Company have been prepared on the basis of generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus a pandemic, now known as COVID-19. The outbreak has impacted millions of individuals and companies worldwide. In response, many countries have implemented measures to combat the outbreak that have impacted business operations. The extent of any future impact cannot be reasonably estimated at this time.

Trade Accounts Receivable

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. There was no allowance for doubtful accounts at December 31, 2020 and 2019. For the year ended December 31, 2020, the opening and closing balances of the Company's receivables from contracts with customers are shown on the balance sheet. For the year ended December 31, 2019, the beginning balance of the Company's receivables from contracts with customers was \$330.

Revenue Recognition

The Company adopted an Accounting Standards Update that amended the guidance for revenue recognition on January 1, 2019 using the modified retrospective method for all contracts for which performance was not completed as of January 1, 2019. The adoption of this amendment changed the timing of recognition of initial franchise fees. Previously, these fees were generally recognized upfront upon opening of the respective franchise. The new guidance generally requires these fees to be recognized over the term of the related franchise agreement and resulted in a \$11,638 adjustment for the adoption of the new accounting pronouncement in the statement of members deficit for 2019.

Overview

The Company's revenue mainly consists of franchise fees and royalties. The Company sells individual franchises that grant the right to service customers within a defined territory using the franchise name. The initial term of franchise agreements is five years, with an option to renew for five years for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid.

December 31, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

Performance Obligations

The Company has the obligation to provide franchisees with the franchise rights to service customers. The Company has concluded that this represents a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement from the date the agreement is entered into. Renewal fees are recognized over the renewal term for the respective franchise from the start of the renewal period. Transfer fees are recognized over the remaining term of the franchise agreement beginning at the time of transfer. Income for royalties is recognized over the term of the respective franchise agreement as the underlying sales occur.

Payment Terms

Initial franchise fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Royalties are paid on a monthly basis based upon 20 percent of membership fees received each month by the franchisee. Franchise fees are collected upfront and, as a result, create a deferred revenue contract liability. The Company then defers franchise fee revenue over a 60-month period related to obligations of supporting the franchise.

Contract Balances

Contract liabilities consist of deferred revenue from upfront franchise fees paid by franchisees. Advance franchise fees are amortized to income using the straight-line method over a period of five years, which coincides with the initial franchise term. As of December 31, 2020, \$6,738 was recorded in deferred revenue. Deferred revenue at December 31, 2019 and January 1, 2019 was \$9,188 and \$11,638, respectively.

Current Revenue from Historical Periods

During the years ended December 31, 2020 and 2019, the amount of revenue that the Company recognized as a result of satisfying performance obligations that were previously partially satisfied associated with franchise agreements was approximately \$2,450. There were no changes in collectability or transaction price on these agreements.

Future Revenue from Current Period

The aggregate amounts of revenue the Company expects to recognize in future years as a result of satisfying the performance obligations associated with franchise agreements that have unsatisfied performance obligations as of December 31, 2020 are as follows: 2021 - \$2,450, 2022 - \$2,450, and 2023 - \$1,838.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

Costs to Obtain a Franchise Agreement

The Company does not have any incremental costs to obtain a franchise agreement.

December 31, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

Income Taxes

The Company is a disregarded single-member LLC, ultimately treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The member is taxed individually on its pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated to the member in accordance with the Company's operating agreement.

No income tax provision has been included in the financial statements since income or loss of the Company is required to be reported by the respective partners on their income tax returns.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including March 23, 2021, which is the date the financial statements were available to be issued.

Note 3 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Administrative Fee

Corporate Connections Worldwide Development Limited (affiliated through common ownership); Corporate Connections Global, LLC (parent company); and BNI Global, LLC (sister company of Corporate Connections Global, LLC) provide administrative support services for the Company and its franchisees, including, but not limited to, personnel, accounting, marketing, printing, warehousing, shipping, and all services and materials provided to the franchisees. For these services, the Company reimburses them for allocated expenses and pays them an administrative fee. Allocated expenses and administrative fees for the years ended December 31, 2020 and 2019 were approximately \$11,000 and \$49,000, respectively. If this were a stand-alone entity, additional expenses may have been incurred and/or allocated. Outstanding fees of \$188,669 and \$181,145 are included in payable to related party on the balance sheet at December 31, 2020 and 2019, respectively.

Collateral

The Company's assets serve as collateral for certain long-term notes payable of BNI Ultimate Holdings, LLC

Corporate Connections Franchising, LLC
(a wholly owned subsidiary of Corporate Connections Global, LLC)

Financial Report
December 31, 2021

Corporate Connections Franchising, LLC

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Plante & Moran, PLLC
Suite 400
634 Front Avenue N.W.
Grand Rapids, MI 49504
Tel: 616.774.8221
Fax: 616.774.0702
plantemoran.com

Independent Auditor's Report

To the Board of Directors
Corporate Connections Franchising, LLC

Opinion

We have audited the financial statements of Corporate Connections Franchising, LLC (the "Company"), which comprise the balance sheet as of December 31, 2021 and 2020 and the related statements of operations, member's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audits of the Financial Statements

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

To the Board of Directors
Corporate Connections Franchising, LLC

In performing audits in accordance with GAAS, we:

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

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

Plante & Moran, PLLC

March 25, 2022

Corporate Connections Franchising, LLC

Balance Sheet

December 31, 2021 and 2020

| | <u>2021</u> | <u>2020</u> |
|---|------------------|------------------|
| Assets | | |
| Current Assets | | |
| Cash | \$ 78,512 | \$ 17,512 |
| Accounts receivable | - | 660 |
| Total assets | <u>\$ 78,512</u> | <u>\$ 18,172</u> |
| Liabilities and Member's Deficit | | |
| Current Liabilities | | |
| Related party payable (Note 3) | \$ 211,232 | \$ 188,669 |
| Contract liabilities - Deferred revenue | 56,288 | 6,738 |
| Total liabilities | 267,520 | 195,407 |
| Member's Deficit | <u>(189,008)</u> | <u>(177,235)</u> |
| Total liabilities and member's deficit | <u>\$ 78,512</u> | <u>\$ 18,172</u> |

See notes to financial statements.

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Corporate Connections Franchising, LLC

Statement of Operations

Years Ended December 31, 2021 and 2020

| | <u>2021</u> | <u>2020</u> |
|---------------------------|---------------------------|--------------------------|
| Net Revenue | \$ 10,450 | \$ 4,930 |
| Operating Expenses | <u>22,223</u> | <u>11,065</u> |
| Net Loss | <u>\$ (11,773)</u> | <u>\$ (6,135)</u> |

See notes to financial statements.

Corporate Connections Franchising, LLC

Statement of Member's Deficit

Years Ended December 31, 2021 and 2020

| | |
|------------------------------------|----------------------------|
| Balance - January 1, 2020 | \$ (171,100) |
| Net loss | <u>(6,135)</u> |
| Balance - December 31, 2020 | (177,235) |
| Net loss | <u>(11,773)</u> |
| Balance - December 31, 2021 | <u>\$ (189,008)</u> |

See notes to financial statements.

Corporate Connections Franchising, LLC

Statement of Cash Flows

Years Ended December 31, 2021 and 2020

| | <u>2021</u> | <u>2020</u> |
|--|-------------------------|-------------------------|
| Cash Flows from Operating Activities | | |
| Net loss | \$ (11,773) | \$ (6,135) |
| Changes in operating assets and liabilities that provided (used) cash: | | |
| Accounts receivable | 660 | (660) |
| Prepaid expenses and other assets | - | 3,541 |
| Related party payable | 22,563 | 7,524 |
| Deferred revenue | 49,550 | (2,450) |
| Net Increase in Cash | <u>61,000</u> | <u>1,820</u> |
| Cash - Beginning of year | <u>17,512</u> | <u>15,692</u> |
| Cash - End of year | <u>\$ 78,512</u> | <u>\$ 17,512</u> |

See notes to financial statements.

Note 1 - Nature of Business

Corporate Connections Franchising, LLC (the "Company") was formed on May 12, 2017 and is a single-member LLC and wholly owned subsidiary of Corporate Connections Global, LLC. The Company is engaged in the sale of area franchises for proprietary business network membership organizations, which offer business leadership training, structured peer performance evaluations and coaching, and referral networking services and assistance to referral groups or "chapters" for business executives located in the United States of America. As of December 31, 2021 and 2020, the Company had two and one franchised regions, respectively.

Note 2 - Significant Accounting Policies

Basis of Presentation

The financial statements of the Company have been prepared on the basis of generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

Trade Accounts Receivable

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. There was no allowance for doubtful accounts at December 31, 2021 and 2020. For the year ended December 31, 2021, the opening and closing balances of the Company's receivables from contracts with customers are shown on the balance sheet. For the year ended December 31, 2020, the beginning balance of the Company's receivables from contracts with customers was \$0.

Revenue Recognition

Overview

The Company's revenue mainly consists of franchise fees and royalties. The Company sells individual franchises that grant the right to service customers within a defined territory using the franchise name. The initial term of franchise agreements is five years, with an option to renew for five years for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid.

Performance Obligations

The Company has the obligation to provide franchisees with the franchise rights to service customers. The Company has concluded that this represents a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement from the date the agreement is entered into. Renewal fees are recognized over the renewal term for the respective franchise from the start of the renewal period. Transfer fees are recognized over the remaining term of the franchise agreement beginning at the time of transfer. Income for royalties is recognized over the term of the respective franchise agreement as the underlying sales occur.

Note 2 - Significant Accounting Policies (Continued)

Payment Terms

Initial franchise fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Royalties are paid on a monthly basis based upon 20 percent of membership fees received each month by the franchisee. Franchise fees are collected upfront and, as a result, create a deferred revenue contract liability. The Company then defers franchise fee revenue over a 60-month period related to obligations of supporting the franchise.

Contract Balances

Contract liabilities consist of deferred revenue from upfront franchise fees paid by franchisees. Advance franchise fees are amortized to income using the straight-line method over a period of five years, which coincides with the initial franchise term. As of December 31, 2021, \$56,288 was recorded in deferred revenue. Deferred revenue at December 31, 2020 and January 1, 2020 was \$6,738 and \$9,188, respectively.

Current Revenue from Historical Periods

During the years ended December 31, 2021 and 2020, the amount of revenue that the Company recognized as a result of satisfying performance obligations that were previously partially satisfied associated with franchise agreements was approximately \$10,450 and 2,450, respectively. There were no changes in collectibility or transaction price on these agreements.

Future Revenue from Current Period

The aggregate amounts of revenue the Company expects to recognize in future years as a result of satisfying the performance obligations associated with franchise agreements that have unsatisfied performance obligations as of December 31, 2021 are as follows: 2022 - \$14,450, 2023 - \$13,838, 2024 - \$12,000, 2025 - \$12,000, and 2026 - \$4,000.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

Costs to Obtain a Franchise Agreement

The Company does not have any incremental costs to obtain a franchise agreement.

Income Taxes

The Company is a disregarded single-member LLC, ultimately treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The member is taxed individually on its pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated to the member in accordance with the Company's operating agreement.

No income tax provision has been included in the financial statements since income or loss of the Company is required to be reported by the respective partners on their income tax returns.

Note 2 - Significant Accounting Policies (Continued)

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including March 25, 2022, which is the date the financial statements were available to be issued.

Note 3 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Administrative Fee

Corporate Connections Worldwide Development Limited (affiliated through common ownership); Corporate Connections Global, LLC (parent company); and BNI Global, LLC (sister company of Corporate Connections Global, LLC) provide administrative support services for the Company and its franchisees, including, but not limited to, personnel, accounting, marketing, printing, warehousing, shipping, and all services and materials provided to the franchisees. For these services, the Company reimburses them for allocated expenses and pays them an administrative fee. Allocated expenses and administrative fees for the years ended December 31, 2021 and 2020 were approximately \$22,000 and \$11,000, respectively. If this were a stand-alone entity, additional expenses may have been incurred and/or allocated. Outstanding fees of \$211,232 and \$188,669 are included in payable to related party on the balance sheet at December 31, 2021 and 2020, respectively.

Collateral

The Company's assets serve as collateral for certain long-term notes payable of BNI Ultimate Holdings, LLC.

Corporate Connections Franchising, LLC
(a wholly owned subsidiary of Corporate Connections Global, LLC)

Financial Report
December 31, 2022

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Plante & Moran, PLLC
Suite 400
634 Front Avenue N.W.
Grand Rapids, MI 49504
Tel: 616.774.8221
Fax: 616.774.0702
plantemoran.com

Independent Auditor's Report

To the Board of Directors
Corporate Connections Franchising, LLC

Opinion

We have audited the financial statements of Corporate Connections Franchising, LLC (the "Company"), which comprise the balance sheet as of December 31, 2022 and 2021 and the related statements of operations, member's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audits of the Financial Statements

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



To the Board of Directors
Corporate Connections Franchising, LLC

In performing audits in accordance with GAAS, we:

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

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

Plante & Moran, PLLC

April 4, 2023

Corporate Connections Franchising, LLC

Balance Sheet

| | | December 31, 2022 and 2021 | |
|---|--|----------------------------|-------------------------|
| | | 2022 | 2021 |
| Assets | | | |
| Current Assets - Cash | | <u>\$ 78,512</u> | <u>\$ 78,512</u> |
| Liabilities and Member's Deficit | | | |
| Current Liabilities | | | |
| Related party payable (Note 3) | | \$ 214,960 | \$ 211,232 |
| Contract liabilities - Deferred revenue | | <u>41,838</u> | <u>56,288</u> |
| Total liabilities | | 256,798 | 267,520 |
| Member's Deficit | | <u>(178,286)</u> | <u>(189,008)</u> |
| Total liabilities and member's deficit | | <u>\$ 78,512</u> | <u>\$ 78,512</u> |

See notes to financial statements.

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Corporate Connections Franchising, LLC

Statement of Operations

Years Ended December 31, 2022 and 2021

| | <u>2022</u> | <u>2021</u> |
|---------------------------|------------------|--------------------|
| Net Revenue | \$ 14,450 | \$ 10,450 |
| Operating Expenses | <u>3,728</u> | <u>22,223</u> |
| Net Income (Loss) | <u>\$ 10,722</u> | <u>\$ (11,773)</u> |

See notes to financial statements.

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Corporate Connections Franchising, LLC

Statement of Member's Deficit

Years Ended December 31, 2022 and 2021

| | |
|------------------------------------|-----------------------------------|
| Balance - January 1, 2021 | \$ (177,235) |
| Net loss | <u>(11,773)</u> |
| Balance - December 31, 2021 | (189,008) |
| Net income | <u>10,722</u> |
| Balance - December 31, 2022 | <u><u>\$ (178,286)</u></u> |

See notes to financial statements.

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Corporate Connections Franchising, LLC**Statement of Cash Flows****Years Ended December 31, 2022 and 2021**

| | <u>2022</u> | <u>2021</u> |
|--|-----------------------------|-----------------------------|
| Cash Flows from Operating Activities | | |
| Net income (loss) | \$ 10,722 | \$ (11,773) |
| Changes in operating assets and liabilities that provided (used) cash: | | |
| Accounts receivable | - | 660 |
| Related party payable | 3,728 | 22,563 |
| Deferred revenue | (14,450) | 49,550 |
| | <u> </u> | <u> </u> |
| Net Increase in Cash | - | 61,000 |
| Cash - Beginning of year | <u>78,512</u> | <u>17,512</u> |
| Cash - End of year | <u><u>\$ 78,512</u></u> | <u><u>\$ 78,512</u></u> |

See notes to financial statements.

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Note 1 - Nature of Business

Corporate Connections Franchising, LLC (the "Company") was formed on May 12, 2017 and is a single-member LLC and wholly owned subsidiary of Corporate Connections Global, LLC. The Company is engaged in the sale of area franchises for proprietary business network membership organizations, which offer business leadership training, structured peer performance evaluations and coaching, and referral networking services and assistance to referral groups or "chapters" for business executives located in the United States of America. As of December 31, 2022 and 2021, the Company had two franchised regions.

Note 2 - Significant Accounting Policies

Basis of Presentation

The financial statements of the Company have been prepared on the basis of generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

Trade Accounts Receivable

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. There was no allowance for doubtful accounts at December 31, 2022 and 2021. For the year ended December 31, 2022, the opening and closing balances of the Company's receivables from contracts with customers are shown on the balance sheet. For the year ended December 31, 2021, the beginning balance of the Company's receivables from contracts with customers was \$660.

Revenue Recognition

Overview

The Company's revenue mainly consists of franchise fees and royalties. The Company sells individual franchises that grant the right to service customers within a defined territory using the franchise name. The initial term of franchise agreements is five years, with an option to renew for five years for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid.

Performance Obligations

The Company has the obligation to provide franchisees with the franchise rights to service customers. The Company has concluded that this represents a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement from the date the agreement is entered into. Renewal fees are recognized over the renewal term for the respective franchise from the start of the renewal period. Transfer fees are recognized over the remaining term of the franchise agreement beginning at the time of transfer. Income for royalties is recognized over the term of the respective franchise agreement as the underlying sales occur.

Payment Terms

Initial franchise fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Royalties are paid on a monthly basis based upon 20 percent of membership fees received each month by the franchisee. Franchise fees are collected upfront and, as a result, create a deferred revenue contract liability. The Company then defers franchise fee revenue over a 60-month period related to obligations of supporting the franchise.

Note 2 - Significant Accounting Policies (Continued)

Contract Balances

Contract liabilities consist of deferred revenue from upfront franchise fees paid by franchisees. Advance franchise fees are amortized to income using the straight-line method over a period of five years, which coincides with the initial franchise term. As of December 31, 2022, \$41,838 was recorded in deferred revenue. Deferred revenue at December 31, 2021 and January 1, 2021 was \$56,288 and \$6,738, respectively.

Current Revenue from Historical Periods

During the years ended December 31, 2022 and 2021, the amount of revenue that the Company recognized as a result of satisfying performance obligations that were previously partially satisfied associated with franchise agreements was \$14,450 and 10,450, respectively. There were no changes in collectibility or transaction price on these agreements.

Future Revenue from Current Period

The aggregate amounts of revenue the Company expects to recognize in future years as a result of satisfying the performance obligations associated with franchise agreements that have unsatisfied performance obligations as of December 31, 2022 are as follows: 2023 - \$13,838, 2024 - \$12,000, 2025 - \$12,000, and 2026 - \$4,000.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

Costs to Obtain a Franchise Agreement

The Company does not have any incremental costs to obtain a franchise agreement.

Income Taxes

The Company is a disregarded single-member LLC, ultimately treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The member is taxed individually on its pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated to the member in accordance with the Company's operating agreement.

No income tax provision has been included in the financial statements since income or loss of the Company is required to be reported by the respective partners on their income tax returns.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including April 4, 2023, which is the date the financial statements were available to be issued.

Note 3 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Administrative Fee

Corporate Connections Worldwide Development Limited (affiliated through common ownership); Corporate Connections Global, LLC (parent company); and BNI Global, LLC (sister company of Corporate Connections Global, LLC) provide administrative support services for the Company and its franchisees, including, but not limited to, personnel, accounting, marketing, printing, warehousing, shipping, and all services and materials provided to the franchisees. For these services, the Company reimburses them for allocated expenses and pays them an administrative fee. Allocated expenses and administrative fees for the years ended December 31, 2022 and 2021 were approximately \$1,000 and \$22,000, respectively. If this were a stand-alone entity, additional expenses may have been incurred and/or allocated. Outstanding fees of \$214,960 and \$211,232 are included in payable to related party on the balance sheet at December 31, 2022 and 2021, respectively.

Collateral

The Company's assets serve as collateral for certain long-term notes payable of BNI Ultimate Holdings, LLC.

These Financial Statements Have Been Prepared without an Audit. Prospective Franchisees or Sellers of Franchises Should be Advised that No Independent Certified Public Accountant Has Audited These Figures or Expressed an Opinion with Regard to their Content or Form.”

Corporate Connections Franchising, LLC
Unaudited Statement of Operations
Year-to-Date July 31, 2023

| | 2023 YTD |
|--|--------------------|
| Net Revenue | |
| Revenue | \$ - |
| Deferred Revenue | \$ - |
| Total Net revenue | \$ - |
| Operating Expenses | |
| General and administrative expenses | \$ 1,532.00 |
| Depreciation and amortization | \$ - |
| Restructuring and other | \$ - |
| Total operating expenses | \$ 1,532.00 |
| Operating Income | \$ (1,532.00) |
| Nonoperating Income (Expense) | |
| GAAP SL Adj | \$ 7,000.00 |
| Loss on foreign exchange | \$ - |
| Other income | \$ - |
| Interest expense | \$ - |
| Total nonoperating expense | \$ 7,000.00 |
| (Loss) Income - Before Taxes | \$ 5,468.00 |
| Tax Expense | \$ - |
| Net (Loss) Income | \$ 5,468.00 |
| Foreign Currency Translation Adjustment | \$ - |
| Comprehensive (Loss) Income | \$ 5,468.00 |

Corporate Connections Franchising, LLC
Unaudited Balance Sheet
As of July 31, 2023

| Assets | |
|--|-----------------------------|
| Current Assets | |
| Cash | 2023 YTD \$ 253,512.00 |
| Accounts Receivable | \$ - |
| Prepaid Expenses | \$ - |
| Total Current Assets | <u>\$ 253,512.00</u> |
| Franchise License Agreements | \$ - |
| Total Assets | <u><u>\$ 253,512.00</u></u> |
| Liabilities and Members' Equity | |
| Current Liabilities | |
| Deferred Revenue | \$ 33,000.00 |
| Due to BNI Global | \$ 262,101.00 |
| Due to CC Worldwide | \$ 129,390.00 |
| Total Current Liabilities | <u>\$ 424,491.00</u> |
| Members' Equity | \$ (170,979.00) |
| Total Liabilities and Members' Equity | <u><u>\$ 253,512.00</u></u> |

EXHIBIT B
FRANCHISE AGREEMENT



Franchise Agreement

*Corporate Connections Franchising, LLC
11525 N. Community House Road, Suite 475
Charlotte, North Carolina 28277*

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FRANCHISE AGREEMENT

This Franchise Agreement ("Agreement") is effective as of _____, 20__ (the "Effective Date"), between **CORPORATE CONNECTIONS FRANCHISING, LLC** a Delaware limited liability company having its principal place of business at 11525 N. Community House Road, Suite 475, Charlotte, North Carolina 28277, hereinafter referred to as "CorporateConnections" or "Franchisor", and [INSERT NAME OF FRANCHISEE], of [INSERT ADDRESS OF FRANCHISEE], hereinafter referred to as "Franchisee".

INTRODUCTION AND RECITALS

Corporate Connections Franchising, LLC has invested considerable time, effort, and money to develop a system (more fully defined below as the "CorporateConnections System") and method of operating a chapter-based business leadership training, structured peer performance evaluations and coaching and referral networking organization for senior level business professionals, executives and entrepreneurs (the "CorporateConnections Franchise") and has developed public goodwill and certain trade names, trademarks, service marks and logos (some registered and some not) including, but not limited to, CorporateConnections® (CorporateConnections). CorporateConnections has the right to license the CorporateConnections Marks for the sale of CorporateConnections Franchises.

Franchisee recognizes the benefits to be derived from being identified with the CorporateConnections System and from being licensed by Franchisor to use its name and the Marks. Franchisee recognizes the value of consistency in a system of operating and developing business networking organization and referral groups ("Chapters"), and Franchisee further recognizes the value of CorporateConnections' knowledge and experience gained through the operation of CorporateConnections Franchises.

Franchisee has studied and fully understands the importance of maintaining CorporateConnections' high standards and the terms and conditions herein, has reviewed CorporateConnections' Franchise Disclosure Document and a complete copy of this Agreement.

Franchisee desires to acquire and operate a CorporateConnections Franchise (hereinafter defined as the "Franchised Business") within the area set out in Exhibit A herein ("Region") for the entire Term of this Agreement (as defined below). Franchisee acknowledges receipt of a copy of the Franchise Disclosure Document of CorporateConnections, and Franchisee has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Agreement by financial and legal counsel of Franchisee's own choosing prior to its execution, and is entering into this Agreement after having made an independent investigation of CorporateConnections' operations and not upon any representation as to the profits and/or sales volume which Franchisee might be expected to realize, nor upon any representations or promises by Franchisor which are not contained in this Agreement.

The parties therefore agree as follows:

ARTICLE 1 **DEFINITIONS**

As used in this Agreement, the following terms shall have the meanings indicated unless a different meaning is plainly required by the context:

"Authorized Suppliers" means those suppliers that Franchisor has identified and designated or approved to provide products and/or services to CorporateConnections Franchisees.

"Business Entity" means, without limitation, a corporation, partnership or limited liability company formed to engage in business activities.

“Business Entity Assignment Fee” means the fee Franchisee is required to remit to Franchisor in accordance with Article 15.10.

“Chapter” means a business networking organization and referral group operating under the CorporateConnections System within a Region. There may be more than one Chapter in a Region.

“Chapter Director” means an individual trained in the System to assist in the management and operation of the Franchised Business including training and educating Leadership Teams and Members about the System, starting new Chapters, evaluating existing Chapter meetings, and handling questions and problems from Leadership Teams and Members. The Chapter Director must reside in the Region and must devote his/her full time and best efforts to the Franchised Business.

“Chartered Chapter” means a Chapter with a minimum number of Members as set out in the Operations Manual.

“Continuing Royalty” means the monthly fee paid by Franchisee to Franchisor for the use of the CorporateConnections System and Marks pursuant to Article 4.3.

“CorporateConnections’ Branding Standards” means the branding standards provided by Franchisor as located at [www.corporateconnections.com] or the Manuals, or as otherwise designated by Franchisor.

“CorporateConnections Branding Standards Policy Memorandum” means any policy memorandum for branding standards issued by Franchisor.

“Managing Director” means an individual designated by Franchisor to oversee the operations of CorporateConnections Franchises in the United States.

“CorporateConnections Marks” or **“Marks”** means the mark “CorporateConnections™” “Where Leaders Connect®” and any other trademarks, trade names, service marks, logos and emblems Franchisor designates for use by Franchisee in the Region.

“CorporateConnections System” or **“System”** means Franchisor’s system and method of operating a referral-based business networking organization for senior level business professionals, executives, and entrepreneurs employing the Marks and using certain distinctive methods and techniques for providing high quality services, methods of operation, software, copyrights, trade secrets, all or some of which Franchisor may delete, change, improve or further develop from time to time.

“Development Schedule” means the schedule set forth in the Exhibit I that reflects the development goals agreed to by Franchisor and Franchisee.

“Director Materials” means all materials periodically developed which describe the standard procedures, policies, rules and regulations, whether in written or electronic medium, established by Franchisor and incorporated in the Operations Manuals, including its Executive Director, Managing Director and Chapter Director Training Manuals, for use in the System, including all policy memoranda, bulletins, supplements, supplemental policy memoranda, ancillary manuals, videos, digital video or versatile discs, electronic media, compact discs, video or audio cassettes, any electronic medium, manuals, guidelines, systems, recommendations and notices.

“Effective Date” means the date set forth in the recitals once the Agreement has been signed by both parties hereto.

“E-mail Address” means an e-mail address that Franchisee is required to provide to Franchisor (that is not a corporateconnections.com email) to which Franchisor may send any communications associated with the Franchised Business and this Agreement.

“Executive Director” means an individual Owner of the Franchised Business who has successfully completed the Initial Training Program.

“Global Marketing and Technology Fee” means the System-wide marketing and technology fee that Franchisee contributes each month and Franchisor uses to market the System and to provide technological developments and enhancements for the System.

“Gross Revenues” is defined in Article 4.4.

“Initial Franchise Fee” means the fee a new Franchisee pays to Franchisor for the Franchised Business pursuant to Article 4.1.

“Initial Supplies” means the supplies needed to establish and operate a new CorporateConnections Franchise.

“Initial Training Program” means the initial training on the CorporateConnections System provided by Franchisor to a new Franchisee and includes Executive Director Training and Managing Director & Chapter Director Training.

“Key Person” shall mean an Executive Director or another individual designated by Franchisee and approved in writing by Franchisor, who has authority to handle issues that may arise in the Region.

“Leaders and Trainers” means instructors for the Initial Training Program and other training programs that provide instruction and orientation and training regarding sales promotion and methods of operating according to the System.

“Leadership Manual” means all materials developed by Franchisor which describe the standard procedures, policies, rules and regulations, whether in written or electronic medium, established for use in the CorporateConnections System, including all policy memoranda, bulletins, supplements, supplemental policy memoranda, ancillary manuals, videos, digital video or versatile discs, electronic media, compact discs, video or audio cassettes, any electronic medium, manuals, guidelines, systems, recommendations and notices. The Leadership Manual does not include the forms provided to Leadership Team and Support Team Members used in the education process of the CorporateConnections System Training Program that are provided to the public with Franchisor’s approval.

“Leadership Team” means the positions defined by Franchisor in the Executive Director Operations Manual.

“Local Marketing Expenditure” means the amount Franchisor may require Franchisee to spend each month for local marketing and promotion in the Region.

“Managing Director” means a Director that assists the Executive Director in the operation of the Franchised Business in the Region. The Managing Director must reside in the Region and must devote his/her full time and best efforts to the Franchised Business.

“Managing Director and Chapter Director Training” means the training that an individual must complete prior to becoming a Managing Director or Chapter Director.

“Managing Director and Chapter Director Training Manual” means the introductory documents concerning the CorporateConnections process of starting new Chapters, maintaining Chapters, adding new Members and retaining current Members.

“Manuals” or **“Operations Manuals”** means our confidential operations manual(s) for the operation of a CorporateConnections Franchise including the Executive Director, Managing Director, Chapter Director and the Leadership Manuals.

“Members” or **“Customers”** mean persons that pay fees to apply to and/or participate in a Chapter.

“Membership Lists” means all Member lists, visitor lists, and records for the Region, both active and inactive, which includes, but is not limited to, names, addresses, and telephone numbers of such Members.

“Operating Management System” or **“CorporateConnections Connect”** means the database management system and any software that Franchisor requires to be used by CorporateConnections Franchisees.

“Owner” means an individual or Business Entity which directly or indirectly possesses a legal or beneficial ownership interest of any kind in the Franchisee (the **“Ownership Interest”**).

“Principal Owner” means an Owner who has an Ownership Interest in Franchisee of ten percent (10%) or greater.

“Region” means the physical, geographic territory in which Franchisee has the exclusive right to open and operate Chapters pursuant to a Franchise Agreement. Franchisee’s Region is listed in Exhibit A to this Agreement.

“Renewal” means the renewal of this Agreement pursuant to Article 3.3.

“Renewal Fee” means the fee paid by the Franchisee to Franchisor for any Renewal pursuant to Article 3.3.

“Temporary Manager” means an individual whom Franchisee appoints and Franchisor approves, at any time prior to a disability or death of Franchisee who will supervise and operate the Franchised Business during any such disability or death of Franchisee until a successor is legally appointed.

“Term of Agreement” means the term of this Agreement pursuant to Article 3.2.

“Transfer” or **“Assignment”** means the voluntary, involuntary, conditional, direct or indirect assignment, sale, gift or other transfer by Franchisee or any of its Owners of any interest in or grant of any security interest in (a) this Agreement; (b) the Franchised Business; (c) Franchisee; or (d) some or all of the assets of the Franchised Business (other than inventory items that are sold in the ordinary course of business).

“Transfer Fee” means the fee Franchisee is required to remit to Franchisor in accordance with Article 15.3 for any Transfer.

The parties agree that in this Agreement a reference to an Article, Section, Exhibit or a party is a reference to an Article or Section of or an Exhibit or party of this Agreement, unless the context clearly indicates another intention. The Exhibits and Recitals form part of this Agreement and any reference to this “Agreement” includes the Exhibits and Recitals.

ARTICLE 2

GRANT OF FRANCHISE

- 2.1. Grant of Rights.** CorporateConnections hereby grants to Franchisee, and Franchisee accepts, the right to open and operate, within the Region, one (1) Franchised Business according to the stated terms and conditions hereinafter set forth using only the Marks approved by Franchisor. Pursuant to this Agreement, the Franchised Business will consist of the development and operation by Franchisee of groups of business professionals who will receive leadership training, professional development, structured peer performance evaluations and coaching, and bi-weekly meetings to offer each other support, leads and referrals. This structured and professional program will enable for the development of long-term, meaningful relationships with other senior level business professionals, executives, and entrepreneurs using the CorporateConnections System. If Franchisee (or Franchisee’s affiliate) is a BNI® franchisee, Franchisee may operate its Franchised Business and BNI® business from the same location.

2.2. Region. Franchisee must operate the Franchised Business within the limits or boundaries of the Region. Franchisee shall restrict the offering of products and services in the Franchised Business to the products and services approved by Franchisor in writing and no other products or services. Franchisee and its Owners are restricted from operating any other type of business concurrently with the Franchised Business or otherwise without prior written permission from Franchisor. Unless otherwise expressly agreed by Franchisor, if Franchisee is an individual and this is Franchisee's first CorporateConnections Franchise, then Franchisee must reside within the Region granted by the Agreement. While Franchisee may accept members from other regions, Franchisee may not actively solicit members outside its Region to become members of chapters within the Region.

2.3. Non-Individual Franchisees, Corporations, Limited Partnerships, Limited Liability Companies and other such Business Entities.

- a. If Franchisee is a Business Entity, Franchisee must list in Exhibit D the name and address of the Franchisee and each Owner in Franchisee. Franchisor reserves the right to approve the type of Business Entity of Franchisee.
- b. If Franchisee is not an individual, if applicable, any Principal Owner in Franchisee must be approved by Franchisor as a Franchisee hereunder as if he/she were the only owner.
- c. At least fifty-one percent (51%) of the Ownership Interest in Franchisee shall be held by an individual who would otherwise qualify as a Franchisee hereunder as if he/she were the only owner. The individual owner owning at least fifty-one percent (51%) of the Ownership Interest in Franchisee must also have controlling voting power.
- d. If the Franchisee is a Business Entity, each Principal Owner of the Business Entity must sign an unconditional guarantee for all obligations under this Agreement, in the form included with this Agreement as Exhibit E, and each Principal Owner's spouse, if any, must sign a spousal limited guaranty in the form included with this Agreement as Exhibit E-1

2.4. Rights Reserved to Franchisor. This license is specifically limited to the Region and does not grant rights of any kind to any other area, market or development area nor does it grant rights to use in the metaverse. All other rights in connection with the use of the CorporateConnections Marks and the CorporateConnections System are expressly reserved to CorporateConnections, including but not limited to concepts operating through the Internet, in the metaverse, or other marketing-based channels. Except as otherwise described in this Agreement, for so long as Franchisee satisfies all obligations under this Agreement, Franchisor will not establish, or license any third party the right to establish, a CorporateConnections Franchise within the Region. Franchisor retains all other rights not expressly granted in this Agreement including the right, among others, to establish company-owned outlets within or outside the Region, develop and establish other systems within or outside the Region using the CorporateConnections Marks, or any other proprietary marks, and to grant licenses to such systems, including but not limited to the BNI program, without providing any such rights to Franchisee. For example, without obligation to Franchisee, Franchisor and its affiliates may, among other things, regardless of proximity to or economic impact upon the Franchised Business:

- a. Advertise and promote the System within and outside the Region;
- b. Offer and sell any products or services (including those offered by the Franchised Business), under any marks (including the CorporateConnections Marks) within the Region, and through any means;
- c. Offer and sell any products or services (including those offered by the Franchised Business), under any marks (including the CorporateConnections Marks) outside of the Region, and through any means;
- d. Establish, operate, and license others to establish and operate, businesses other than CorporateConnections Franchises within and outside the Region, including businesses operating under the BNI® trademark, trade name and/or concept; and

- e. Use a database management, website and social media tool which allows Members from outside the Region to interact with Members in the Region.

2.5. Key Person. If Franchisee is a BNI® franchisee, franchisee must employ at least one (1) full-time supervisor to serve as the Key Person. If Franchisee is not a BNI® franchisee, Franchisee (or an owner of Franchisee if Franchisee is a legal entity), may serve as the Key Person. Franchisee shall designate the Key Person and notify Franchisor in writing as to the identity of the Key Person prior to opening any Chapters in the Region. The Key Person must be approved in writing by Franchisor prior to the opening of any Chapters in the Region. Absent Franchisor's prior approval the Key Person must devote his/her best efforts in supporting and operating the Franchised Business, may not be engaged in or employed by another business, must reside in the Region, and must be authorized by Franchisee to bind the Franchisee in respect to all issues related to the operation of the Franchised Business (for example, while Franchisee may put in place monetary limits on the authority of the Key Person, regardless of the limits, the Key Person must have the unlimited ability to order the supplies needed by the Region for use by the Chapters/Members). Upon written request by the Franchisee, Franchisor may approve another individual to be the Key Person if that individual resides in the Region, unless this condition is expressly waived by Franchisor in writing.

2.6 No Right to Subfranchise. Franchisee may not subfranchise, sublicense, or relicense to others any right to use the System or the Marks.

ARTICLE 3 **TERM OF AGREEMENT**

3.1 Effective Date. This Agreement is effective upon the Effective Date.

3.2 Term. The initial term of this Agreement shall start on the Effective Date and expire five (5) years from the Effective Date (the "Expiration Date") except as otherwise provided in this Agreement and unless terminated sooner in accordance with the provisions of this Agreement ("Term of this Agreement").

3.3 Renewal of this Agreement. Franchisee may request renewal of the franchise relationship for successive terms ("Renewal") by sending a request to Franchisor in writing at least six (6) months, and no more than twelve (12) months prior to the Expiration Date, provided it is in compliance with all conditions of this Article 3.3 in connection with the renewal. Franchisor is not required to renew this Agreement or offer Franchisee a successor agreement unless required by law. Failure to provide Franchisor with such written request as required by this Section shall be deemed a non-renewal of this Agreement by Franchisee, and the Franchise Agreement will automatically terminate upon the Expiration Date. Franchisor is not required to provide Franchisee with any notice concerning the upcoming Expiration Date; and Franchisee is solely responsible for and required to keep track of the Expiration Date. If the request is not ultimately denied by Franchisor, then Franchisee shall complete the remaining conditions under this Section prior to the Renewal being granted. Upon acceptance of the offer for Renewal, in order to renew Franchisee's right to operate the Franchised Business, Franchisee shall comply with all of the following conditions. If Franchisee fails to comply with any of the following conditions of renewal prior to the Expiration Date, the Agreement shall automatically expire upon the Expiration Date:

- a. Franchisee shall be in compliance with this Agreement and bring the Franchised Business into compliance with Franchisor's specifications and standards then applicable for new CorporateConnections Franchises, including any applicable re-imaging;
- b. Franchisee and its Owners shall execute a general release of any and all claims that Franchisee and its Owners have or may have at that time against Franchisor, its current and former officers, directors, agents, representatives and employees in the form prescribed by Franchisor;
- c. Franchisee and its owners shall satisfactory complete a criminal history background check; and
- d. Franchisee and its owners shall participate in a business plan presentation ("Regional

Business Plan Meeting”) which may include, among other things, in-person meeting with leadership team at CorporateConnections’s then-current offices and presentation by Franchisee of its vision and strategy for growth in its Region.

- e. Franchisee and its Owners shall execute a new franchise agreement in the form then being used by Franchisor for the same type of franchise, which shall supersede this Agreement in all respects (except for this Article 3.3). Franchisee acknowledges that the terms, conditions, and provisions and obligations of the parties of the then-current form of franchise agreement may materially differ from this Agreement;
- f. Franchisee shall remit to Franchisor a renewal fee in the amount of fifty percent (50%) of the then-current Initial Franchise Fee (“Renewal Fee”) at least six (6) months prior to the Expiration Date (subject to applicable law);
- g. Franchisee shall complete and/or execute any other documents that are required by Franchisor; and
- h. Franchisee and any personnel Franchisor designates shall complete any training required by Franchisor at that time.

If this Agreement expires by its terms without any renewal, Franchisee shall comply with all post-termination provisions in this Agreement, each of which shall survive the expiration of this Agreement.

- 3.4 No Franchisee Right to Terminate.** There are no conditions contained in this Agreement under which Franchisee may terminate this Agreement prior to the Expiration Date except by mutual agreement with Franchisor and execution of a mutual release, or by sale of the Franchised Business to another franchisee in good standing or to a qualified third party in accordance with this Agreement.

ARTICLE 4 **FEES AND PAYMENTS**

- 4.1 Initial Franchise Fee.** If this Agreement is for one (1) Chapter, the Initial Franchise Fee is \$30,000. If this Agreement is for (5) Chapters, the Initial Franchise Fee is \$79,000. The Initial Franchise Fee for (5) Chapters Franchise grants the right to launch and operate five (5) Chapters at any given time. The Initial Franchise Fee for (1) Chapter Franchise grants the right to launch and operate one (1) Chapter at any given time. Should a franchisee wish to launch and operate more than five (5) Chapters, an application must be made to purchase another Region. You will pay us the Initial Franchise Fee when you sign the Franchise Agreement. The Initial Franchise Fee will include the Initial Training Fee for up to two (2) people. The Initial Franchise Fee is deemed fully earned and non-refundable when you sign the Franchise Agreement, and it is not refundable under any circumstances. You are required to pay the Initial Franchise Fee by electronic funds transfer in readily available funds or in any other form that we may require, payable to us. All payments to us are non-refundable. Payments made to third parties are subject to the terms you have with the third parties. In the event that there are Chartered Chapters operating within the Region(s) Franchisee will be granted pursuant to this Agreement, then Franchisee and Franchisor will negotiate a purchase price for such Chartered Chapter(s) operating within the Region(s), The Initial Franchise Fee is fully earned by Franchisor upon the Effective Date as defined in this Agreement. In that regard, upon the payment of the Initial Franchise Fee, it is deemed fully earned and non-refundable under any circumstances The Initial Franchise Fee does not include any amount for taxes. As required pursuant to this Agreement, Franchisee is responsible for all taxes owed by Franchisee for any part of the Initial Franchise Fee, if applicable. If Franchisor is required by law to collect taxes from Franchisee for any part of the Initial Franchise Fee, then Franchisee shall remit payment to Franchisor for such taxes in addition to the Initial Franchise Fee upon the Effective Date.

- 4.2 Supplies and Materials.** Upon the Effective Date Franchisee shall purchase, from Franchisor, its affiliates, or its Authorized Suppliers, initial supplies, materials and software licenses for the operation of the Franchised Business. Franchisor has the sole discretion to change the cost of the Initial Supplies. If Franchisee desires to purchase any necessary supplies or copyrighted material for the Franchised Business from another supplier, then, prior to such purchase, such supplier must be approved by Franchisor in writing.

Franchisee will be responsible for payment of any and all shipping and handling costs, all taxes and any other costs associated with the transportation of the Initial Supplies. For existing Franchisees or Franchisees that already have Chapters in existence, Franchisee will certify, in a form as annexed hereto as Exhibit E that Franchisee currently has the minimum supplies required of a new CorporateConnections Franchise without any Chapters, or Franchisee shall also purchase all kits for new Members as determined by Franchisor ("New Member Kit Materials") at the then-current cost (One Hundred Thirty-Five Dollars (\$135 currently) per kit (the first fifteen (15) Member Kit Materials are included in the Initial Supplies). Franchisee will immediately purchase, from Franchisor, its affiliates, or its Authorized Suppliers, supplies and materials for the establishment and ongoing operation of the Franchised Business as designated by Franchisor. Franchisor reserves the right to assess Franchisee a fee for any set-up costs associated with Franchisee's establishment and operation of the Franchised Business.

4.2.1 CorporateConnections® Virtual Chapter Meeting and CorporateConnections® Hybrid Chapter Meeting. CorporateConnections has developed two new meeting formats, CorporateConnections® Virtual Chapter Meeting and CorporateConnections® Hybrid Chapter Meeting. CorporateConnections® Virtual Chapter Meeting is a virtual online tool to serve as an alternative to in-person Chapter meetings when in-person meetings are not possible and has now become one of our permanent options for meetings. The program consists of a virtual online meeting platform, a meeting manual/agenda/script, and a customized PowerPoint deck. CorporateConnections® Virtual Chapter Meeting are Chapters that meet permanently online using video conferencing software each week. CorporateConnections® Hybrid Chapter Meeting Chapters are Chapters that meet the first week in person and the remaining weeks online. CorporateConnections® may change the schedule of in-person and online meeting cadences for CorporateConnections® Hybrid Chapters in the future. CorporateConnections® may, in its sole discretion, alter or stop the use of CorporateConnections® Virtual or Hybrid Chapter Meeting at any time without prior individual written notice to Franchisee.

In order to help facilitate CorporateConnections® Virtual Chapter Meeting and CorporateConnections® Hybrid Meeting, CorporateConnections has worked with Zoom Video Conferencing to assist you to set up the necessary digital platform. Franchisee can sign up for the enterprise account with Zoom for Eighty United States Dollars (\$80 USD) or the then most current cost per license ("Video Conferencing License"), which shall renew annually on March 13 unless otherwise noted. Should Franchisee require more than one license, the costs will be multiplied accordingly. Where Franchisee has multiple Chapters that meet on the same day with overlapping times, multiple licenses will be required. Franchisee's Zoom license can only be used by one user at a time and as a result, we anticipate that Franchisee will need multiple licenses in order to support its CorporateConnections® Virtual or CorporateConnections® Hybrid Chapter Meeting. This price is subject to change at any time and without notice. The Zoom license fee paid to CorporateConnections shall not be refunded for any reason and upon expiration or termination of this Agreement for any reason the Zoom license granted to Franchisee through CorporateConnections terminates as of the date of termination or expiration of this Agreement. Franchisee must agree in writing to Zoom's terms and conditions (available at <https://www.zoom.us/terms>). Franchisee agrees to indemnify and hold harmless Franchisor, its parents, affiliates, and their respective officers, directors, and employees from and against any claims, damages or losses resulting from Franchisee's acts and/or omissions in using the Zoom licenses. Franchisor reserves the right to change the third-party video conferencing provider or add an additional third-party video conferencing provider at any time and in its sole discretion with prior notice to Franchisee.

Franchisee shall make the initial payment for its license(s) prior to opening its franchise for business to CorporateConnections. CorporateConnections shall not be responsible for any damages that Franchisee may suffer as a result of its use of the CorporateConnections® Virtual Chapter Meeting platform or Zoom.

4.3 Continuing Royalty. Franchisee shall pay to Franchisor a monthly fee equal to twenty percent (20%) of the previous month's Gross Revenues as defined herein ("Continuing Royalty") for the use of the CorporateConnections System and the Marks. Franchisee shall remit to Franchisor the Continuing Royalty on or before the fifteenth (15th) of each month based on the previous month's Gross Revenues. Franchisee shall remit to Franchisor a royalty report and a goal progress report as required by Franchisor with the remittance of the Continuing Royalty each month. Submittal of the required report and payment of the Continuing Royalty in readily available funds must be received by Franchisor no later than the 15th of the

month in which they are due or be subject to the late fees as provided below in the Article. The Continuing Royalty is an obligation that is separate and apart from any other financial obligation that Franchisee has to Franchisor. Any payment of the Continuing Royalty that is not in compliance with this Article is a material breach of this Agreement.

- 4.4 Gross Revenues.** The term “Gross Revenues” means any and all sums received or receivable by Franchisee from the sale of all products and/or services in and from the operation of the CorporateConnections Franchise, any revenue generated by Franchisee’s use of the CorporateConnections Franchise products or services and/or the CorporateConnections Marks for businesses unrelated to Franchisee’s CorporateConnections Franchise, and all other income or consideration of every kind and nature received by Franchisee in and from the operation of the CorporateConnections Franchise, including but not limited to, sums received from Members to join and/or participate in a Chapter (including, without limitation, application, registration, membership, participation, and training fees, and such other fees as Franchisor may designate), including any applicable associated late fees, received or receivable by Franchisee, arising out of the operation of a CorporateConnections Franchise, whether for cash, credit, or barter. Gross Revenues include the total gross amount of revenue and sales from whatever source derived, whether in form of cash, credit, agreements to pay or other consideration, and/or derived by Franchisee (including any person and/or corporate entity acting on Franchisee’s behalf) from business conducted by Franchisee within and/or outside the Region and/or a competitive business located and/or operated in the Region. There shall be deducted from Gross Revenues for purposes of said computation (but only to the extent that they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to Members. Unless Franchisor agrees otherwise, once the Continuing Royalty is paid, it shall be non- refundable. Franchisee shall not give any free memberships unless pre-approved in writing by Franchisor. Should Franchisee provide its employees, agents, contractors, or representatives with any membership without concurrent payment (e.g., tolling of membership dues), said membership and application fees (or other fees that may be added in the future) shall be included as part of Gross Revenues as if paid in full at that time by a Member, unless provided otherwise by Franchisor in writing or in any then current policy memorandum issued by Franchisor. Also excluded from Gross Revenue are the amount of any documented refunds, chargebacks, credits and allowances given to Members in good faith. All barter and exchange transactions for which Franchisee furnishes services or products in exchange for goods or services to be provided to Franchisee by a vendor, supplier, or Member, will be valued at the full retail value of the goods or services provided to Franchisee. Franchisor also reserves the right to modify its policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from “Gross Revenues” as circumstances, business practices, and technology change. Franchisor shall provide reasonable advance written notice of any revision to its current policy that changes which fees are included in, or excluded from, the definition of Gross Revenues.
- 4.5 Membership Fee.** Franchisor has the right to specify the amount of the Membership Fee to be charged by Franchisee. Franchisor also has the right to specify the minimum Membership Fee and the maximum Membership Fee to be charged by Franchisee. Franchisor retains the right to modify the specified Membership Fee, the minimum Membership Fee, and the maximum Membership Fee from time-to-time in its sole discretion. Franchisee must strictly adhere to the lawful Membership Fees established by Franchisor because the purpose of establishing such Membership Fees is to enhance interbrand competition. Notwithstanding the above, Franchisee shall not be required to comply with any Membership Fees that are deemed to be per se unlawful.
- 4.6 Local Marketing Expenditure.** Franchisor reserves the right to require Franchisee to spend up to five percent (5%) of Gross Revenues as the Local Marketing Expenditure.
- 4.7 Global Marketing and Technology Fee.** Franchisee shall pay Franchisor monthly the Global Marketing and Technology Fee of two percent (2%) of the previous month’s Gross Revenues. Franchisor reserves the right to increase the Global Marketing and Technology Fee to up to five percent (5%) of the previous month’s Gross Revenues.
- 4.8 Other Fees, Costs, Expenses, Taxes, Etc.** Franchisee shall purchase, from Franchisor or its Authorized Suppliers such other computer software and IT support services that Franchisor designates as not covered under the Technology Fee and for use in the operation of the Franchised Business. Franchisee shall remit to Franchisor any and all payments fees, costs, expenses, taxes and charges which are paid by Franchisor,

on behalf of Franchisee in connection with products, services, supplies, marketing materials, equipment, goods, materials or inventory furnished to Franchisee by Franchisor or by any third party, or otherwise, including, but not limited to, amounts paid to vendors, contractors, insurance carriers and any sales, use, transfer or other taxes, assessments or charges paid to governmental agencies arising from the existence, operation or maintenance of the Franchised Business.

- 4.9 Method of Payment.** Franchisee shall remit all payments due to Franchisor under this Agreement by electronic funds transfer in readily available funds as set out herein or in any other form that Franchisor may require. Franchisee shall establish an arrangement for electronic funds transfer or deposit of any payments required under this Article 4. Franchisee shall execute an electronic funds transfer or ACH agreement in a form as annexed hereto as Exhibit G or such other form that Franchisor designates. Franchisee shall comply with the payment and reporting procedures specified by Franchisor in this Agreement and/or in the Operations Manual. To ensure that payments are received by Franchisor on a timely basis, such policies and procedures may require that Franchisee shall have sufficient funds in Franchisee's account by the 14th of each month, as the electronic funds transfer process may sweep such account the day before for payment on the next day. For the avoidance of doubt, Franchisee shall not pay any of the fees due hereunder via credit card.
- 4.10 Training Fees.** The fee for the Initial Training Program for two of Franchisee's personnel is included in the Initial Franchise Fee and excludes travel and lodging expenses. All expenses for a Franchisee or such Franchisee's employees as to travel-related expenses, meals and payroll expenses for the Initial Training Program and/or any additional training must be paid by Franchisee. Additional training for a Managing Director and Chapter Director is Two Thousand Five Hundred Dollars (\$2,500) per Executive Director, and Two Thousand Five Hundred Dollars (\$2,500) per Managing Director/Chapter Director. Franchisor may also offer optional additional training programs to franchisees and may charge a fee for these trainings.
- 4.11 Insufficient Funds, Late Payments, and Remedies.** If there are insufficient funds in Franchisee's bank account from which Franchisor makes a withdrawal by electronic funds transfer, Franchisor may charge Franchisee a fee of One Hundred Dollars (\$100) for each declined transaction. Any Continuing Royalty or any other fee or payment owing to Franchisor that is late shall incur a fee of three percent (3%) of the outstanding amount, or the maximum allowed by law, whichever is less. At any time Franchisee has an outstanding amount due under this Agreement, Franchisor may collect such outstanding amount from any funds due to Franchisee held by Franchisor or an affiliate of Franchisor. In addition, any amount owed to Franchisor that is outstanding more than thirty (30) days shall incur interest at a rate of five percent (5%) per month or the maximum allowed by law, whichever is more. Nothing in this Agreement is to be construed to mean that Franchisee shall pay, or has contracted to pay, any sum in excess of that which may lawfully be charged or contracted for under any applicable law. The intention of the parties is to conform to applicable usury laws, and it is agreed that if an excess is inadvertently collected, it shall be applied to reduce the amount of any fees owed by Franchisee under this Agreement. No claim by Franchisee that Franchisor is in default under any provision hereof shall be a defense to a claim by Franchisor for Continuing Royalties or other amounts owing hereunder. Franchisee shall not, on the grounds of the alleged non- performance by Franchisor of any of its obligations hereunder, withhold payment of any amounts due to Franchisor.
- 4.12 Compliance with Applicable Laws and Taxes.** Franchisee understands that it may be required, under applicable federal, state or local law, to secure permission from the appropriate government authority to operate a CorporateConnections Franchise. Franchisee is solely responsible to familiarize itself, and comply with, all applicable federal, state and local laws, and Franchisor has made no representations as to the nature of such laws or Franchisee's ability to qualify under such laws. Franchisee is responsible for any local or state sales tax, or any other tax applicable to the purchase of the Franchised Business and/or the supplies included in the Initial Franchise Fee.

ARTICLE 5

TRAINING AND OPENING

- 5.1 Initial Training Program.** Franchisee, the Key Person (if Franchisee is not the Key Person) or the Managing Director or Chapter Director shall attend and successfully complete, to Franchisor's satisfaction, the Initial Training Program within three (3) months of signing this Agreement or, acquiring the Franchised Business through succession or assignment under Article 15. The Initial Training Program shall be provided at a

location and time designated by Franchisor and shall consist of multi-day training. Franchisor may use Leaders and Trainers as part of the Initial Training Program. The cost of the Initial Training Program, along with travel and lodging expenses, must be paid by the Franchisee. The instruction and material costs of the Initial Training Program are included in the Initial Franchise Fee for two of Franchisee's personnel. Franchisee shall be solely responsible for all travel, lodging, meals, transportation, translation, payroll, and/or incidental expenses associated with sending attendees to the

Initial Training Program. Franchisee must pay a fee of two thousand dollars (\$2,000) for each additional individual it sends to Managing Director & Chapter Director Training and a fee of two thousand five hundred dollars (\$2,500) for each additional individual it sends to Executive Director Training. Franchisee acknowledges that this fee covers instruction and required materials only and does not include travel, lodging, meals or other expenses associated with sending attendees to Managing Director & Chapter Director training. The Franchised Business must be under the active full-time management of either Franchisee or the Key Person who has successfully completed the entire Initial Training Program to Franchisor's satisfaction. Franchisee and its designated Key Person shall only be required to complete the Initial Training Program once every five (5) years.

5.2 Owner Training. All additional owners of the Franchised Business shall satisfactorily complete, or have successfully completed the Initial Training Program within three (3) months of signing this Agreement, unless otherwise agreed with Franchisor. Owners must repeat the Training Program within six (6) months of renewal. Franchisor may terminate this Agreement should Franchisee or its Owners fail, in the sole opinion of Franchisor, to satisfactorily complete the Initial Training Program or any additional required training, as required herein.

5.3 Franchisee Training and Staffing. Franchisee shall train and instruct each person employed in the operation of the Franchised Business in the methods and techniques developed by Franchisor. Such training and instruction shall be based upon and given in accordance with the Initial Training Program, the Director and Consultant Materials and the System and shall be provided prior to participation by such employee in the Franchised Business. Any employee of Franchisee that is given access to any CorporateConnections materials must first sign a current Non-Disclosure, Non-Solicitation and Non-Compete Agreement in a form required by Franchisor before being permitted to act in this role or being trained. Franchisees may utilize Chapter Directors to carry out their obligations to the Chapters/Members in training the Members and supervising the Chapter leadership teams. These Chapter Directors must be qualified by Franchisor before participating in this role. These Chapter Directors must also sign the then current Non-Disclosure, Non-Solicitation and Non-Compete Agreement before being permitted to act in this role or being trained. Franchisor requires Franchisee to have all Chapter Directors attend Managing Director & Chapter Director Training prior to participating in this position. Managing Director & Chapter Director Training must be conducted by an approved CorporateConnections Leader and Trainer. Franchisor also provides the option of having the Managing Director & Chapter Director Training being conducted by Franchisor at CorporateConnections' Headquarters or at a facility designated by Franchisor. If Franchisee requests training in addition to that provided for above, Franchisor may provide such training to Franchisee, its employees and/or Chapter Directors at such a time and place and for such duration as may be mutually convenient; provided, however, that the costs of such additional training, including travel, lodging, meals, transportation and a reasonable charge for the services of CorporateConnections' representative, must be borne by Franchisee and, if requested by Franchisor, paid in advance.

5.4 Periodic Training and Conferences. Franchisor may hold additional orientation and/or training programs that Franchisee, its employees and/or Chapter Directors are required to attend and will bear the costs for the training instruction and required materials. Franchisor may offer general or special purpose seminars or conferences or special training programs for additional fees that Franchisee and/or its employees and/or Chapter Directors may attend at various locations that Franchisor designates. Franchisee may send individuals to attend any of these events. Franchisor agrees to not require attendance by Franchisee at more than two (2) training programs annually. In addition, Franchisee must attend at least one (1) conference ("Global Conference") in its entirety each year organized by Franchisor at a location determined by Franchisor. If Franchisee requests additional training Franchisee must pay for the transportation, meal, lodging and payroll expenses associated with providing the additional training, whether it is delivered and performed at a CorporateConnections Franchise, the Franchised Business, or another location Franchisor designates. If the Global Conference is offered in person, then Franchisee shall attend in person. Franchisee must attend the Franchise Leadership Summit ("FL Summit") once in two years organized by

Franchisor at a location determined by us. If the FL Summit is offered in person, then Franchisee should attend in person. If Franchisee fails to attend the mandatory FL Summit once in two years, Franchisee must pay an FL Summit non-attendance fee to Franchisor, which will be two times the cost of the registration ticket, within thirty (30) days of conclusion of the FL Summit. Payment of the FL Summit non-attendance fee does not absolve Franchisee from potential default for non-compliance with this requirement. Franchisee must attend annual Global Convention for Directors (“Global Convention”) in its entirety each year organized by us at a location determined by us. If the Global Convention is offered in person, then Franchisee shall attend in person. Franchisee is expected to attend and fully participate in the Global Convention. Full participation is defined as attending all general sessions and no fewer than 80% of breakout sessions and/or training. If the Franchisee fails to attend the mandatory Global Convention, Franchisee must pay a conference non-attendance fee to us, which will be two times the cost of the registration ticket, within thirty (30) days of conclusion of the Global Convention. Payment of the Global Convention fee non-attendance fee does not absolve Franchisee from potential default for non-compliance with this requirement.

- 5.5 Executive Director Training Requirements.** All Executive Directors of the Franchised Business must successfully complete the Initial Training Program prior to opening a Chapter. In addition, all Executive Directors of the Franchised Business must successfully complete the Initial Training Program Training at least every five (5) years.
- 5.6 Managing Director/Chapter Director Training Requirements.** All Managing Directors and Chapter Directors of the Franchised Business must successfully complete the Initial Training Program prior to Franchisee opening a Chapter. In addition, all Managing Directors and Chapter Directors of the Franchised Business must successfully complete the Initial Training Program at least every five (5) years.
- 5.7 Non-Disclosure.** Franchisee acknowledges and agrees that all training and orientation provided by Franchisor is and includes methods, concepts and materials (“Training Information”) that are confidential and proprietary material owned solely by Franchisor or its affiliates. Therefore, each person in attendance at any training provided by Franchisor shall be required to sign an agreement in a form provided by Franchisor that prohibits the unauthorized disclosure or use of any Training Information. By signing this Agreement, Franchisee acknowledges the confidential and proprietary nature of these materials and agrees to the non-disclosure provisions set forth herein. To the extent that a Managing Director or Chapter Director has executed the Non-Disclosure, Non-Solicitation and Non-Compete Agreement, this shall qualify for receipt of said Training Information.
- 5.8 Charges and Costs.** All expenses of Franchisee and its personnel and independent contractors incident to attendance at the Initial Training Program and any training/orientation, seminars, conferences or other special training programs provided by Franchisor, including travel, lodging, meals, transportation, translation, compensation of and worker's compensation insurance for the attendees enrolled in such training and any other personal and/or incidental expenses, shall be borne by the Franchisee. If Franchisor visits the Franchised Business without any request by Franchisee, then Franchisor will cover its own expenses for such visit.
- 5.9 Operation of Chapter.** Franchisee must have in operation at least one (1) Chapter within the Region within the time period outlined in Franchisee’s development schedule. If the Franchisee purchases an already existing Region, Franchisee must have already completed the Initial Training Program prior to the Effective Date. Franchisor may approve a written request from Franchisee for an extension of these deadlines, subject to negotiation with Franchisor. Any approval by Franchisor for such an extension must be in writing to be effective.

ARTICLE 6

STANDARDS, PROCEDURES AND CONSISTENCY OF OPERATION

- 6.1 Director and Consultant Materials.** Franchisor has established standard procedures, policies, rules, regulations, and recommendations relating to the operation of the Franchised Business and incorporated them in the Operations Manuals, including its Managing Director and Chapter Director Training Manual, all guidelines, systems, policy memoranda, recommendations, supplements, supplemental policy memoranda, notices, memoranda, ancillary manuals, videos, digital video or versatile discs, compact discs,

video or audio cassettes and any electronic medium (collectively referred to as the “Director and Consultant Materials”). The Director and Consultant Materials shall also include all manuals, written communications and notices provided to Franchisee concerning the CorporateConnections System and may also include any of the following: forms, information regarding services provided, general operations, chapter development, any sales or income reports, employee or independent contractor forms and information; display of signs, banners and notices; usage of the Marks; insurance requirements; standards for management, personnel and hours of operation; and local promotion formats. The Director and Consultant Materials does not include the forms provided to Leadership Team and Support Team Members used in the education process of the CorporateConnections System that are provided to the public pursuant to approval by Franchisor. Franchisee shall operate the Franchised Business in strict and complete compliance with the mandatory provisions of the Director and Consultant Materials.

- a. Franchisor may make modifications to the Director and Consultant Materials at any time. Unless otherwise agreed to in writing by Franchisor, Franchisee shall comply with such modifications of mandatory requirements within thirty (30) days of written notice of such modifications which may be provided by electronic communications. Franchisor may grant additional time to Franchisee for such compliance of any modifications if Franchisor, in its sole discretion, deems additional time is necessary. The Director and Consultant Materials, including any modifications thereto, are an integral part of this Agreement.
- b. Franchisee acknowledges that the Director and Consultant Materials are the property of Franchisor; that the Managing Director and Chapter Director Training Manual and Director and Consultant Materials any other CC manual, whether or not they are labelled proprietary and confidential, are confidential, proprietary, contains trade secret of Franchisor; and that Franchisee does not acquire any right, title or interest in the Director and Consultant Materials. Franchisee shall not during the term of this Agreement or at any time thereafter, divulge any part of the Director and Consultant Materials to any other person except to those employees and independent contractors of Franchisee who need access to it for operation of the Franchised Business and provided that they sign a Non-Disclosure, Non-Solicitation and Non-Competition Agreement in a form approved by Franchisor. Franchisee shall cause its Principal Owners and their spouses, and if Franchisee is a Business Entity, its shareholders, officers, members, directors and partners, to sign a Non-Disclosure, Non-Solicitation and Non-Competition Agreement in forms acceptable to Franchisor concerning the Director and Consultant Materials and provide Franchisor with copies of such agreements. To the extent not prohibited by any applicable laws, Franchisee shall conduct the operation of the Franchised Business in accordance with the mandatory requirements of the Director and Consultant Materials. In addition, Franchisee may disclose certain delegated materials of the non- public Director and Consultant Materials to Ambassadors, Leadership Team and Support Leadership Team members, provided that they to sign a Non-Disclosure, Non-Solicitation and Non-Competition Agreement in a form that Franchisor approves.
- c. Franchisee shall not make, cause or allow to be made any copies or reproductions of all or any portion of the Director and Consultant Materials without Franchisor’s express prior written consent, except where the operation of the Franchised Business in accordance with the Director and Consultant Materials make it necessary. Upon the expiration or termination of this Agreement for any reason whatsoever, Franchisee shall immediately return any copies of the Director and Consultant Materials to Franchisor or a designee of Franchisor. In addition, Franchisee shall, upon the expiration or termination of this Agreement for any reason whatsoever, permanently delete any electronic copies of the Director Materials and provide a declaration of compliance to Franchisor in a form provided and/or approved by Franchisor.

6.2 CorporateConnections System. Franchisee acknowledges that Franchisor has developed, and may continue to develop or revise the System in the future and further acknowledges that the System, together with information pertaining to customers of the CorporateConnections System, are trade secrets of Franchisor which have been developed through the research of and at the expense of Franchisor.

- 6.3 Compliance.** Franchisee agrees that the consistency of operation of all CorporateConnections Franchises in compliance with the Director and Consultant Materials are mutually beneficial for Franchisor and Franchisee. Franchisee also agrees that compliance by Franchisee with all mandatory parts of the Director and Consultant Materials and any changes thereto is essential, material and vital to the relationship between Franchisor and Franchisee and this Agreement; is necessary to protect the reputation and goodwill of Franchisor and to promote the reputation, goodwill, value and integrity of the Marks and the CorporateConnections System; and is essential, material and vital to the operation of the Franchised Business. Therefore, Franchisee shall always be in compliance with all mandatory parts of the Director and Consultant Materials and any changes thereto and failure to so comply is a material default of this Agreement subject to the remedies outlined in this Agreement. Franchisee acknowledges and agrees that in addition to the remedies available to Franchisor under the terms of this Agreement, that damages resulting from Franchisee's breach of this Agreement are difficult to ascertain, and consequently agrees that Franchisee shall be liable to Franchisor for liquidated damages as calculated below. If Franchisee is in default of its obligations under this Agreement, then Franchisee shall pay to Franchisor Two Thousand Dollars (\$2,000) per month until Franchisee cures the default, and, if applicable, an additional fee of Two Thousand Dollars (\$2,000) per day if Franchisor or its designee provide on-site support (eight (8) hours per day) to Franchisee. Franchisor will provide Franchisee with fifteen (15) days advance written notice of such default before it will begin calculating liquidated damages. Franchisee shall continue paying Franchisor liquidated damages on a monthly basis until Franchisee has fully cured such default to Franchisor's satisfaction.
- 6.4 Manner of Operation.** Franchisee shall maintain the highest standards of quality and service in its operation of the Franchised Business in accordance with the standards established by Franchisor in order to provide the highest quality service to Members of Franchisee and to preserve and enhance the value of the Marks. To maintain consistency within the CorporateConnections System and to maintain the standard practices that are necessary to promote the goodwill of the CorporateConnections System, in the operation of the Franchised Business, Franchisee shall comply with standards set by Franchisor in the Director and Consultant Materials. Franchisee shall follow CorporateConnections' Branding Standards and any CorporateConnections Branding Standards Policy Memorandum and use only the standard form of reports and printed material prescribed by Franchisor for use by the Franchise, its Chapters and Chapter Directors to the extent such materials are not prohibited by any laws, rules or regulations of duly-constituted governmental bodies relating to the Franchised Business.
- 6.5 Personal Supervision.** This Agreement is made and entered into by Franchisor with Franchisee in reliance upon and in consideration of the personal qualifications of Franchisee and its Principal Owners. Franchisee shall complete the Initial Training Program. Unless Franchisor consents in writing, Franchisee shall personally operate and/or exercise personal supervision over the operation of the Franchised Business.
- 6.6 Management and Employees/Independent Contractors.** Franchisee shall always have an individual who has successfully completed the Initial Training Program managing and/or supervising the Franchised Business. The manager and/or supervisor shall supervise the day-to-day operations of the Franchised Business in accordance with the Director and Consultant Materials.
- a. Franchisee must ensure that all its employees, Chapter Directors, Ambassadors, Leadership and Support Leadership Team Members and others under its supervision enter into a Non-Disclosure, Non-Solicitation and Non-Competition Agreement in a form approved by Franchisor and compliant with applicable laws.
 - b. Franchisee must ensure that all its employees, Chapter Directors, Ambassadors, any type of leadership Members and others under its supervision conduct themselves in such manner as not to discredit or adversely affect the reputation of CorporateConnections' franchise network or the Marks. Franchisee will immediately notify Franchisor if any of Franchisee's Owners, directors, managers, employees, independent contractors, Ambassadors, Leadership Team Members, Support Leadership Team Members or agents are arrested or questioned by the police in connection with an offense.
 - c. Franchisee shall assure that all of its employees, Chapter Directors, Ambassadors, and Leadership and Support Leadership Team Members engaged in the operation of the

Franchised Business during working hours conduct themselves in conformance with standards set out by Franchisor and in compliance with any applicable Federal, State and/or local laws, communicate with Franchisor personnel in a cooperative manner, and provide competent and efficient service to the Members.

- 6.7 Standard Hours.** Franchisee shall make its best effort to conduct CorporateConnections meetings as designated within the Operations Manual.
- 6.8 Observation/Visitation of Chapters.** Franchisee or a trained Managing Director or Chapter Director shall visit each Chapter within the Region at least once per month, with no more than six (6) weeks passing between each visit. Franchisee shall maintain and, upon request, submit to Franchisor a current monthly report on the status of each Chapter within the Region using a form provided by Franchisor.
- 6.9 Products and Services.** Franchisee shall offer and sell only the products and services in the Franchised Business which are approved by Franchisor in writing and no other products and/or services. Subject to Article 4.2, Franchisee shall offer all products and services that Franchisor designates as required for all franchisees. If Franchisor expands or modifies the approved products and/or services required to be offered by the Franchised Business, Franchisee shall comply with such expansion or modification within ninety (90) of written notification by Franchisor. The offering and/or selling of any unapproved products and/or services by Franchisee shall be considered a material breach of this Agreement. Franchisee shall remit payment for all outstanding invoices from Franchisor within thirty (30) days from the date of invoice. Invoices under this provision do not include the Continuing Royalty which is governed by Article 4.3 herein. Franchisee agrees and understands that past due invoices are subject to late fees as provided in Article 4.
- 6.10 Promotional and Marketing Materials.** Franchisee shall use only those promotional and marketing materials or items which are authorized by Franchisor in writing and in accordance with CorporateConnections' Branding Standards. Franchisee shall not display or use the Marks without the prior written approval of Franchisor. Franchisee shall get prior written approval prior to releasing or using any local printing, advertising or promotional programs, other than those provided by Franchisor. Failure to comply with this Article shall be an infringement upon CorporateConnections' proprietary rights and a material breach of this Agreement. Franchisees shall be responsible to monitor the promotional activities of its Chapters and ensure compliance with the CorporateConnections Branding Standards. Franchisee shall be further responsible for the actions taken by its Chapters in contravention of this Agreement.

During the Term of this Agreement, Franchisor may establish and conduct promotional and marketing campaigns on a national or regional basis, which may, by way of illustration and not limitation, promote particular events or programs. Franchisee must participate in such promotional and marketing campaigns and in any official membership drive as developed by Franchisor. If required by Franchisor, Franchisee shall purchase material, posters, flyers, and other promotional material. Franchisee must provide the prize for such membership drive as set by Franchisor at Franchisee's own cost.

Franchisee shall not engage in any deceptive, misleading, unlawful or unethical promotion or marketing which, in the sole discretion of Franchisor, might be injurious or detrimental to Franchisor, the Marks, the CorporateConnections System or the public. Franchisee shall only advertise, promote and solicit for Members within the boundaries of the Region. Franchisee shall use the Marks only in the forms prescribed by Franchisor. Franchisee shall use only the advertising or promotional materials, signs or other items using the Marks and/or connected in any way to the Franchised Business which are approved in writing by Franchisor or as pre-approved pursuant to the CorporateConnections Branding Standards.

- 6.11 Right of Entry, Inspection and Contact.** Franchisor, or a representative of Franchisor, has the unrestricted right to inspect the Franchised Business and any Chapter meetings as it deems appropriate and without prior notice to Franchisee to ascertain Franchisee's compliance with this Agreement; to confer and have direct contact with Franchisee, Franchisee's employees, independent contractors, Ambassadors, Leadership Team and Support Leadership Team Members, and Members by any medium and by such frequency as Franchisor may so elect to use; and to inspect the Franchised Business' books and financial records, including, but not limited to, checks, check registers, bank statements, tax returns, all documentation and records pertaining to Franchisee's loans, investments, accounts payables, accounts receivable, and deposits, as well as the Operating Management System information. Inspection of Chapter

meetings occurring online may occur by Franchisor accessing Franchisee's Zoom (or then current video conferencing provider platform) accounts. Franchisee shall provide to Franchisor, upon request, copies of all books, financials, membership data and any other records for the Franchised Business. Franchisor may conduct the inspections without prior notice at any time during business hours. The inspections will be performed in a manner which minimizes interference with the operation of the Franchised Business. Franchisee shall provide the books and records of the Franchised Business at all reasonable times during the business day to Franchisor.

6.12 Global Marketing and Technology Fee Franchisee must pay a Global Marketing and Technology Fee to the Franchisor, which we will use as follows:

- a. Franchisor or its designee shall direct all advertising programs, as well as all aspects thereof, including the concepts, materials, and media used in such programs and the placement and allocation thereof. Franchisor or its designee will also have the right to direct all technological enhancements and developments for the System. The Global Marketing and Technology Fee is intended to maximize general public recognition, acceptance, perception of, and use of the System; and neither Franchisor nor its designee are not obligated to use these contributions to make expenditures for Franchisee which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures of the Global Marketing and Technology Fee. Franchisor is not required to expend any particular amount of money in Franchisee's Region.
- b. All Global Marketing and Technology Fees, shall be used exclusively (except as otherwise provided in this Section) to meet any and all costs of exploring and/or implementing technological developments and enhancements, and maintaining, administering, directing, conducting, creating and/or otherwise preparing advertising, marketing, public relations and/or promotional programs and materials, and any other activities which Franchisor believes will enhance the image of the System, including the costs of conducting research on new technologies, preparing and/or conducting: media advertising campaigns; social media campaigns; direct mail advertising; marketing surveys and other public relations activities; employing advertising and/or public relations agencies to assist therein; brand research and development; developing and hosting marketing, brand development and enhancement, and customer engagement seminars for CorporateConnections Franchisees; purchasing promotional items; developing new or modified trade dress and marks; design and photographs; conducting and administering visual merchandising, and other merchandising programs; purchasing media space or time (including all associated fees and expenses); administering regional and multi-regional marketing and advertising programs; market research and customer satisfaction surveys; the creative development of, and actual production associated with, premium items, giveaways, promotions, contests, public relation events, and charitable or non-profit events; developing, implementing and maintaining an electronic commerce website, online social media platforms, mobile apps and operating management systems; and/or related strategies; maintaining and developing one or more websites devoted to the System, the Marks and/or the "CorporateConnections" brand; providing promotional and other marketing materials and services to the CorporateConnections Franchises operated under the System; and the salaries of Franchisor's employees to the extent such employees provide services in conjunction with System marketing activities. The Global Marketing and Technology Fee may also be used to provide rebates or reimbursements to CorporateConnections Franchisees for local expenditures on products, services, or improvements, approved in advance by Franchisor, which products, services, or improvements Franchisor shall have the right to determine will promote general public awareness and favorable support for the System. Franchisee acknowledges that the Global Marketing and Technology Fee may be used to include solicitations for the sale of CorporateConnections Franchises in the advertising, marketing and promotional programs and materials the Global Marketing and Technology Fee produces and distributes.

- c. Franchisee acknowledges that Franchisor may engage in joint marketing and technological development activities with BNI Franchising, LLC. Franchisee also acknowledges that Franchisor may use Global Marketing and Technology Fees to, among other things, pay for marketing and promotional activities and/or implement technological developments and enhancements for the CorporateConnections Franchise and the BNI Franchise, such as each system's websites, online social media platforms, mobile apps, and operating management systems. Franchisee shall make the Global Marketing and Technology Fee contributions in the manner specified in Article 4.7 above. All sums paid by shall be accounted for separately from other funds in the company, but the contributions are not required to be maintained in a separate account or fund. Franchisor shall have the right to allocate from these contributions for such reasonable administrative costs and overhead as Franchisor may incur in activities reasonably related to the direction and implementation of the Global Marketing and Technology Fees and marketing and technology programs for CorporateConnections Franchisees and the System, including costs of personnel for creating and implementing, advertising, merchandising, promotional and marketing programs and accounting services reasonably related to global marketing and technology. The contributions shall not otherwise inure to Franchisor's benefit. Franchisor or its designee shall maintain separate bookkeeping accounts for the Global Marketing and Technology Fee.
- d. The Global Marketing and Technology Fee is not intended to be, and will not be used for, Franchisor's ordinary operating expenses and for advertisements for the sale of franchises, nor is it a trust, and Franchisor does not assume any fiduciary obligation to Franchisee for maintaining, directing or administering the Global Fund as shown on Franchisor's books shall be prepared annually by Franchisor and shall be Marketing and Technology Fee or for any other reason. A statement of the operations of the contributions will be made available to Franchisee on an annual basis.
- e. Although these contributions are intended to be of perpetual duration, Franchisor maintains the right to terminate the Global Marketing and Technology Fee. At such time that the Global Marketing and Technology Fee may be terminated the prior monies allocated to these contributions, which have not been spent will be expended for advertising, promotional and/or technological purposes.

6.13 Marketing Cooperative. Franchisor shall have the right to establish, at any time, the Marketing Cooperative, as described in this Article 6.14. If established, the Marketing Cooperative shall be maintained and administered by Franchisor or its designee, as follows:

- a. Franchisor shall have the right to designate any geographical area for purposes of establishing a Marketing Cooperative. If a Marketing Cooperative for the geographic area in which the Franchised Business is located has been established at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Marketing Cooperative, unless otherwise permitted by Franchisor. If a Marketing Cooperative for the geographic area in which the Franchised Business is located is established during the term of this Agreement, Franchisee shall become a member of such Marketing Cooperative within thirty (30) days after the date on which the Marketing Cooperative commences operation, unless otherwise permitted by Franchisor. In no event shall Franchisee be required to be a member of more than one (1) Marketing Cooperative relating to the Franchised Business.
- b. Each Marketing Cooperative shall be organized (including bylaws and other organic documents) and governed in a form and manner, and shall commence operations on a date, approved in advance by Franchisor in writing. Unless otherwise specified by Franchisor, the activities carried on by each Marketing Cooperative shall be decided by a majority vote of its members. Any CorporateConnections Business that Franchisor or its affiliates operate in the region shall have the same voting rights as those owned by CorporateConnections Franchisees. Each CorporateConnections Business owner shall be entitled to cast one (1) vote for each CorporateConnections Franchise owned.

- c. Each Marketing Cooperative shall be organized for the exclusive purpose of administering regional advertising programs and developing, subject to Franchisor's approval, standardized promotional materials for use by the members in local advertising and promotion.
- d. No advertising or promotional plans or materials may be used by a Marketing Cooperative or furnished to its members without the prior approval of Franchisor, pursuant to the procedures and terms as set forth below.
- e. Franchisee shall submit Franchisee's required contribution to the Marketing Cooperative at the time required above, together with such statements or reports as may be required by Franchisor or by the Marketing Cooperative with Franchisor's written approval. If so requested by Franchisor in writing, Franchisee shall submit Franchisee's payments and reports to the Marketing Cooperative directly to Franchisor for distribution to the Marketing Cooperative.
- f. Although once established, each Marketing Cooperative is intended to be of perpetual duration, Franchisor maintains the right to terminate any Marketing Cooperative. A Marketing Cooperative shall not be terminated, however, until all monies in that Marketing Cooperative have been expended for advertising and/or promotional purposes.

6.14 Local Marketing. Franchisor reserves the right to require Franchisor to spend the Local Marketing Expenditure to market and promote the Franchised Business in the Region. All local marketing and promotion by Franchisee shall be in such media, and of such type and format as Franchisor may approve; shall be conducted in a dignified manner; shall conform to such standards and requirements as Franchisor may specify; and shall comply with all applicable laws. Franchisee shall not use any advertising, marketing or promotional plans or materials unless and until Franchisee has received written approval from Franchisor, pursuant to the procedures and terms set forth in this Article 6 and/or the Operations Manual. Franchisee shall comply with all of Franchisor's written instructions, policies, procedures, and restrictions regarding advertising and marketing within the Region, outside of the Region, and in areas that may be territories assigned to other CorporateConnections Franchisees. As used in this Agreement, the term "**local marketing**" shall consist of the direct costs of placing, purchasing and producing advertising materials (including camera-ready advertising and point of sale materials), media (space or time), and those direct out-of-pocket expenses related to costs of advertising and sales promotion spent by Franchisee in the Region, advertising agency fees and expenses, postage, shipping, telephone, and photocopying. Franchisee may only market, promote and solicit for Members within the boundaries of the Region. Franchisee may use the Marks only in the forms prescribed by Franchisor. Franchisee may use only the marketing or promotional materials, signs or other items using the Marks and/or connected in any way to the System which are approved in writing by Franchisor or as pre-approved pursuant to Franchisor's procedures.

6.15 Advertising Council; Technology Council. Franchisor reserves the right to create, in its sole discretion, an advertising council and/or technology council for the purpose of fostering communication among and between franchisees and Franchisor, as well as to establish, modify or discuss various policies applicable to the System. If and when the councils are created, Franchisee shall be required to participate in such council meetings and programs as Franchisor shall designate. Franchisee may be required to pay such dues to the council as Franchisor shall determine, and Franchisee shall pay all costs and expenses incurred in connection with participation in the council including, without limitation, the costs of transportation, lodging, and meals. If established, Franchisor shall have the right to modify or dissolve the council.

ARTICLE 7

FRANCHISEE OBLIGATIONS

7.1 Conduct. Franchisee shall not do anything in operating the Franchised Business that would adversely affect the image of CorporateConnections, the Marks, or the CorporateConnections System and shall not do or allow any of its employees, independent contractors, Ambassadors and Leadership and Support Leadership Team Members to do anything in operating the Franchised Business which would have such an

adverse effect. In order to protect Franchisor, the Marks and the CorporateConnections System, Franchisor has the sole discretion in reasonably determining if Franchisee has breached this Article.

- a. Franchisee acknowledges that the manner in which it treats its Members, Directors, Chapter Directors, employees, independent contractors, Ambassadors and Leadership and Support Leadership Team Members will have a material impact on the Member's view of Franchisor and how others may view Franchisor. As such, Franchisee shall treat its Members, Directors, Chapter Directors, employees, independent contractors, Ambassadors and Leadership and Support Leadership Team Members with respect at all times.
- b. Franchisee shall maintain a high level of morals and ethics in operating the Franchise. Franchisee acknowledges that its reputation will have a material impact on the success of the Franchise and the image of CorporateConnections. As such, Franchisee shall avoid any negative publicity and legal troubles, which if made known could impact the Franchisee's reputation. Acts of moral turpitude and criminal conduct shall be deemed a material breach of this Agreement.
- c. Franchisee must ensure that all employees under its supervision and independent contractors conduct themselves in such manner as not to discredit or adversely affect the reputation of CorporateConnections' franchise network or the Marks. Franchisee will immediately notify Franchisor if any of Franchisee's Owners, directors, managers, employees, independent contractors, or agents are arrested or questioned by the police in connection with an offense. Franchisee must maintain adequate staffing levels at all times.
- d. Key Person. Franchisee will ensure that the Key Person lives within the Region and devotes his/her full time, attention and effort to the support and operation of the Franchised Business as provided in this Agreement. Full time, attention and effort is defined as devoting full and exclusive professional time to the obligations set forth in this Agreement and performing these obligations to the best of Key Person's abilities, experience and talent. If the Key Person has not signed this Agreement, then Franchisee will ensure that the Key Person enters into a Non-Disclosure, Non-Solicitation and Non-Competition Agreement and that insurance required by law and this Agreement is in force and effect for such Key Person during the Term of this Agreement. If the Key Person is unable to comply with the provisions of this provision, Franchisee will arrange for a suitable replacement subject to Franchisor's prior written approval. If the Key Person ceases to live within the Region or fails to devote sufficient time to the support and operation of the Franchised Business and Franchisee is unable to arrange for a suitable replacement, Franchisor may terminate this Agreement.

7.2 Member Lists and Satisfaction Tracking. To assist Franchisor in providing Franchisee with on-going advice and assistance, and to determine whether Franchisee is complying with the terms of this Agreement and with the specifications, standards and procedures established for operation of the Franchised Business, Franchisor, or its authorized representative, may, during regular business hours, or at such other times as may be mutually agreed upon, inspect all Member and Chapter records, both active and inactive, and any other related records. Upon request by Franchisor, and subject to any applicable state or federal data protection laws, Franchisee shall furnish to Franchisor in whatever format required by Franchisor all Membership Lists. Franchisee acknowledges and agrees that CorporateConnections is the sole owner of the Membership Lists and that Franchisee will not distribute, in any form or manner, the Membership Lists to any third party without the prior written consent of CorporateConnections. Subject to any applicable state or federal data protection laws, Franchisee shall submit to Franchisor satisfaction tracking reports as required by Franchisor for all Members within the Region. Franchisee shall notify CorporateConnections of any substantial Member complaints or other complaints or of any breaches of data security within twenty-four (24) hours of receiving or becoming aware of them. Franchisee shall become familiar with the privacy policy of CorporateConnections and will abide by the terms thereof.

- 7.3 Development Schedule.** Franchisee is required to meet the development obligations set out in Exhibit I to the Development Schedule for the expansion and growth of the Franchised Business. Franchisee understands and agrees that the Franchised Business must expand and grow in accordance with the standardization and accountability standards established by Franchisor. If Franchisee fails to comply with the Development Schedule for a particular development period, Franchisor will extend the applicable development period by six (6) months to allow Franchisee an opportunity to satisfy the Development Schedule (the "Extended Period"). If Franchisee fails to meet the applicable development obligation by the end of the Extended Period, Franchisor shall have the right to (i) immediately terminate this Agreement, upon thirty (30) days' prior written notice without further opportunity to cure, (ii) revoke the exclusivity granted to Franchisee pursuant to Article 2.4, (iii) reduce or otherwise change the size of the Region, and/or (iv) any other remedy available to Franchisor in its sole discretion. The above six (6) months cure period shall not be applicable in the last year of the term of this Agreement, and if Franchisee fails to meet the development requirements for that last year, Franchisee shall be in non-compliance with this Agreement and therefore subject to not being renewed by Franchisor at Franchisor's sole business judgment.
- 7.4 Public Statements.** Except as required by applicable law, Franchisor and Franchisee and/or anyone under its control or supervision, shall make no statement or otherwise directly or indirectly disclose any information to the press or any other third party regarding any agreement, dispute or potential dispute between Franchisee and Franchisor or between Franchisor and any other party without the other party's prior written consent.
- 7.5 Encumbrances/Agreement.** Franchisee shall not, without first obtaining Franchisor's written consent, charge, pledge or encumber any part of the Franchised Business or any of the rights granted to Franchisee hereunder or the receipts of the Franchised Business whether or not such encumbrance is in the ordinary course of business. Further, Franchisee shall not enter into any agreement with any other party that could materially affect the Franchised Business or any CorporateConnections Franchise without Franchisor's prior written consent.
- 7.6 Finance.** Franchisee shall ensure that it has adequate finances, including working capital, to discharge its obligations under this Agreement and provide Franchisor with written evidence of such adequate finances from Franchisee's banker upon request by Franchisor.
- 7.7 Misappropriation of Funds. Franchisee shall not:**
- a. withhold, misdirect or appropriate for its own use any funds withheld from employees' wages for any of such employees' taxes, insurance or other benefits; or
 - b. generally fail to deal fairly and honestly with its employees, independent contractors or Members; or,
 - c. utilize any funds from the payment of dues, application fees, late fees, or any other fees the Franchised Business may charge before first paying the royalty owed to Franchisor.

Franchisee shall also educate, supervise and monitor Chapters to ensure that the Chapters do not allow for misappropriation of any Chapter's funds in violation of this provision. Franchisor shall have no responsibility or relationship with respect to any bank accounts for Chapters.

- 7.8 Notification of Market Developments.** Franchisee must immediately notify CorporateConnections in writing of the full details of any party offering similar or competing services to those offered by the Franchised Business. In addition, Franchisee shall keep CorporateConnections informed of market developments in the Region.
- 7.9 Updates.** Franchisee shall provide Franchisor with copies of any amendments made to Franchisee's Business Entity and provide Franchisor with any shareholders' agreement, members' agreement or any other agreement between Franchisee's Owners.
- 7.10 Customer Relationship Management System.** Franchisor may require Franchisee to use a customer relationship management system ("CRM") in order to better organize Franchisee's members or local

marketing efforts. Franchisee is required to use the company or organization that is approved by Franchisor. Franchisee will pay Franchisor the cost for using such CRM system or Franchisor may require Franchisee to pay for the CRM service directly to the provider. Franchisor may change the CRM provider upon notice to Franchisee, but Franchisor will not change such provider more than one time each year during the Term of this Agreement. This fee will be in addition to the and Video Conferencing License referenced in Sections 4.10 and 4.2.1 respectively.

CorporateConnections Meeting Management Tool. Franchisor reserves the right to introduce and require Franchisee to pay for management tools, including but not limited to a CorporateConnections Meeting Management Tool (“Meeting Management Tool”), in order to better administer and run Franchisee’s weekly CorporateConnections Meetings. Franchisee is required to use the Meeting Management Tool that is approved by Franchisor. Franchisor may change the Meeting Management Tool upon notice to Franchisee, but Franchisor will not change such Meeting Management Tool more than one time each year during the Term of this Agreement.

7.11 Franchisee’s Owners. At all times during this Agreement, Franchisee shall:

- a. provide to Franchisor full details including names and addresses of its Owners and provide full details of their interest in the Franchised Business. Franchisee shall ensure that its Owners do not relinquish their interest in the Franchised Business or allow any other party to become one of its Owners without CorporateConnections’ prior written consent in accordance with this Agreement; and
- b. ensure that, immediately upon the Effective Date, each and every employee of Franchisee shall enter into a Non-Disclosure, Non-Solicitation and Non-Competition Agreement and all Principal Owners of Franchisee shall execute a “Unconditional Guaranty”, in the form provided for by Franchisor, guaranteeing the performance of all terms, conditions, covenants and obligations of this Agreement; and
- c. Franchisee’s largest shareholder/owner, and shareholders/owners accounting for at least 51% of the ownership of the Franchise, must be trained as a Director/Chapter Director.

7.12 Compliance with Laws, Rules and Regulations. Franchisee shall comply with all requirements set forth in this Agreement and in the Director and Consultant Materials and with all laws, rules and regulations of duly-constituted governmental bodies relating to the Franchised Business. Franchisee is solely responsible for knowing and understanding all such requirements, laws, rules and/or regulations. Any information acquired from Franchisor or its counsel regarding such shall not be construed as legal advice or as any representation by Franchisor as to the interpretation of any such requirements, laws, rules and/or regulations. Franchisee shall obtain and maintain, at its own cost, all necessary licenses, approvals and permits required for operating the Franchised Business. Review and selection of persons for membership in Chapters in all job classifications shall be made based on qualifications without regard to race, color, religion, sex, national origin, marital status, sexual preference, age or handicap.

7.12.1 Data Protection. Franchisee will comply with all applicable consumer privacy and data protection laws and data privacy regulations and with any consumer privacy and data protection policies of Franchisor periodically in effect in connection with the transfer of any personal information and other data under this Agreement, including without limitation with the European Union’s General Data Protection Regulation in so far as it applies to the operations of the Franchisee. Franchisee acknowledges that it will respect and maintain the confidentiality and security of the personal data handled, stored, collected or processed by it and shall comply with any and all data protection guidelines issued by Franchisor in the operations manual(s). Franchisee acknowledges and agrees that upon termination of this Agreement for any reason, all data remains the property of CorporateConnections and Franchisee covenants it shall not use the data for any purpose other than for compliance with certain obligations and with prior written pre-approval from CorporateConnections.

- 7.13** Use of CorporateConnections Counsel. CorporateConnections has counsel that it uses for specific matters and has invested time and money to educate its counsel. As such, it is important to Franchisor to have its chosen counsel represent it. To the extent that CorporateConnections utilizes its counsel in conjunction with disputes that also involve its counsel representing the Franchisee, Franchisee recognizes that CorporateConnections' counsel may ultimately be in a position adverse to the Franchisee if Franchisor has a dispute with Franchisee. If there is such an adverse position, then Franchisor and/or Franchisee may use its own counsel to represent its own interests only. If CorporateConnections and Franchisee both agree to waive any such conflicts or adverse positions relating to such representation, then Franchisor may allow for its counsel to continue to represent both parties in any such dispute. Each party is responsible for payment of all fees assessed by its own counsel.
- 7.14** Goodwill. Franchisee agrees that all goodwill in the CorporateConnections System, the Marks, CorporateConnections' intellectual property, and the business of owning the CorporateConnections Franchise, belongs to Franchisor or its affiliate and that any additional goodwill generated from using or exploiting the CorporateConnections System and the Marks in Franchisee's business belongs to Franchisor or its affiliate.
- 7.15** Best Efforts. Franchisee must use their best efforts to promote and increase the demand for the products and services of the Franchised Business. All of Franchisee's marketing and promotion shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee agrees to refrain from any business or advertising practice which may be injurious to the Franchised Business or the goodwill associated with the Marks and System. Franchisee shall refrain from participating in any other franchise system outside of the CorporateConnections System unless expressly consented to by Franchisor.
- 7.16** Referrals to BNI Franchise. Franchisee agrees to use its best efforts to refer individuals that do not qualify for a CorporateConnections membership to BNI Franchising LLC in such manner as CorporateConnections may prescribe.

ARTICLE 8

SERVICES AND SUPPLIES

- 8.1 Services Available to Franchisee.** CorporateConnections shall make available certain services to Franchisee and use reasonable efforts to provide such services in a manner reasonably designed for the CorporateConnections System. The content of and manner by which any and all services are to be delivered by Franchisor are within CorporateConnections' sole reasonable discretion and right. Such services and items may include the following:
- a. Any modifications to the Marks required by law, are the responsibility of Franchisee. Franchisee shall acquire approval from Franchisor in writing prior to using any such modifications.
 - b. Providing an Initial Training Program to Franchisee as described in Article 5.
 - c. Providing general or special purpose seminars or conferences or special training programs for additional fees that Franchisee and/or its employees or independent contractors may attend at various locations and times that CorporateConnections designates as well as training specifically for Directors and/or Chapter Directors that Franchisee may be required to attend. All expenses of Franchisee and its personnel incident to attendance at any such training programs are to be borne by the Franchisee.
 - d. Providing, upon Franchisee's written request, periodic review of the Franchisee's sales, promotional efforts and financial status, and provision of suggestions as to any improvements in the operation of the Franchised Business.
 - e. Providing, concurrently with the commencement of the Managing Director & Chapter Director Training, two (2) copies of the Managing Director and Chapter Director Training Manual. Franchisor may also provide copies of all collateral materials and training kits. CorporateConnections will also make available to Franchisee two (2) copies of the

Directors Manual which can be by electronic means.

- f. Providing such merchandising, newsletters, marketing and advertising research data and advice as may be developed, from time to time, by Franchisor and deemed by it to be helpful in the CorporateConnections System and in the operation of the Franchised Business. Franchisee is responsible for ensuring that such marketing is legal in the Region and must notify CorporateConnections immediately in writing of any concerns that Franchisee has in this regard. CorporateConnections will decide in its sole discretion what amendments (if any) to make to such marketing due to such concerns.
- g. Providing communication of new developments, techniques and improvements to the CorporateConnections System.
- h. Such ongoing support as CorporateConnections deems reasonably necessary to continue to communicate and advise Franchisee as to the CorporateConnections System, including the operation of the Franchised Business.
- i. Providing Franchisee the opportunity to purchase from CorporateConnections or its Authorized Suppliers networking books and items for re-sale at a higher price.

8.2 Condition Precedent to Franchisor's Obligations. It shall be a condition precedent to Franchisor's obligations pursuant to this Article and this Agreement that Franchisee shall have performed all of its obligations under and pursuant to this Agreement and all other agreements between Franchisee and Franchisor, including any other franchise agreements entered into between Franchisor and Franchisee.

8.3 Fulfillment of CorporateConnections' Obligations. Franchisor may cause a CorporateConnections subsidiary or affiliate to perform any or all of its obligations and exercise any or all of CorporateConnections' rights under this Agreement and under any agreement with Franchisee, and to require Franchisee to perform any or all of its obligations under this Agreement or under any agreement with CorporateConnections, in favor of such subsidiary or affiliate.

ARTICLE 9

COMMUNICATIONS AND INTERNET

9.1 Domain Names. CorporateConnections is the owner of a number of domain names and may operate a website in the Region. In addition, each Franchisee may be assigned a web location within the Operating Management System to host a site for the Franchisee's regional website, as well as locations for each of its Chapters. Should Franchisee desire to acquire other CorporateConnections-related domains for its Region, Franchisee must first obtain CorporateConnections' prior written approval to register and use such domain name, and agree to redirect it to the Operating Management System if required by Franchisor. CorporateConnections retains the right to approve the form and content of any franchise or franchise-related website before its use on the Internet so that CorporateConnections can maintain the common identity of the franchise network and the high quality standards associated with the Marks. Corporate Connections Global, LLC will be the owner of all domain names used by Franchisee that are associated in any way with the CorporateConnections System or the Marks, and accordingly Franchisee will not register any domain names in its own name, but will instead register any domain names in Corporate Connections Global, LLC's name and ensure Corporate Connections Global, LLC is the owner thereof. Franchisor agrees to grant Franchisee a license for the use of the relevant domain names (subject to compliance with the terms of this Agreement) for the duration of this Agreement. Franchisee, however, will be responsible for the costs associated with the maintenance of said domains. Should Franchisor grant approval for Franchisee to acquire and/or use any domains as noted above, this Agreement shall act as the license for said use.

- a. Chapters in the Franchise may not register any domains in their name, the name of a Member, or anyone other than Corporate Connections Global, LLC.
- b. Chapters in the Franchise may not register or use any domain name other than one approved by Franchisee or Franchisor. Franchisee must ensure that any such domain

name is registered in the name of Corporate Connections Global, LLC, and Franchisee shall be responsible for the costs of maintaining said domain.

- c. Should a Chapter in the Franchised Business, or a Member therein, register and desire to use a specific domain name, as approved under Paragraph (b) above, Chapter (and/or Member) must agree to direct the domain name to the the Operating Management System site if required by Franchisor.
- d. Any Franchised Business or Chapter domain names must be in compliance with the CorporateConnections Branding Standards and CorporateConnections Branding Standards Policy Memorandum.
- e. Upon termination or expiration of this Agreement, any domain name not registered in the name of Corporate Connections Global, LLC must be immediately transferred to Corporate Connections Global, LLC and Franchisee will ensure cooperation necessary to have this transferred. Should a Chapter or a Member have a registered domain, Franchisee will ensure that the domain be transferred to Corporate Connections Global, LLC should legal action be required to obtain the domain from Franchisee, a Chapter or a Member (or a former Chapter or Member), Franchisee shall reimburse Franchisor for the costs thereof, including legal fees, required to obtain the domain name.

9.2 Internet and Electronic Rights. Franchisor may provide Franchisee with a website on the Operating Management System. Should Franchisor permit Franchisee to maintain a separate website (which permission must be sought in writing and provided in writing), and prior to Franchisee creating and having its own website on the Internet to advertise and promote the Franchised Business featuring the Marks or any part of the Marks, Franchisee shall comply with the following:

- a. There is a hyperlink to Franchisor's website as required by Franchisor and all other hyperlinks to third party websites are previously approved in writing by Franchisor. Franchisee will not engage in deep linking, framing, the use of metatags or other activities that are detailed in the Director and Consultant Materials without CorporateConnections' prior written consent;
- b. Franchisee may only use such e-mail addresses as Franchisor has previously approved and, on termination or expiration of this Agreement, shall, at CorporateConnections' request, assign ownership of such e-mail address to Franchisor or its nominees;
- c. Any material amendment to Franchisee's website must have CorporateConnections' written approval;
- d. Franchisee shall have obtained appropriate legal advice regarding the content of its website and ensure that the content and use of its website, including use of Member data, complies with all relevant laws and regulations;
- e. Upon termination or expiration of this Agreement, Franchisee shall, at CorporateConnections' request, assign any purported ownership of all domain names and/or websites operated pursuant to this Article to Franchisor, and Franchisee will undertake all such actions as Franchisor requires to disassociate itself with the website and the domain names;
- f. Franchisee shall fully defend and indemnify Franchisor against all and any claims made against Franchisor relating to Franchisee's website;
- g. Franchisee acknowledges CorporateConnections' right to carry on its business via the Internet without territorial restriction;
- h. Franchisee shall ensure that its terms and conditions of business over the Internet receive CorporateConnections' prior written approval and that it fully complies within them; and

- i. Franchisee will ensure that all Chapters comply with CorporateConnections Branding Standards and CorporateConnections Branding Standards Policy Memorandum.

9.3 Modification of Internet Policy. Franchisee agrees that e-commerce is a rapidly developing field and that the provisions of this Article may need to be modified in the future or that guidelines on use of the Internet may be introduced in the Director and Consultant Materials. If such modification or such guidelines are issued by Franchisor, then Franchisee shall comply with such modifications or guidelines.

9.4 E-Mail Communications. Franchisee shall provide an E-Mail Address to which Franchisor may send any communications associated with the Franchised Business and this Agreement. Franchisee is responsible for reviewing communications sent by Franchisor to the E-Mail Address. Any notices pursuant to this Agreement shall be deemed given if CorporateConnections sends it to the E-Mail Address. Franchisee is solely responsible for updating Franchisor if the E-Mail Address changes and shall notify Franchisor of such change in writing.

9.5 Operating Management System and Information Technology Requirements. At all times during this Agreement, Franchisee shall use, in the operation of the Franchised Business, the Operating Management System, and ensure that the data entered into it is accurate and current. As of the Effective Date, Franchisee understands that the policies and procedures associated with using the Operating Management System are established by Franchisor. Franchisee agrees to comply with such policies and procedures. Franchisee shall purchase and maintain a hardware system and software that Franchisor deems capable of fully implementing and running the Operating Management System. Franchisee shall have, train and operate the Franchised Business using the Operating Management System and compatible computer supplies as required by Franchisor. Franchisee shall input all information required by Franchisor for all Members, Chapter Directors, Ambassadors, employees and any other persons associated in any way with the Franchised Business as deemed necessary by Franchisor. Subject to any applicable state or federal data protection laws, Franchisor shall have access at any time to the Operating Management System used by the Franchised Business and/or Chapters and/or Members. Franchisee and any users associated with Franchisee approved by Franchisor to access the Operating Management System shall be required to enter into a software license agreement for the rights to use the Operating Management System and agrees to do so. Franchisor may provide such software license agreement through the accessing the Operating Management System through the internet. Franchisee will not permit any third party to use the Operating Management System or other database management system except as necessary to operate the Franchised Business in accordance with this Agreement.

Franchisee understands that use and operation of the Operating Management System, which is required by this Agreement, require the payment of fees by Franchisee that may be determined by Franchisor, in its reasonable discretion, or a designated provider of the Operating Management System and such fees are subject to change. Any failure to fully comply with such software license agreement or payment of the fees shall be considered a breach of this Agreement. Franchisee shall not: (1) use the Operating Management System for any purposes other than in the operation of the Franchised Business; (ii) copy or duplicate the Operating Management System; (iii) disclose, provide copies of, or otherwise assign any rights in the Operating Management System to any third party; or (iv) continue to access, use or otherwise retain any Member data upon expiration or termination of this Agreement. Franchisee acknowledges that Franchisee has no ownership in the Operating Management System and is only granted a license to use the Operating Management System for the operation of the Franchised Business. The termination or expiration of this Agreement for any reason shall result in the immediate termination of any rights granted to Franchisee in the Operating Management System.

Franchisee acknowledges that it will be obtaining information from Members that could be deemed personally identifiable information or financial data, and that Franchisee may have certain obligations to protect such data pursuant to any applicable laws and regulations. Franchisee is solely responsible for complying with all federal, state and/or local laws, as applicable, in order for Franchisee to collect data from Members as required by Franchisor and legally share such membership data with CorporateConnections. Franchisee acknowledges that Franchisor may share Franchisee's performance data with other Franchisees and that membership data may similarly be shared. Franchisee understands that while it may

have access to data on the Operating Management System, (a) it must also agree to the terms and conditions set forth in the Terms of Use and Privacy Policy as provided by Franchisor and must comply with any mandates contained therein, and (b) Franchisee acknowledges and agrees that Franchisor owns the member relationship and data associated with such member.

Franchisee agrees to participate in RSS Feeds in English-speaking countries, while Franchisees will make every effort to be involved in RSS Feeds in Non-English-speaking countries.

- 9.6 Telephone Lines.** Franchisee shall ensure that the telephones used in the Franchised Business are answered by competent individuals during all normal business hours as provided in the Managing Director and Chapter Director Training Manual. Franchisee shall only use telephone answering services or devices for off-hours, if properly prepared to address Member or applicant questions or concerns, or if the call will be returned by a qualified representative of the Franchise within one (1) business day.

ARTICLE 10

ACCOUNTING PROCEDURES, RECORDS AND RIGHT OF AUDIT

- 10.1 Accounting.** Franchisee shall keep true, accurate and complete records of the Franchised Business in such form as Franchisor now or hereafter may require and, upon request by Franchisor, shall furnish Franchisor with a quarterly and fiscal year-to-date profit and loss statement in the format prescribed by Franchisor. Franchisee, upon request by Franchisor, shall submit to Franchisor quarterly balance sheets for the operation of the Franchised Business. All profit and loss statements and balance sheets shall be prepared in accordance with generally accepted accounting principles and, if requested by Franchisor, shall be submitted to Franchisor within thirty (30) days after the end of the period covered by the report. All of the accounts, books, records and federal, state and local sales and income tax returns and reports of Franchisee, to include all supporting and back up information and documents, so far as they pertain to the business transacted under this Agreement, shall be open to inspection, examination and audit by Franchisor and its authorized representatives at any and all times, and copies thereof may be made by Franchisor and retained for its own use. Upon request by Franchisor, Franchisee shall furnish to Franchisor, a signed copy of its income and sales tax and income returns at the same time they are filed with any governmental agencies. All of such records shall be maintained and retained by Franchisee for the Term of this Agreement and for five (5) years thereafter.

- 10.2 Annual Financial Statements.** Upon request by Franchisor, Franchisee shall submit a full disclosure of all persons with any interest in the Franchised Business and a complete annual financial statement, including, but not limited to, a profit and loss statement and a balance sheet, for the Franchised Business, which statement shall be certified by a certified public accountant ("Annual Financial Statement"). The Annual Financial Statement shall be signed by all Principal Owners of the Franchised Business representing that the Annual Financial Statement is true and correct and is the financial position of Franchisee and the results of the operations of the Franchised Business during the period covered. Additionally, Franchisee is required to use and regularly update the above mentioned financial information into the accountancy software required by Franchisor.

10.3 Audits.

- a. CorporateConnections or its representatives shall, at all reasonable times, have the right to examine or audit the books, records, membership dues reports, royalty reports, tax returns or accounts of Franchisee. Any such inspection, examination and audit shall be at CorporateConnections' cost and expense unless Gross Revenues as shown by Franchisee's records is found to be understated or otherwise inaccurate by more than two percent (2%). Then, in such event, the cost and expense for such inspection, examination and audit shall be borne and paid by Franchisee. Any such cost and expense and any amounts found to be due but not paid or any other relevant inaccuracy shall be set forth in a written invoice delivered to Franchisee by Franchisor. Franchisee shall reimburse CorporateConnections for the invoice amount within seven (7) days after the invoice has been delivered to Franchisee.

- b. Franchisor may examine or audit the books, records, membership dues reports, royalty

reports, tax returns or accounts of any and all persons or entities who are guarantors of the Franchisee's performance under this Agreement in those instances in which Franchisee has failed to make payments of the royalty fees or any other fees due under this Agreement or any reports required under this Agreement in a timely fashion or has otherwise defaulted on any financial obligation under this Agreement. Then, in such event, the cost and expense for such inspection, examination and audit shall be borne and paid by Franchisee. Any such cost and expense and any amounts found to be due but not paid shall be set forth in a written invoice delivered to Franchisee by Franchisor. Franchisee shall reimburse CorporateConnections for the invoice amount within seven (7) days after the invoice has been delivered to Franchisee.

- 10.4 Delinquent Amounts.** If required payments or reports are delinquent, or if an inspection should reveal that the Gross Revenues of membership and/or application fees reported by Franchisee to Franchisor have been understated, Franchisee shall immediately pay to Franchisor any sum due, unreported, or understated, in addition to interest and late fees as provided in Article 4. Nothing in this section shall prevent Franchisor from exercising any other remedies available to it as a result of such understatement of revenues, including the termination of this Franchise Agreement.
- 10.5 Records.** Franchisee agrees to maintain and preserve to the extent and for the periods required under Region law, full, complete and accurate balance sheets and profit and loss statements, with supporting records pertaining to its business prepared according to generally accepted accounting principles in the Region. Franchisee agrees to maintain and preserve all Non-Disclosure, Non-Solicitation, and Non-Competition Agreements for a period of at least three (3) years after the person's membership or participation in the Franchised Business ends.

ARTICLE 11

INTELLECTUAL PROPERTY RIGHTS

11.1 Trademarks, Trade Names, Service Marks, Trade Secrets and Copyrights.

- a. **CorporateConnections' Ownership or License of the Trademarks.** The Marks and all other trademarks used by Franchisor or its affiliates, and all goodwill arising from all the foregoing, are the exclusive properties of Corporate Connections Global, LLC and Franchisee asserts no claim and will hereafter assert no claim to the ownership thereof. Franchisee shall not contest CorporateConnections, LLC's ownership of the Marks or their validity and shall not do or permit any act or thing to be done in derogation of any of the rights of CorporateConnections or its affiliates in connection with the Marks either during the Term of this Agreement or thereafter. Nothing in this Agreement is to be construed to give Franchisee any right, title or interest in or to the Marks except for a non-exclusive revocable privilege and license to display and use the Marks during the Term of, and pursuant to the conditions contained in, this Agreement and the CorporateConnections Branding Standards. Franchisee expressly understands and agrees that it has not acquired and shall not acquire any ownership interests, equitable rights, goodwill or other interests in any Marks by virtue of this Agreement, its relationship with CorporateConnections, or Franchisee's use of the Marks and shall not represent that it has. Franchisee also understands and agrees that following the expiration or termination of this Agreement for any reason, it cannot attribute any monetary amount to any goodwill associated with its use of the Marks or in connection with the operation of its franchise.
- b. **Trade Secrets.** Franchisee agrees that all materials loaned or otherwise made available to it and all disclosures made to Franchisee and not to the general public by or at the direction of CorporateConnections at any time before or during the Term of this Agreement relating to the CorporateConnections System, including the Director and Consultant Materials in their entirety, financial information, marketing strategy and marketing programs, are trade secrets of CorporateConnections and its affiliate and shall be kept confidential and used by Franchisee only in connection with the operation of the Franchised Business. Franchisee agrees not to divulge any of the trade secrets to any person other than its employees, independent contractors and Leadership Team Members and Support Leadership Team Members, and then only to the extent necessary for the operation of the

Franchised Business and, specifically, that Franchisee shall not, nor permit anyone to, reproduce, copy or exhibit any portion of the non-public Director and Consultant Materials or any other trade secrets of CorporateConnections. Prior to disclosing any of this information, Franchisee shall secure the signature of the intended recipient on a Non-Disclosure, Non-Solicitation and Non-Competition Agreement.

- c. **Modification of Marks.** If CorporateConnections or its affiliates, in their sole discretion, decide to modify or discontinue use of the Marks and/or to adopt or use one or more additional or substituted trademarks, Franchisee shall promptly conform its use of the Marks as directed, in writing, by Franchisor. It is the sole obligation of Franchisee in any such event to purchase new signs, letterhead, etc. so as to comply with the Marks, and Franchisee waives any other claim arising from or relating to any such change, modification or substitution of Marks.
- d. **Franchisee's Use of the Marks.** Franchisor's prior written consent is required for the use of any or all of the Marks, or any other mark Franchisor or its affiliates own or will own, except as granted herein or as set forth in the CorporateConnections Branding Standards and CorporateConnections Branding Standards Policy Memorandum. Franchisee shall not use the Marks, any variations or abbreviations, or any words confusingly similar to the Marks, as part of its name if Franchisee is or becomes a Business Entity. Franchisee shall use the Marks and/or any trademark or service mark or trade name adopted by Franchisor, or other written instructions from CorporateConnections, including the form and manner and appropriate legends as may be prescribed by Franchisor. Franchisee shall not use any other trademark, service mark or trade name in combination with the Marks without CorporateConnections' prior written consent. Franchisee shall not use the Marks, or any other mark CorporateConnections owns or will own, in any advertising, promotion or marketing that has not been provided to Franchisee by Franchisor or previously approved in writing by Franchisor. Franchisee shall permit CorporateConnections to inspect Franchisee's uses of the Marks at all reasonable times for the purpose of ascertaining compliance with this Agreement. Except when necessary to comply with this Agreement, Franchisee shall not place the Marks, nor provide any third party the Marks for the purpose of placing the Marks on any products, supplies or any other item in any form for any purpose, unless Franchisee acquires prior written approval from CorporateConnections or as pre-approved as set forth in the CorporateConnections Branding Standards and CorporateConnections Branding Standards Policy Memorandum. Except when necessary to comply with this Agreement, Franchisee shall not use or associate in any way the Marks with any services not approved by Franchisor in writing. Should Franchisee file for or otherwise acquire any trade secrets, copyrights, trademarks, internet domain names relating to the CorporateConnections System or Marks, Corporate Connections Global, LLC will be included in all applications, registrations, and other filings or notices which may be made with respect thereto in any jurisdiction and any such filings will be the sole property of CorporateConnections, LLC in accordance with the terms and conditions set forth herein. Franchisee shall sign any and all documents necessary to transfer any such filings to Franchisor. Franchisee acknowledges that on expiration or termination of this Agreement, no monetary sum shall be designated as attributable to any goodwill associated with Franchisee's use of the Corporate Connections System and the Marks during the Term of this Agreement.
- e. **Trademarks and Trade Names.** In connection with the operation of the Franchised Business, including advertising, Franchisee shall use no name or service mark other than the names *CorporateConnections* or any derivative of such names, or such other names or Marks as may be specified by Franchisor. Franchisee shall not use the Marks, or any other mark CorporateConnections and its affiliates own or will own, in any advertising, promotion and marketing that has not been provided to Franchisee by Franchisor or previously approved in writing by Franchisor. Franchisee shall identify itself as a holder of a license from CorporateConnections, unless applicable law requires other or additional identification. Franchisee shall use the name and service mark in such format and with such suffix or prefix as Franchisor may from time to time designate. Franchisee shall not register the Marks with any authority unless required to do so by this Agreement.

- Franchisee shall identify itself to the general public by referencing the geographic region with the mark CorporateConnections™ as follows: “CorporateConnections™ [Region]” (as identified in this Agreement) or another name as approved by Franchisor in writing. If CorporateConnections changes, improves or modifies the Marks, then Franchisee shall accept, use, and display, as may be applicable, such modified Marks in accordance with
- f. the procedures, policies, rules and regulations contained in the Director and Consultant Materials, as though they were specifically set forth in this Agreement. Franchisee agrees that this provision is fair and necessary to enable the business to remain competitive.
 - g. **Assumed Name Registration.** If Franchisee is required to do so by any statute or ordinance, Franchisee shall promptly, upon the execution of this Agreement by Franchisor, file with applicable government agencies or offices, notice of its intent to conduct its business under the name “CorporateConnections [Region]” (as identified in this Agreement) or another name as approved by Franchisor in writing. Promptly upon the expiration or termination of this Agreement for any reason whatsoever, Franchisee shall promptly execute and file such documents as may be necessary to revoke or terminate such assumed name registration, and if Franchisee fails to promptly execute and file such documents as may be necessary to effectively revoke and terminate such assumed name registration, Franchisee hereby irrevocably appoints CorporateConnections as its attorney-in-fact to do so for and on behalf of Franchisee.
 - h. **Copyrights.** CorporateConnections owns all copyrightable subject matter that CorporateConnections provides to Franchisee or Franchisee prepares to operate the Franchised Business. If and to the extent that certain rights and interests in derivative works are not owned by Franchisor, then Franchisee irrevocably assigns to Franchisor all of its interests in the copyright for such derivative work. To the extent that such work cannot be assigned, Franchisee hereby irrevocably and perpetually licenses, exclusively to Franchisor, on a royalty-free basis, all rights in said works. Franchisee further agrees to reasonably cooperate with CorporateConnections as necessary to confirm and perfect such rights for CorporateConnections. Where Franchisee commissions any third party to prepare any copyrighted work in connection with the Franchised Business, Franchisee will ensure that such third party agrees to transfer the copyright to Franchisor. To the extent the copyright is nontransferable under the laws of the Region, Franchisee hereby grants CorporateConnections (or will procure from the owner of the copyright) an irrevocable, fully transferable and assignable, worldwide royalty-free exclusive license to use, reproduce and otherwise employ such copyrighted items. Immediately upon CorporateConnections’ request, or at the termination or expiration of this Agreement, Franchisee will return all copyrightable subject matter in Franchisee’s control to Franchisor, whether such materials were prepared by Franchisor, Franchisee or a third party. To the extent such materials are stored electronically, after returning one copy to Franchisor, Franchisee will destroy the electronic copies and confirm in writing to Franchisor that all said copies have been returned or destroyed.

11.2 Independent Contractor.

- a. Franchisee and CorporateConnections acknowledge and agree that this Agreement does not create a fiduciary relationship between Franchisee and CorporateConnections, that Franchisee is an independent contractor, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever. Nothing in this Agreement authorizes Franchisee or its employees to make any contract, agreement, warranty, or representation on CorporateConnections’ behalf, or to incur any debt or other obligation in CorporateConnections’ name.
- b. During the Term of this Agreement, Franchisee shall hold itself out to the public as an independent contractor operating the Franchised Business and each Chapter pursuant to a franchise agreement with CorporateConnections. Franchisee shall post notices as specified by Franchisor to that effect in such locations and by such means determined reasonably necessary by Franchisor to inform the public, customers and suppliers.

- c. Franchisee is responsible for, and shall promptly pay when due, all expenses of the Franchised Business, including all taxes and levies of any kind in connection with the Franchised Business and the income arising from the Franchised Business.
- d. CorporateConnections does not regulate the hiring or discharge of Franchisee's employees, officers, independent contractors or agents, the parties from whom Franchisee may accept business, the working conditions of Franchisee's employees, officers, independent contractors or agents or Franchisee's contracts with customers, suppliers or others.
- e. Franchisee shall represent that it is doing business as a Franchisee under the trade name and style of "CorporateConnections [Region] (as identified in this Agreement) or another name as approved by Franchisor in writing". Franchisee shall prominently display a notice as required by Franchisor, as well as a statement on Franchisee's letterhead and on all forms, printed materials and marketing materials to be distributed to the public, which clearly states that "EACH FRANCHISE IS INDEPENDENTLY OWNED AND OPERATED."

11.3 Infringement Claims.

- a. **Asserted Against Others.** Franchisee shall promptly notify CorporateConnections of any third party infringement or other use of the Marks, or any imitation thereof, or any trade secrets, manual or part of the CorporateConnections System. CorporateConnections will determine in its reasonable discretion whether to bring an action against the third party for such use, and CorporateConnections will have the exclusive right to bring such an action. If CorporateConnections does bring such action, Franchisor may name Franchisee as a nominal party to the action. If CorporateConnections decides not to file an action and Franchisee desires to bring such an action, Franchisee must first consult with CorporateConnections and obtain CorporateConnections' written permission. As part of such consultation, CorporateConnections will advise Franchisee whether Franchisee can bring suit in CorporateConnections' name. CorporateConnections will also advise Franchisee if CorporateConnections will reimburse Franchisee for any expenses Franchisee incurs in connection with such action. CorporateConnections is not required to reimburse Franchisee for any such costs and expenses. Franchisee must keep CorporateConnections advised of the status of such action and Franchisee must in good faith consider any input Franchisor may make relative to such action. Insofar as Franchisee must protect the Marks and system in its Region, it is envisioned that situations may arise involving improper use by others. Franchisee agrees that any damages that are awarded as a result of infringing upon the Marks are to be remitted to Franchisor. However, if Franchisee pays for the expenses of suit, the expenses shall be reimbursed first and then CorporateConnections and Franchisee shall split the remaining awarded funds on a 50%/50% basis.
- b. **Asserted by Others.** If Franchisee learns of any claim, suit or demand against Franchisee or the Marks on account of any alleged infringement, unfair competition, or similar matter relating to the Marks, or any unauthorized use of the Marks, Franchisee shall promptly notify CorporateConnections in writing. CorporateConnections has the sole right to defend, compromise or settle any such claim at CorporateConnections' sole cost and expense, using attorneys of its own choosing. Franchisee shall cooperate fully with CorporateConnections in connection with the defense of any such claim and hereby irrevocably appoints CorporateConnections to defend or settle all of such claims, demands or suits. Franchisee may participate at its own expense in such defense or settlement, but CorporateConnections' decisions shall be final and binding upon Franchisee. Franchisee shall not settle or compromise any such claim without the prior written consent of CorporateConnections. CorporateConnections agrees to indemnify and hold Franchisee harmless against any claim or demand arising from Franchisee's authorized use of the

Marks provided Franchisee has promptly notified CorporateConnections of the claim or demand as required by this Article.

- c. **Cooperation.** If CorporateConnections undertakes the defense or prosecution of any litigation relating to the Marks or components of the CorporateConnections System, Franchisee agrees to execute any and all documents and to do such acts and things as may, in the opinion of legal counsel for CorporateConnections, be necessary to carry out such defense or prosecution.

11.4 Improvements. Franchisee agrees that CorporateConnections owns and has the perpetual right to use and authorize other CorporateConnections Franchisees to use, and Franchisee must fully and promptly disclose to Franchisor, all ideas, concepts, methods, techniques, customers and customer data relating to the development and/or operation of a Franchised Business conceived or developed by Franchisee, its employees or agents during the term of this Agreement (collectively, "Improvements"). Franchisee and CorporateConnections will comply with all privacy act laws and regulations as required by the laws of the United States as it pertains to any part of the Improvements.

11.5 Survival. The covenants, restrictions and obligations stated in this Article shall survive the termination or expiration of this Agreement.

ARTICLE 12

COMPETITION AND ECONOMIC DEVELOPMENT

12.1 Unfair Competition. Franchisee acknowledges and agrees to the uniqueness of the CorporateConnections System and that Franchisor is making its knowledge, know-how and expertise available to it for the purpose of operating the Franchised Business. Franchisee agrees that it would be an unfair method of competition for Franchisee to use or duplicate or to allow others to use or duplicate any of the knowledge, know-how and expertise received from Franchisor for any use other than for the operation of the Franchised Business. Franchisee, therefore, warrants that, during the Term of this Agreement, it will utilize its best and continuing efforts to promote and develop the Franchised Business in the Region and during the Term of this Agreement and at all times thereafter shall not directly or indirectly engage in the operation other than franchises from CorporateConnections, which utilizes or duplicates the CorporateConnections System, any trade secrets of CorporateConnections, or the Marks.

12.2 Impact of CorporateConnections' Economic Development.

- a. **Region.** Franchisee and Franchisor agree that there are no other territorial rights that arise or shall be inferred under this Agreement except those rights expressly given to Franchisee in this Agreement. Franchisor expressly reserves the right to own, operate or license another person to own or operate or license a CorporateConnections Franchise outside of the Region. In consideration of the grant of the Region, Franchisee agrees that there are no implied covenants of good faith and/or fair dealing or other theories in connection with the grant of territorial rights to Franchisee.
- b. **CorporateConnections' Business Interest.** CorporateConnections is free to pursue its own business interests as it seeks them, and is not obligated to do or refrain from doing anything except as expressly set forth in this Agreement.

ARTICLE 13

INSURANCE; INDEMNITY

13.1 Insurance. Within thirty (30) days from the Effective Date of this Agreement, Franchisee shall obtain and, at all times during the Term of this Agreement, maintain in full force and effect, at its sole cost and expense, a commercial general liability policy providing coverage for any and all claims including:

- a. bodily and personal injury, death, property damage, personal and advertising injury, products liability, contractual liability (including coverage for the indemnification and hold harmless provision

set out below) or other coverage required by law in conjunction with the conduct of the Franchised Business. Such insurance coverage must be maintained under one or more policies of insurance issued by an insurance carrier or carriers acceptable to Franchisor. The policies shall provide coverage with combined single limits of not less than Two Million Dollars (\$2,000,000) per occurrence, or in such other amounts or coverage as Franchisor may periodically require.

b. data breach, data security, cyber liability, and other electronic network losses in conjunction with the conduct of the CorporateConnections Franchise. Such insurance coverage must be maintained under one or more policies of insurance issued by an insurance carrier or carriers acceptable to Franchisor. The policies shall provide coverage with combined single limits of not less than One Million Dollars (\$1,000,000) per occurrence, or in such other amounts or coverage as Franchisor may periodically require.

CorporateConnections reserves the right to lower such amount for insurance required in writing. Franchisee shall additionally purchase and maintain throughout the term of the Franchise Agreement, in those markets where such insurance is available, professional liability insurance, errors and omissions insurance, employment practices liability insurance and such other insurance as Franchisor designates. The limit of liability for such coverage shall be no less than One Million Dollars (\$1,000,000) per occurrence. Franchisee shall require that all policies name CorporateConnections and its affiliates as additional insureds, must contain a waiver of the insurance company's right of subrogation against them, and must provide that each such entity will receive thirty (30) days prior written notice of termination, expiration or cancellation of any such policy. Franchisor may increase the minimum liability protection requirement annually to reflect inflation and other relevant factors. Further, Franchisor may require, at any time, on reasonable prior notice to Franchisee, different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards in public or product liability litigation and business related liability, or other relevant changes in circumstances. Franchisee shall annually submit to Franchisor or its designated agent a copy of the certificate of insurance or other evidence of the renewal or extension of each such insurance policy. Franchisee's obligation to maintain the insurance described herein must be primary and not be limited in any way by any insurance maintained by Franchisor or its affiliates, nor must Franchisee's performance of such obligations relieve Franchisee of any obligations under this Agreement. Franchisee assumes all risk relating to the adequacy of any insurance or self-insurance program and waives any claim against CorporateConnections and its affiliates for any liability, cost or expense arising out of any uninsured claim.

13.2 Indemnity by Franchisee. Franchisee agrees to defend, indemnify and hold harmless CorporateConnections and its affiliates against and from all fines, penalties, taxes, expenses, costs, losses or damages (including reasonable attorneys and accounting fees or expenses), resulting from any claim, demand or cause of action arising out of or in any way related to the Franchised Business and its Chapters and all their activities, including any claim, demand or cause of action asserted against CorporateConnections or its affiliates on the basis of theories of vicarious liability such as agency, apparent agency, employment or joint employment, subsidiary or indirect liability arising out of all state and federal laws and regulations governing commercial concession agreements, wherever the action or proceeding is instituted. Franchisee also shall defend CorporateConnections and its affiliates against the same anywhere in the world, except that Franchisor may use its own legal counsel and (to the extent permitted by any applicable law) control any matter in which CorporateConnections or its affiliates are named or directly affected, for which legal fees, costs and expenses the Franchisee shall reimburse CorporateConnections. Where applicable law does not allow CorporateConnections to control the matter, CorporateConnections shall have the right to nominate legal counsel of its sole choice to review all correspondence, submissions and other documents in advance and to request such amendments and alternations to the same as are necessary to protect the rights and interests of CorporateConnections. This indemnification shall survive termination or expiration of this Agreement. This indemnification does not apply to the direct consequences of CorporateConnections' or its affiliates' gross negligence or willful misconduct, unless the claim, demand or cause of action is asserted on the basis of theories of vicarious liability referred to above or negligent failure to compel Franchisee's compliance with the provisions of the Directors Manual or this Agreement.

13.3 Indemnity by Franchisor. CorporateConnections agrees to defend, indemnify and hold harmless Franchisee and his, her or its affiliates against and from all fines, penalties, taxes, expenses, costs, losses or damages (including reasonable attorneys and accounting fees or expenses), resulting from any third-

party claim, demand or cause of action arising out of or in any way related to any material breach of this Agreement by Franchisor, wherever the action or proceeding is instituted. This indemnification shall survive termination or expiration of this Agreement. This indemnification does not apply to the direct consequences of Franchisee's or its affiliates' gross negligence, willful misconduct, or intentional acts.

ARTICLE 14 **TAXES**

Franchisee shall pay, when due, all taxes levied or assessed in connection with the possession, ownership or operation of the Franchised Business or in connection with amounts paid or received under this Agreement, including without limitation any sales or income taxes (other than any tax that is measured by or related to the net income of CorporateConnections or its corporate status in a state). If any such tax is paid by Franchisor, Franchisee shall promptly reimburse CorporateConnections the amount paid. If any bona fide dispute as to the liability for a tax assessed against Franchisee, Franchisee may contest the validity or the amount of the tax in accordance with procedures of the taxing authority. Franchisee shall not permit a tax sale or seizure against any assets of the Franchised Business.

Without derogating from the above, and for avoidance of doubt, all payments to Franchisor under and/or in connection with this Agreement shall be made net of any deductions and/or withholding of any amount (including without limitation of taxes) and if the Franchisee will have to withhold any amounts from payments payable to Franchisor under and/or in connection with this Agreement, including without limitation, any withholding of income taxes or any other taxes, the Franchisee shall gross up such payment such that CorporateConnections will receive, as its net payment, the amount payable under and/or in connection with this Agreement after all withholdings and deductions. Any duties imposed under, if imposed, in relation to this Agreement or the Franchised Business shall be borne and paid solely by Franchisee.

ARTICLE 15 **ASSIGNMENT/SUCCESSION:** **CONDITIONS AND LIMITATIONS**

- 15.1 Full Compliance.** Any purported assignment or transfer by Franchisee of Franchisee's rights and obligations under this Agreement that is not in full compliance with this Article shall be of no force or effect and null and void and give CorporateConnections the right to immediately terminate without opportunity to cure pursuant to this Agreement.
- 15.2 Transfer.** As used in this Agreement, the term "transfer" or "assignment" means and includes the voluntary, involuntary, conditional, direct or indirect assignment, sale, gift or other transfer by Franchisee or any of its Owners of any interest in or grant of any security interest in (a) this Agreement; (b) the Franchised Business; (c) Franchisee; or (d) some or all of the assets of the Franchised Business (other than inventory items in the ordinary course of business).
- 15.3 Transfer and/or Assignment by Franchisee.** This Agreement has been entered into by Franchisor in reliance upon and in consideration of the singular person's skill, character, aptitude, business capability, financial capacity and general qualifications of Franchisee and the trust and confidence reposed in Franchisee or, in the case of a Business Entity Franchisee, the Owners, the Key Person, officers, directors and/or partners thereof who will actively and substantially participate in the ownership and operation of the Franchised Business. Accordingly, the rights and duties created by this Agreement are personal to Franchisee and neither Franchisee's interest in this Agreement nor any of its rights or privileges hereunder nor the Franchised Business or any interest therein may be assigned, transferred, shared or divided, voluntarily or involuntarily, directly or indirectly, by operation of law or otherwise, in any manner, without the prior express written consent of CorporateConnections. To the extent that CorporateConnections shall deem more than one person to be skilled and qualified to own and operate the Franchise and to the extent Franchisee and such individuals desire to own and operate the Franchise in combination pursuant to a separately entered into agreement, Franchisor may award the Franchise to said persons ("Related Entity") who together shall replace herein the singular person referred to in this Paragraph. All such requirements of the singular person shall then be considered the requirements of all such individuals forming the Related Entity. To the extent that Franchisee desires to be organized as a

non-individual legal entity, CorporateConnections shall consider such ownership and operation subject to the terms of this Agreement. In all such cases, the individual who controls the operation of the Franchise must have successfully completed the Initial Training Program. Any actual or intended assignment, transfer or sale made or accomplished in violation of the terms of this Article shall be null and void and will constitute a material breach of this Agreement giving CorporateConnections the right to immediately terminate the Franchise without opportunity to cure pursuant to this Agreement; provided, however, that transfers of the voting equity of the Business Entity shall be permitted, without needing to seek CorporateConnections' consent or comply with any of Article 15.3(a) through 15.3(m), so long as the individuals that owned the Business Entity immediately prior to such transfer remain, collectively, the owners of one hundred percent (100%) of the voting equity of the Business Entity following such transfer and there is no change of control of such Business Entity (including no change to the individuals who satisfy Article 2.3(d) and further provided that a transfer to one or more of Franchisee's family members or a Key Person who has been employed by Franchisee continuously for at least five (5) years prior to the proposed transfer, provided it otherwise complies with the provisions of Article 15.3, shall not be subject to the transfer fee set forth in Article 15.3(b) but shall be subject to the fee set forth in Article 15.10(b)). CorporateConnections may consent to the proposed transfer in its reasonable business judgment and upon the strict compliance of the following requirements by Franchisee and proposed assignee, which requirements Franchisee agrees are reasonable:

- a. Franchisee is not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisee and CorporateConnections or its affiliates and Franchisee is in compliance in all respects with this Agreement including being in full compliance with all payments due CorporateConnections for any reason;
- b. Franchisee pays to Franchisor a transfer fee in the amount of ten percent (10%) of the sales price (inclusive of any non-cash consideration using market valuation) or the Renewal Fee, whichever is greater ("Transfer Fee"). Franchisee agrees that the Transfer Fee is reasonably required to cover CorporateConnections' expenses relating to said transfer. In the event of a transfer between two or more partners or owners of Franchisee, the remaining partner/owner must pay the Transfer Fee;
- c. CorporateConnections receives written notice of the proposed transfer at least ninety (90) days prior to the anticipated closing date, together with all forms required by Franchisor and any other information Franchisor may request concerning the proposed assignee or the proposed transaction between Franchisee and the prospective assignee;
- d. Franchisee pays all taxes, debts and obligations owed to third parties which relate to Franchisee's operation of the Franchised Business or the proposed assignee otherwise assumes such liabilities;
- e. Franchisee transfers to Franchisor any and all its rights, titles and interests to any and all internet domain names associated with the Franchised Business;
- f. The proposed assignee, is not an existing franchisee of CorporateConnections' and, in CorporateConnections' sole judgment, satisfies all of CorporateConnections' business and financial standards and requirements and has the aptitude and ability to operate the Franchised Business in an economic and businesslike manner (as may be evidenced by prior related business experience or otherwise); and that the proposed assignee complete and be approved through CorporateConnections' standard franchise application and selection process, including but not limited to a satisfactory completion of criminal history background check and an in-person visit/interview at CorporateConnections's headquarters, currently in Charlotte, North Carolina. If the proposed assignee does not meet the financial standards and requirements necessary for approval of the requested transfer, Franchisor may, at its own discretion, approve the requested transfer conditioned on the execution of a guarantee of all payment obligations by Franchisee of up to the first twelve (12) months of the proposed assignee's franchise agreement;

- g. Franchisee and each Owner, if any, execute a general release, in a form satisfactory to Franchisor, of any and all claims against CorporateConnections, its affiliates, and their respective officers, directors, agents, and employees, in their corporate and individual capacities;
- h. All training and orientation programs required by Franchisor pursuant to this provision must be successfully completed as soon as possible but in no event within 180 days after the approval of the proposed sale and execution of the franchise agreement with the proposed assignee. All proposed Executive Directors of the proposed assignee must successfully complete the Initial Training Program within this time period. Both the largest shareholder/owner and owners totaling at least fifty-one percent (51%) of Franchisee after such assignment must have successfully completed Managing Director & Chapter Director Training within this time period. The proposed assignee must remit a non-refundable training fee to Franchisor in the amount of the then-current training fee for such training prior to such training;
- i. The proposed assignee shall execute the then-current franchise agreement. The proposed assignee shall not be required to pay an Initial Franchise Fee, but, at the time of execution of the then-current franchise agreement, shall purchase the necessary supplies to support a Region according to the guidelines of CorporateConnections;
- j. The proposed assignee shall provide proof of receipt as required by Franchisor of any information required by the rules and regulations of any franchise disclosure legislation delivered to the proposed assignee by Franchisor as required by state and/or federal laws;
- k. The delivery by Franchisee or proposed assignee to Franchisor, prior to any assignment, an executed copy of the contract setting out an intent to sell by Franchisee and an intent to buy by the proposed assignee of the Franchised Business, and CorporateConnections, in its reasonable judgment, does not object to such contract within sixty (60) days after receipt of such contract. Approval of such contract by Franchisor does not constitute approval of the transfer by Franchisor nor does it constitute approval or any type of guarantee as to the terms and provisions of such contract; and
- l. The prospective assignee, and all of its owners if not an individual, together with their spouses, shall execute the form of a "Unconditional Guaranty", in the form provided for by Franchisor, guaranteeing the performance of all terms, conditions, covenants and obligations of the new franchise agreement (to the extent that said owner is not an individual, the controlling person shall be the signatory/guarantor).

15.4 Notice of Proposed Transfer by Franchisee. Franchisee shall notify CorporateConnections of such intention to transfer by written notice by certified mail setting forth the proposed assignee's name, address, statement of financial qualification and business experience during the previous five (5) years as required by Franchisor. If CorporateConnections does not exercise its right of first refusal under this Agreement, CorporateConnections shall have forty-five (45) days from the completion of the conditions set out in this Article and receipt of such notice as required in this paragraph to submit to Franchisee and the proposed assignee the necessary documentation to effect the transfer of the Franchised Business.

15.5 Franchisee Information. Franchisor may advise any proposed assignee of any uncured breaches or defaults by Franchisee under this Agreement, or any other agreement relating to the Franchised Business proposed to be assigned, transferred or sold. CorporateConnections' approval of such proposed transaction shall not, however, be deemed a representation or guarantee by Franchisor that the terms and conditions of the proposed transaction are economically sound or that, if the transaction is consummated, the proposed assignee will be capable of successfully conducting the Franchised Business and no inference to such effect shall be made from such approval.

15.6 Prohibition Against Encumbrance. Without CorporateConnections' prior written consent, Franchisee shall not grant any security interest in this Agreement, in the Franchised Business or any assets used in the operation of the Franchised Business, nor shall any ownership interest in any corporate, limited liability or partnership Franchisee be pledged or encumbered.

15.7 Transfer Due to Death or Incapacity.

- a. To the extent Franchisee (or the majority owner of the Franchisee) or Key Person becomes disabled and cannot perform the operation of the Franchised Business or dies, the Franchisee (if disabled but still of sound mind), the legal representative of the Franchisee or the decedent may do one of the following (provided notice is given to Franchisor within ninety (90) days of disability or death):
 - i. propose to assign the Franchised Business to the heirs of Franchisee, provided said proposed assignee(s) is (are) a trained Chapter Director of CorporateConnections or shall be so trained within ninety (90) days of the date of the death or disability, and the proposed assignee assumes all obligations of this Agreement or executes a then current franchise agreement assuming all obligations and term limits of this Agreement as required by Franchisor, and the proposed assignee executes a new unconditional guarantee in the form then currently used by Franchisor. CorporateConnections shall have the right to reasonably deny such proposed assignment; or
 - ii. sell the Franchised Business pursuant to this Agreement.
- b. To the extent that the Franchisee is not an individual and the majority owner of the Business Entity dies or becomes disabled, the Franchisee must replace the majority owner with a person suitable to Franchisor who meets the criteria hereunder within ninety (90) days, or Franchisor may terminate this Agreement.
- c. If the Franchised Business is not transferred or sold (if Franchisee is not an individual and the majority owner is not replaced per Article 15.7.b) within ninety (90) days of the disability or death of the Franchisee, Franchisor may terminate this Agreement.
- d. To avoid the ninety (90) day deadline that could result in CorporateConnections taking over supervision of the Franchised Business or result in the termination of this Agreement, Franchisee may pre-qualify a temporary manager. Franchisee may, at any time prior to a disability or death, take steps to obtain approval for the appointment of a temporary manager who will supervise and operate the Franchised Business until a successor is legally appointed ("Temporary Manager"). Franchisee shall submit the name of a trained Chapter Director to Franchisor for approval in accordance with a form provided by Franchisor and a One Thousand Dollars \$1,000 Administrative Processing Fee (if proposed Temporary Manager is not already an Executive Director), which is subject to change at CorporateConnections' sole discretion. CorporateConnections shall notify Franchisee within thirty (30) days whether the individual is approved or if CorporateConnections requires further information about the candidate. Approval of the candidate shall not act as approval of any transfer or assignment to said individual. Upon the death or disability of the Franchisee, the Temporary Manager shall be able to manage the Franchised Business for a maximum period of one (1) year, absent written agreement from CorporateConnections otherwise. Appointment of a legal administrator or guardian for the Franchisee or its estate shall immediately terminate the Temporary Manager's authority. Franchisee shall update said preapproved successor if Franchisee desires or if Franchisor requests. Franchisor may withdraw its preapproval of any successor upon notice to Franchisee.

- e. If Franchisee does not establish a Temporary Manager, then, upon death or disability of Franchisee, then Franchisor may allow the continuation of operation of Franchised Business with Franchisor monitoring and the Monthly Continuing Royalty would be increased to thirty percent (30%) of the Gross Revenues until such time as a successor meeting CorporateConnections' qualifications and approval is appointed or, after ninety (90) days of the date of the death or disability, at such time Franchisor terminates this Agreement. It is agreed that such increase in the Monthly Continuing Royalty would be warranted in light of the additional supervision that would be needed on the part of Franchisor.

15.8 No Waiver. CorporateConnections' consent to a transfer shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of CorporateConnections' right to demand exact compliance with any of the terms of this Agreement by the transferor or transferee.

15.9 Transfer and/or Assignment by Franchisor. This Agreement will benefit the successors and assigns of CorporateConnections. CorporateConnections will have the right, without Franchisee's prior written consent, to transfer, assign, pledge, novate or otherwise encumber this Agreement or any of its rights or obligations under this Agreement to any person, persons, or Business Entity, provided that the assignee agrees to be bound to perform all of CorporateConnections' obligations under this Agreement. Franchisor shall not be liable for any obligations accruing hereunder after the effective date of such assignment. In the event of any such assignment and in consideration of Franchisor procuring for Franchisee an undertaking from the assignee to be bound by Franchisor's obligations under this Agreement, Franchisee will re-execute this Agreement with the assignee if and as Franchisor (or the assignee) requires it to do so. If Franchisee fails to comply with the provisions of this Article, it hereby irrevocably appoints Franchisor as its agent with full authority to re-execute this Agreement with the assignee. Franchisor shall have the right, but not the obligation, to cause a CorporateConnections subsidiary or affiliate to perform any or all of its obligations and exercise any or all of CorporateConnections' rights in this Agreement and any other agreement with Franchisee, and to require Franchisee to perform any or all of its obligations in this Agreement and any other agreement with CorporateConnections, in favor of such subsidiary or affiliate, by delivery of written notice thereof to Franchisee.

15.10 Organization of Franchisee. If an individual Franchisee desires to assign this Agreement to a Business Entity formed or controlled by Franchisee, in addition to Franchisee's compliance with the conditions set out in Article 15.3, Franchisor may grant its consent, provided:

- a. Franchisee is, and covenants to remain, the owner of one hundred percent (100%) of the voting equity of the Business Entity or, if Franchisee is more than one individual, each individual has the same proportionate ownership interest in the Business Entity as that individual had in the Franchised Business prior to the transfer;
- b. Franchisee makes a payment to Franchisor of the Business Entity Assignment Fee in the amount of Six Hundred Dollars (\$600). Franchisee agrees that this fee is reasonably required to cover CorporateConnections' expenses relating to said transfer;
- c. All documents of the transferee Business entity reasonably required by Franchisor are provided to Franchisor prior to the transfer;
- d. Franchisee or another qualified individual is designated as the Key Person for the Franchised Business and is responsible for the ongoing fulfillment of the obligations of this Agreement pursuant to the operation of the Franchised Business;
- e. Franchisee and all the shareholders, officers and directors of the transferee Business Entity personally guarantee the obligations to be performed under this Agreement by the Business Entity and each shall sign an unconditional guaranty in a form required by Franchisor;

- f. Franchisee may not assign to any Business Entity not acceptable to Franchisor; and
- g. Transferee Business Entity must assume the obligations to be performed under this Agreement and shall sign a then-current franchise agreement.

15.11 Reasonableness. As to any assignment, sales or transfer of any kind or type, Franchisee has the sole burden of proving that Franchisor acted unreasonably in any respect.

ARTICLE 16

RIGHT OF FIRST REFUSAL

16.1 Right of First Refusal. If Franchisee wishes to accept an offer from a third party to purchase all or substantially all of the assets constituting the Franchised Business or a controlling interest in the voting equity of Franchisee, Franchisee shall give Franchisor written notice setting forth the name and address of the prospective purchaser, together with a franchise application completed by the prospective purchaser, and a bona fide, executed written offer from the prospective purchaser signed by both the prospective purchaser and the Franchisee (a "Bona Fide Offer.") The Bona Fide Offer must contain the offered purchase price, all material terms of the offer that an investor would need in making a decision regarding whether to proceed with an investment, including but not limited to promissory notes or other financing terms and all exhibits to the offer and a confidentiality covenant by Franchisee and the prospective buyer to which Franchisor shall be an intended third party beneficiary. Franchisor, its subsidiaries and affiliated companies, will then have the prior option to purchase the interests covered by the offer at the price and upon the same financing terms of the offer. If the consideration is not monetary, Franchisor may substitute the equivalent cash as solely determined by Franchisor for all non-cash consideration. For the avoidance of doubt, CorporateConnections shall not be required to match any other terms in the offer, nor the type of agreement proposed. If CorporateConnections exercises its right, it shall offer an asset purchase agreement, regardless of the type of agreement the prospective purchaser offered to Franchisee. Franchisor will have sixty (60) days after receipt of the notice of offer and the furnishing of all reasonably requested information within which to notify Franchisee of CorporateConnections' intent to exercise its right hereunder. Reasonably requested information includes, but is not limited to, proposed purchaser's proof of funds and personal financial statements. Should the terms of the offer be altered by Franchisee or the prospective purchaser, Franchisee shall notify Franchisor in writing of the altered terms, and Franchisor shall have sixty

(60) additional days from the date of notification to purchase on the altered terms. Silence on the part of Franchisor shall constitute rejection. If the proposed sale includes assets of Franchisee not related to the operation of the Franchised Business, Franchisor may elect to purchase only the assets related to the operation of the Franchised Business and an equitable purchase price will be allocated to each asset included in the proposed sale. An offer from a third party includes any transfer, conveyance, assignment, consolidation, merger or any other transaction in which legal or beneficial ownership of the Franchised Business granted by this Agreement is vested in someone or some Business Entity other than Franchisee.

16.2 No Waiver. The election of CorporateConnections not to exercise its right of first refusal as to any offer does not affect its right of first refusal as to any subsequent offer or the right to refuse a pending sale by Franchisee.

16.3 Transfer Voided. Any sale, attempted sale, assignment or other transfer of the interests in the Franchised Business or Franchisee without first giving Franchisor the right of first refusal described herein shall be void and of no force and effect. Any waiver by Franchisor of the right of first refusal described herein does not relieve Franchisee from complying with Article 15.

16.4 Indemnity On Assignment by Franchisee. Franchisee hereby irrevocably agrees to indemnify CorporateConnections against any claims for wrongful and/or unfair dismissal and/or redundancy payments or any other claim arising from the exercise by Franchisor of its right of first refusal (as described above) by any person employed by Franchisee immediately prior to the exercise of such rights of first refusal. Such indemnity shall include legal costs and disbursements incurred by Franchisor on a full indemnity basis as set forth in Article 13.

ARTICLE 17
TERMINATION

17.1 Default and Termination Without Right to Cure (Except as Provided). Franchisee shall be deemed to be in default of this Agreement, and Franchisor may terminate this Agreement and all rights hereunder, without affording Franchisee an opportunity to cure the default, effective immediately upon delivery of notice by Franchisor to Franchisee's address listed herein (or any amended address for which Franchisor was given written notice), the last home address of which Franchisee has notified Franchisor in writing, or by the last email address at which Franchisee acknowledged receipt of email, if:

- a. Franchisee or any of its Guarantors, as the term is defined in the Principal Owners' Guaranty, becomes insolvent or makes a general assignment for the benefit of creditors; or proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee any of its Guarantor(s), or a petition in bankruptcy is filed by Franchisee or its Guarantor(s), or such a petition if filed against and not opposed by Franchisee or its Guarantor(s), or Franchisee or its Guarantor(s) is adjudicated as bankrupt or insolvent or a bill in equity or other proceeding for the appointment of a receiver of Franchisee or its Guarantor(s) or other custodian for Franchisee's business or assets is filed and consented to by Franchisee or its Guarantor(s), or a receiver or other custodian (permanent or temporary) of Franchisee's or Guarantor(s) assets or property, or any part thereof, is appointed by any court of competent jurisdiction. Franchisee expressly and knowingly waives any rights that it may have under the provisions of the Bankruptcy Code and consents to the termination of this Agreement or any other relief which may be sought in a complaint filed by Franchisor to lift the provisions of the automatic stay of the Bankruptcy Code. Additionally, Franchisee agrees not to seek an injunctive order from any court in any jurisdiction relating to insolvency, reorganization or arrangement proceedings that would have the effect of staying or enjoining this provision; or
- b. A final judgment related to Franchisee remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed); or the assets of Franchisee are liquidated, or execution is levied against Franchisee; or suit to foreclose any lien or mortgage against any assets of the Franchised Business is instituted against Franchisee and not dismissed within thirty (30) days; or the real or personal property of the Franchised Business must be sold after levy thereupon by any sheriff, marshal or constable; or
- c. Franchisee has made any material misrepresentations or misstatements, or omits any material facts to Franchisor on the application to be a franchisee, or with respect to the ownership of the Franchised Business; or
- d. Franchisee abandons the franchise relationship without the prior written consent of Franchisor at any time during the Term of this Agreement. The term "abandon" includes any conduct which indicates a desire or intent to discontinue operation of the Franchised Business in accordance with the terms of this Agreement and shall apply in any event where Franchisee fails to comply with Article 5.9 or where Franchisee fails to operate the Franchised Business for a period of fourteen (14) or more consecutive days without Franchisor's prior written approval; or
- e. Franchisee defaults in any payment or indebtedness to Franchisor and does not cure such default within twenty (20) days' written notice by Franchisor; or
- f. After the expiration of twenty (20) days' written notice from Franchisor, Franchisee continues to engage in a similar business to that licensed and established under and pursuant to this Agreement without obtaining CorporateConnections' prior written consent, or continues to violate the covenant against competition under this Agreement, or, in violation of this Agreement, continues to market any service or product under a name or mark which, in CorporateConnections' sole opinion, is confusingly similar to the Marks; or

- g. Franchisee is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect upon the Franchised Business, the Marks, the goodwill associated therewith, or CorporateConnections' interest therein; or
- h. Franchisee or any Owner intentionally discloses or divulges the contents of the Director and Consultant Materials or other confidential information provided to Franchisee by Franchisor (which is otherwise not publicly available) contrary to the terms of this Agreement, or Franchisee or any Owner intentionally uses or duplicates the CorporateConnections System or engages in unfair competition or discloses any trade secrets of Franchisor in violation of this Agreement. Concerning the term "intentionally" in this provision, Franchisor only has to be able to show that any such confidential information has been disclosed or divulged by Franchisee; or
- i. Franchisee purports to effect any sale, assignment, merger or transfer in violation of this Agreement; however, Franchisee may place the Franchised Business for sale as long as such action does not violate any other provision of this Agreement; or
- j. Franchisee knowingly maintains false books or records, or knowingly submits any false or fraudulent reports, statements or documents to Franchisor; or
- k. Franchisee misuses or makes any unauthorized use of the Marks or any other identifying characteristics of the CorporateConnections System, or otherwise materially impairs the goodwill associated therewith or CorporateConnections' rights therein; or
- l. Franchisee is repeatedly in default for failing to comply with any part of this Agreement, whether or not cured after written notice. "Repeatedly in default" shall, for purposes of this provision, mean any of the following:
 - 1. three (3) noticed defaults of this Agreement of any nature, whether or not cured, committed within any twelve (12) month period within the Term of Agreement;
 - 2. four (4) noticed defaults of this Agreement of any nature, whether or not cured, committed within any twenty-four (24) month period within the Term of Agreement; or
 - 3. six (6) noticed defaults of this Agreement of any nature, whether or not cured, committed within the Term of Agreement.

Nothing within this provision shall affect or prohibit CorporateConnections' rights to terminate pursuant to and in accordance with any other applicable provisions, terms or language in this Agreement.

- m. Franchisee is subject to repeated complaints to Franchisor from Members, Chapter Directors, visitors, or other CorporateConnections officials/agents. Prior to termination under this provision, Franchisee shall have been provided notice by Franchisor of any such complaints and given a cure period of twenty (20) days from such notice to properly and effectively handle any such complaints; however, if Franchisee receives three (3) or more of such complaints within any twelve (12) month period within the Term of Agreement, then Franchisor may terminate without additional notice to Franchisee. Any such complaints must be legitimate complaints as reasonably determined by Franchisor; however, Franchisee may request any such complaint to be reviewed by an advisory board set up by Franchisor made up of other CorporateConnections Franchisees to determine the legitimacy of any such complaint; or

- n. The Key Person ceases to live within the Region or ceases to devote fulltime, attention and effort to the promotion and operation of the Franchised Business and no suitable replacement is provided within ninety (90) days of written notice by Franchisor to Franchisee; or
- o. Franchisee fails to meet the development goals as set forth in Article 7.3, subject to the opportunity to cure in Article 7.3; or
- p. Franchisee contests CorporateConnections' ownership of the Marks or any other trademarks owned or used by Franchisor; or
- q. Franchisee's actions, in the business judgment of Franchisor, threaten or endanger the health and safety of its members.

17.2 Default With Opportunity to Cure. Except as set forth in Article 17.1, Franchisee shall have twenty (20) days after receipt of a written notice of default from CorporateConnections within which to remedy any default under this Agreement and provide evidence thereof to Franchisor; provided, however, that Franchisee may avoid termination by immediately initiating a remedy to cure such default and curing it to Franchisor's satisfaction within the twenty (20) day period (or within such longer period as Franchisor may grant), and by promptly providing proof thereof to Franchisor. If Franchisor determines in its sole reasonable discretion that Franchisee is diligently working to cure any such default and such default cannot be cured within the cure period, then Franchisor may extend such time for the cure period as reasonably determined by Franchisor to allow Franchisee to cure such default; however, if Franchisor reasonably determines that Franchisee has ceased to diligently work on the cure of such default, then Franchisor may proceed with the termination of this Agreement in accordance with this provision. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement will terminate upon further notice to Franchisee. Franchisee shall be in default under this Agreement for failure to comply with any of the requirements imposed by this Agreement or the Director and Consultant Materials as it may from time to time be reasonably supplemented or fails to carry out the terms of this Agreement in good faith.

17.3 No Waiver. The failure of Franchisor to terminate this Agreement upon the occurrence of one or more events of default shall not constitute a waiver or otherwise affect the right of Franchisor to terminate this Agreement because of a continuing or subsequent failure to cure one or more of the aforesaid events of default or any other default.

17.4 Notice of Default As Required by Law. Notwithstanding anything to the contrary contained in this Article, if applicable law or regulation limits CorporateConnections' rights to terminate or requires longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by such laws and regulations. Franchisor shall not, however, be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, arbitration, hearing or dispute relating to this Agreement or the termination thereof.

17.5 Cross-Default. Any material default by Franchisee under this Agreement, shall constitute a default under any other agreement between Franchisee and Franchisor, which shall entitle Franchisor to terminate any other agreement between Franchisee and Franchisor. Furthermore, any material default of any other agreement between Franchisee and CorporateConnections or any of CorporateConnections' affiliates and subsidiaries shall entitle Franchisor to terminate immediately this Agreement without affording Franchisee an opportunity to cure the default, effective immediately upon delivery of notice by Franchisor to Franchisee. To the extent that there is a conflict between any of the agreements to be terminated and this Agreement, the terms of this Agreement shall control.

17.6 Right to Equitable Relief. If, as a result of any default or breach by Franchisee or its Owners, this Agreement is terminated prior to the natural expiration of the Term of this Agreement, the damages that Franchisor would suffer for the loss of prospective fees, damage to the Marks and the CorporateConnections System, damage to Franchisor's franchise system and other amounts payable to or for Franchisor in this Agreement would be difficult if not impossible to ascertain such that Franchisor's harm would be irreparable and Franchisor would have no adequate remedy at law regarding such harm.

Franchisor or its designee shall be entitled to obtain without bond, declarations, temporary and permanent injunctions, and orders of specific performance in order to enforce the provisions of this Agreement relating to Franchisee's use of the Marks, the obligations of Franchisee upon termination or expiration of this Agreement, and assignment of the franchise and ownership interests in Franchisee or in order to prohibit any act or omission by Franchisee or its employees which constitutes a violation of any applicable law or regulation, which is dishonest or misleading to prospective or current customers of businesses operated under the System, which constitutes a danger to other franchise owners, employees, members, customers, or the public or which may impair the goodwill associated with the Marks.

17.7 Survival. This Article shall survive the termination or expiration of this Agreement.

ARTICLE 18

EFFECT OF TERMINATION

18.1 Effect of Termination. Upon termination, expiration or non-renewal of this Agreement for any reason, Franchisee agrees to and shall do the following:

- a. Cease to use the Marks or any confusingly similar name, device, mark, service mark, trademark, trade name, slogan or symbol used in connection with the Franchised Business, including any reproduction, counterfeit copy, variation, emulation or colorable imitation thereof which is likely to cause confusion or mistake or deceive the public; and take any steps necessary to change the name of any Business Entity which Franchisee may have formed, or under which this Franchisee trades or does business, so that the name will not likely be confused with the Marks; and
- b. Immediately return to Franchisor the Director and Consultant Materials and any other materials loaned to it for the operation of the Franchised Business, together with all materials containing CorporateConnections' trade secrets or the Marks or documents that may otherwise be marked by Franchisor as confidential; and
- c. Cease to use the CorporateConnections System and methods of operation and comply with the post-term covenants contained in this Agreement; and
- d. Promptly assign to Franchisor any interest that Franchisee may have in the telephone number and telephone listing used by Franchisee in connection with the operation of the Franchised Business. Franchisee shall promptly transfer all telephone calls by call-forwarding to Franchisor, or to such other party or Business Entity as Franchisor directs and execute any such instruments and take such actions as Franchisor may deem necessary to affect such transfer and call-forwarding of telephone calls. Franchisee acknowledges that this Agreement is conclusive evidence of CorporateConnections' rights to such telephone number and directory listings and its authority to direct such transfer; and
- e. Promptly assign and deliver to Franchisor, or CorporateConnections' designee, in accordance with any applicable privacy laws and at Franchisee's expense, any and all Membership Lists, a complete and accurate statement showing the number and description of all programs or services offered and/or provided by the Franchised Business, current reports, lists of participants and officers, files on Chapters, locations of Chapter meetings and officer agreements. Franchisee shall not duplicate any membership lists or leads, past or present, used in any manner with the Franchised Business, and, after deliverance of said materials to Franchisor, Franchisee shall destroy any and all copies of membership lists and potential referrals used in any manner with the Franchised Business; and
- f. Promptly pay all sums and debts owing to all third-party creditors of the Franchised Business, as well as to Franchisor and its affiliates, whether such sums and debts owing to Franchisor and its affiliates are evidenced by promissory note, invoice, bill or other

writing and notwithstanding the fact that such sums and debts owing to Franchisor and its affiliates may not at that time be fully due and payable, such debts being accelerated automatically without further notice to Franchisee. If termination is for any default of Franchisee, sums owing to Franchisor shall include all damages, costs and expenses (including reasonable attorney's fees) incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the vehicles, personal property, furnishings, equipment, signs, inventory, fixtures or other assets owned by Franchisee and/or used in the Franchised Business at the time of default, and Franchisee authorizes Franchisor to file any documents Franchisor deems necessary to perfect this lien; and

- g. Promptly satisfactorily resolve all Member disputes or reimburse Franchisor or any franchisee who does so for the reasonable cost of resolving such matters;
- h. Promptly transfer the balance of any unused prepaid membership fees or the amount of any outstanding member certificates of credit to Franchisor, net of any Continuing Royalty paid by Franchisee on these prepaid membership fees or certificates of credit; and
- i. Promptly provide to Franchisor the rights to use any meeting facilities used in the operation of the Franchised Business.

18.2 Execution of Documents. Franchisor may, if Franchisee fails or refuses to do so, execute in Franchisee's name and on its behalf, any and all documents necessary to effect the Attorney-in-Fact Obligations of Franchisee under this Agreement, and Franchisee hereby irrevocably appoints Franchisor as its attorney-in-fact to do so. While it is difficult to address every situation where such a measure would be required, by way of example only, "Attorney-in-Fact Obligations" shall include Franchisee's obligations following termination of this Agreement and Franchisee's obligations under Articles 9.1, 9.2, 11.1(f), 15.9 of this Agreement.

18.3 CorporateConnections' Rights Not Prejudiced. The expiration, termination or non-renewal of this Agreement for any reason shall be without prejudice to Franchisor's rights against Franchisee and such expiration, termination or non-renewal shall not relieve Franchisee of any of its obligations to Franchisor existing at the time of expiration, termination or non-renewal, including claims for damages arising directly or indirectly out of any breach or default, nor shall it terminate those obligations of Franchisee which by their nature survive the expiration, termination or non-renewals of this Agreement.

18.4 Survival. This Article shall survive the termination or expiration of this Agreement.

ARTICLE 19

COVENANTS NOT TO COMPETE

19.1 Covenants Not to Compete Reasonable. Franchisee acknowledges that, as a participant in the CorporateConnections System, Franchisee will receive business and confidential information and material, trade secrets, and the unique methods, procedures and techniques developed by Franchisor. Therefore, to protect Franchisor and all CorporateConnections Franchisees of every type and kind, Franchisee agrees that the provisions in this Article are reasonable and necessary and constitutes Franchisor's protectible business interest.

19.2 Manuals and Confidential Information. During the Term of this Agreement or any time thereafter, Franchisee shall not (except as otherwise contemplated by this Agreement) communicate, divulge or use for itself or for the benefit of any other person, persons, partnership, association, corporation or Business Entity any information, knowledge or know-how concerning the Director and Consultant Materials, any manuals provided by Franchisor to Franchisee associated with the Franchised Business or the CorporateConnections System. Franchisee acknowledges that the Director and Consultant Materials, any manuals provided by Franchisor to Franchisee associated with the Franchised Business and the CorporateConnections System are confidential, proprietary and contain trade secrets and shall not contest

the confidentiality of the information in them or CorporateConnections' sole ownership of them. During the Term of this Agreement or any time thereafter, Franchisor shall not (except as otherwise contemplated by this Agreement) communicate, divulge or use for itself or for the benefit of any other person, persons, or Business Entity any confidential information concerning the Franchisee and Franchisor shall take reasonable steps to protect such confidential information to the same extent that Franchisee protects such confidential information. Franchisee shall execute the Non-Solicitation and Non-Disclosure Agreement attached hereto.

- 19.3 In-Term Covenant Not to Compete.** During the Term, Franchisee, its owners, officers, and guarantors will not engage in any Competitive Business.
- 19.4 Post-Term Covenant Not to Compete.** For a period of two (2) years immediately following the later of the expiration, termination, or non-renewal of this Agreement for any reason, Franchisee and its owners, officers, and guarantors will not engage in a Competitive Business with Franchisor within: (1) the Region granted to Franchisee; (2) seventy-five (75) miles extending out from the border of the Region granted to Franchisee; (3) any other BNI franchisee's Region then in existence at the time of the termination of this Agreement; (4) seventy-five (75) miles extending out from the border of any other CorporateConnections franchisee's Region then in existence at the time of the termination of this Agreement; (5) any Region where Franchisor or its affiliates operate a CorporateConnections-branded business at the time of the termination, expiration, or non-renewal of this Agreement; or (6) seventy-five (75) miles extending out from the border of any Region where Franchisor or its affiliates operate a CorporateConnections-branded business at the time of the termination, expiration, or non-renewal of this Agreement.
- 19.5 Director and Consultant Materials, CorporateConnections System and the Marks.** During the Term of this Agreement or upon the expiration, termination or non-renewal of this Agreement for any reason, or the date on which Franchisee actually ceases operation, Franchisee shall not ever (except as otherwise contemplated by this Agreement) communicate, divulge or use for itself or for the benefit of any other person, persons, or Business Entity any information, knowledge or know-how concerning any confidential information from the Director and Consultant Materials or CorporateConnections System in any manner in any similar business to that licensed and established under and pursuant to this Agreement and Franchisee shall never use the Marks, or any form of the Marks, any other mark owned by Franchisor at the time of expiration, termination or non-renewal of this Agreement, or any confidential information from the Director and Consultant Materials or CorporateConnections System in any manner to engage in or participate in or derive any benefit from any similar business to that licensed and established under and pursuant to this Agreement. Franchisee acknowledges that the Director and Consultant Materials and CorporateConnections System are confidential, proprietary and trade secrets and will not, at any time, contest the confidentiality of the information in them or Franchisor's sole ownership of them.
- 19.6 Ancillary to Agreement.** Franchisee acknowledges that the restrictive covenants set forth in this Article are ancillary to this Agreement and are reasonable and necessary for the protection of CorporateConnections' legitimate interests in the goodwill of the business operated by Franchisor, but, if it is determined that the covenants not to compete set forth in this Article are not enforceable for any reason (including but not limited to being unenforceable for the full stated period of time or the stated geographic region), such covenants shall not be stricken, but shall be reformed to the extent required to be enforceable under and comply with applicable law and as reformed will be fully enforceable.
- 19.7 Scope.** The parties have attempted in this Article to limit Franchisee's right to compete only to the extent necessary to protect CorporateConnections from unfair competition by Franchisee. CorporateConnections reserves the right to reduce the scope of either, or both, of said provisions without the Franchisee's consent, at any time or times, effective immediately upon notice to Franchisee.
- 19.8 Definitions.** For purposes of this Article 19, the term Competitive Business shall include any of the following:

- a. engaging in any business that is the same, or is materially the same as the Franchised Business; encompasses a business-to-business referral concept; encompasses a business networking concept; encompasses a word-of-mouth marketing business concept; or otherwise competes with CorporateConnections;
 - b. Operating as a franchisee or franchisor in any business referred to in Section 19.8(a);
 - c. working in a management or executive level position for any business referred to in Section 19.8(a);
 - d. Providing consulting services, or any other services or material support for any business referred to in Section 19.8(a);
 - e. Performing the same or materially the same services for any business referred to in Section 19.8(a) that the Franchisee previously performed as a franchisee of CorporateConnections; or
 - f. Interfering or attempting to interfere with any of the business relationships of CorporateConnections or any other CorporateConnections Franchisee(s);
- 19.9 Tolling.** The Franchisee's Post-Term Covenants shall be tolled and it shall be extended by one day for each day that the Franchisee does not comply with the Post-Term Covenants contained in this Article 19.

ARTICLE 20

RESOLUTION OF DISPUTES

20.1 Mandatory Meet and Confer. In case of any dispute arising during the Term of this Agreement, Franchisee agrees that, prior to commencing any mediation or arbitration proceeding as contemplated by Sections 20.2 and 20.3 below, Franchisee will first attempt in good faith to resolve the dispute through confidential non-binding negotiation without legal advisors or third party mediators present. The Parties shall meet and confer in Charlotte, North Carolina at CorporateConnections' headquarters or another location in Charlotte, North Carolina as determined by Franchisor, and the meeting will last a minimum of one full business day. The Parties agree that negotiation shall be conducted on individual basis and may not be consolidated with any other negotiation between Franchisor and any other third party, unless Franchisor, at its sole discretion, allows for consolidated negotiation. The Parties agree that any statements made by either Party during the meeting will not be admissible in any subsequent mediation, arbitration or legal proceeding. Each Party shall bear its own costs and expenses related to the meeting, including but not limited to travel and accommodation. If the dispute has not been settled within thirty (30) days after conclusion of the meet and confer, then, upon prior notice by either Party to the other, the dispute may be submitted for non-binding mediation.

20.2 Non-Binding Mediation. In case of any dispute arising during the Term of this Agreement, which cannot be settled by reasonable discussion among the parties, the parties agree that, prior to commencing any arbitration proceeding as contemplated by Section 20.3 they will first engage the services of a professional mediator agreed upon by the Parties and attempt in good faith to resolve the dispute through confidential non-binding mediation. If the parties cannot agree upon a mediator before the expiration of thirty (30) days from the date that the dispute has been referred to mediation then the parties will use the American Arbitration Association's ("AAA") rules for choosing a mediator. The mediation shall take place in Charlotte, North Carolina unless otherwise mutually agreed to by the Parties. The Parties agree that mediation shall be conducted on individual basis and may not be consolidated with any other mediation between Franchisor and any other third party, unless Franchisor, at its sole discretion, allows for consolidated mediation. The Parties agree that any statements made by either Party in any mediation proceeding will not be admissible in any subsequent arbitration or legal proceeding. Each Party shall bear one-half (1/2) of the mediator's fees and expenses and shall pay all of its own attorneys' fees and expenses related to the mediation. If the dispute has not been settled within thirty (30) days after referring this matter to mediation, then, upon notice by either Party to the other, the dispute shall be submitted for and finally settled by arbitration.

20.3 Arbitration.

- a) **Institution of Arbitration Proceedings.** Any dispute between the Parties arising out of or relating to this

Agreement, whether brought forth under breach of contract, tort, restraint of trade or other theory of statutory or common law, whether brought forth during the Term of this Agreement or post termination of this Agreement, will be settled by binding arbitration before the American Arbitration Association ("AAA") under its Commercial Arbitration Rules in Charlotte, North Carolina by one (1) arbitrator who has at least five (5) years' experience in the areas franchise or distribution, licensing, or commercial contract law, and must not be related to or affiliated with CorporateConnections, Franchisee or their respective affiliates, principals, agents or representatives. The parties may jointly agree upon the choice of an arbitrator but if they cannot agree upon one within thirty (30) days from the date of the filing of the arbitration then the parties shall use the process set forth in the AAA Commercial Rules. The arbitrator chosen to resolve the dispute will be bound exclusively by the laws of the State of North Carolina without regard to its principles of choice of law. The arbitrator shall have the power to rule on his or her own jurisdiction, including, but not limited to the issue of jurisdiction over non-signatories to this Agreement. If either party deems it necessary, it can seek interim or injunctive relief in aid of arbitration in accordance with the AAA rules. Judgment upon the award rendered by the arbitrator and/or such interim relief rendered by the arbitrator or the emergency arbitrator may be entered in any court having jurisdiction thereof pursuant to applicable law.

- b) Arbitrator Fees and Costs.** The parties shall initially share equally all fees and costs of the arbitrator in any arbitration proceeding conducted pursuant to section 20.3 of this Agreement, but at the conclusion of such arbitration proceeding, the prevailing party shall be entitled to be reimbursed by the losing party for all such fees and costs. . All other costs and expenses in connection with the arbitration will be borne initially by the party who incurs such expense or who requests a service (including, without limitation, a transcript of a deposition or of the arbitration proceeding). At the conclusion of the arbitration proceeding, all costs and expenses (including, without limitation, reasonable attorneys' fees) of the prevailing party shall be reimbursed by the party that does not prevail.. If a party prevails on some but not all issues, the arbitrator will determine the manner in which such costs and expenses (including attorneys' fees) will be borne. The arbitrator has the right to award or include in his or her award any relief which he or she deems proper including, but not limited to, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, to the prevailing party provided that the arbitrator may not declare any mark generic or otherwise invalid or award any consequential, punitive or exemplary damages against either party. For purposes hereof, prevailing party means the party in whose favor final judgment or final award, after appeal (if any), is rendered by a court or arbitrator with respect to the specific claim(s) asserted by such party in any such litigation or arbitration.
- c) Payment.** Any award rendered by the arbitrator will be paid promptly, without deduction or offset and judgment upon the award may be entered by any court of competent jurisdiction.
- d) Confirmation of Award.** Any award rendered by the arbitrator may be confirmed in any court of competent jurisdiction. if the award is confirmed by such court, a party challenging the award or resisting enforcement of a judgment entered upon the award will pay, to the extent permitted by law, all costs, attorneys' fees and expenses incurred by the other party in defending the award or seeking enforcement of the judgment.
- e) No Collateral Estoppel.** The decision of the arbitration panel will have no collateral estoppel effect with respect to a claim by or against any person or business entity who is not a party to the arbitration.
- f) Binding on the Parties.** The decision of the arbitration panel will be final and binding on the Parties, and the arbitration panel's award will be the exclusive remedy between the parties with respect to all claims and issues arising out of the transaction(s) or occurrence(s) at issue, whether or not presented or pled to the arbitrator. Notwithstanding the foregoing, either party may appeal the decision of the arbitration panel to the AAA in accordance with AAA rules.
- g) Limitation of Adjudicative Proceedings.** Each of the Parties irrevocably waives trial by jury in any action, proceeding or counterclaim, whether at or in equity, relating to this Agreement, whether there are other parties in such action or proceeding.
- h) Injunctive Relief.** Notwithstanding anything in this Article 20, each party recognizes that the failure of the other party to comply with the terms of this Agreement could cause the non-breaching party irreparable damage for which monetary damages would be insufficient. Therefore, it is mutually agreed that in the event of a breach or threatened conduct that may cause a party to breach and is likely to result in any irreparable loss or damage according to the equity rules (including for a violation of Article 11 and Section

19.2), the non-breaching Party may seek interim injunctive relief from a court, until such time as a final and binding determination is made by the arbitration panel. If interim injunctive relief is sought from a court, it shall be sought in a court of competent jurisdiction. Application to a court for interim injunctive relief shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate. The foregoing right to seek interim injunctive relief is in addition to, and not in lieu of, all other remedies or rights that the non-breaching Party might otherwise have by virtue of any breach of this Agreement by the other Party. Notwithstanding anything to the contrary in this Agreement, Franchisor will have the right to commence a civil action in any court of competent jurisdiction against Franchisee or take other appropriate action to compel Franchisee's compliance with standards related to Intellectual Property owned by Franchisor or requirements to protect the goodwill of the intellectual property owned by Franchisor and/or its Affiliates.

20.4 WAIVER OF CLASS ACTIONS. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISE, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

20.5 WAIVER OF JURY TRIAL. THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR FRANCHISEE'S PURCHASE FROM FRANCHISOR OF THE FRANCHISE AND/OR ANY GOODS OR SERVICES.

20.6 WAIVER OF PUNITIVE DAMAGES. FRANCHISEE HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS) AGAINST FRANCHISOR ARISING OUT OF ANY CAUSE WHATSOEVER (WHETHER SUCH CAUSE BE BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE) AND AGREES THAT IN THE EVENT OF A DISPUTE, THAT FRANCHISEE'S RECOVERY IS LIMITED TO ACTUAL DAMAGES. IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS WILL CONTINUE IN FULL FORCE AND EFFECT, INCLUDING, WITHOUT LIMITATION, THE WAIVER OF ANY RIGHT TO CLAIM ANY CONSEQUENTIAL DAMAGES. NOTHING IN THIS SECTION OR ANY OTHER PROVISION OF THIS AGREEMENT WILL BE CONSTRUED TO PREVENT FRANCHISOR FROM CLAIMING AND OBTAINING EXPECTATION OR CONSEQUENTIAL DAMAGES, INCLUDING LOST FUTURE PROFITS FOR THE BALANCE OF THE TERM OF THIS AGREEMENT IF IT IS TERMINATED DUE TO FRANCHISEE'S DEFAULT, WHICH THE PARTIES AGREE AND ACKNOWLEDGE FRANCHISOR MAY CLAIM UNDER THIS AGREEMENT.

20.7 LIABILITY CAP AND CLAIMS LIMITATION. IN NO EVENT SHALL THE FRANCHISOR'S AGGREGATE LIABILITY TO THE FRANCHISEE FOR ALL CLAIMS, WHETHER IN CONTRACT, TORT OR ANY OTHER THEORY OF LIABILITY, EXCEED THE AMOUNT OF FEES ACTUALLY PAID TO FRANCHISOR UNDER THIS AGREEMENT. THIS LIMITATION SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. IN NO EVENT SHALL FRANCHISEE BRING CLAIMS, WHETHER IN CONTRACT, TORT OR ANY OTHER THEORY OF LIABILITY, AGAINST ANY PARTIES BEYOND FRANCHISOR (INCLUDING, BUT NOT LIMITED TO FRANCHISOR'S OWNERS, OFFICERS, DIRECTORS OR EMPLOYEES).

20.8

ARTICLE 21

MISCELLANEOUS: GENERAL CONDITIONS

21.1 Fiduciary Duty. Franchisor and Franchisee specifically agree and acknowledge that Franchisor shall not be deemed a fiduciary for or with respect to Franchisee or the operation of the Franchised Business. The relationship of the parties under this Agreement is that of independent contractors. This Agreement does not create any fiduciary relationship, partnership, joint venture or any other form of joint enterprise. Franchisee, its employees and agents shall not have any right or power to and shall not bind or obligate Franchisor in any way or manner, nor represent that they have the right to do so.

21.2 Construction and Interpretation. The Introduction and Recitals are considered a part of this Agreement. Article captions are used only for convenience and are in no way to be construed as part of this Agreement or as a limitation of the scope of the particular Articles to which they refer. Words of any gender used in this Agreement include any other gender, and words in the singular include the plural, where the context requires. If any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision has the meaning which renders it valid. The Article headings used herein are descriptive only and shall have no legal force or effect whatsoever. The term “affiliate” as used in this Agreement is applicable to any company directly or indirectly owned or controlled by Franchisor or its majority owner. The word “corporation(s)” as used in this Agreement includes limited liability companies and such other similar organizations as are duly formed and existing pursuant to state law. The word “partnership(s)” as used in this Agreement includes limited liability partnerships and such other similar organizations as are duly formed and existing pursuant to state law. All words in this Agreement are deemed to include all genders and the singular as well as the plural, as the context of this Agreement requires.

21.3 Governing Law. This Agreement shall become valid when executed and accepted by Franchisor. The parties agree that this Agreement and the relationship between the parties shall be governed and construed under and in accordance with the laws of the State of North Carolina, without regard to its conflict of law rules.

21.4 Reasonable Business Judgment. Reasonable Business Judgment (as defined herein) applies in all circumstances involving or requiring CorporateConnections’ approval or consent, unless provided otherwise in the Agreement. Reasonable Business Judgment means that CorporateConnections’ determinations or choices shall prevail, even if other alternatives are also reasonable or arguably preferable, if Franchisor is acting in a way that could benefit the CorporateConnections System by, for example, enhancing the value of the Marks, increasing customer satisfaction, minimizing possible customer confusion as to the Marks or location, or increasing the financial strength of Franchisor. Except where otherwise indicated in this Agreement, Franchisor agrees to use Reasonable Business Judgment when discharging its obligations and exercising its rights and discretion. Franchisor shall not be required to consider any particular franchisee’s economic or other circumstances when exercising its Reasonable Business Judgment. Franchisee acknowledges that Franchisor has a legitimate interest in seeking to maximize the return to its shareholders and the fact that Franchisor benefits economically from an action will not be relevant to showing that Franchisor did not exercise Reasonable Business Judgment. Neither Franchisee nor any third party (including but not limited to any third party acting as a trier of fact) shall substitute its judgment for CorporateConnections’ Reasonable Business Judgment.

21.5 Severability. Each provision contained in this Agreement shall for all purposes be construed to be separate and independent. If any provision of this Agreement or the application thereof to any person or circumstance will to any extent be invalid and unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the other provisions of this Agreement; and the remainder of the Agreement, and the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, it being hereby agreed that such provisions are severable and that this Agreement will be construed in all respects as if such invalid or unenforceable provisions were omitted. Each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

21.6 Notices.

- a. All notices to Franchisor shall be in writing and must be delivered or sent by registered or certified mail, postage fully prepaid, addressed to it at its offices at 11525 N. Community House Road, Suite 475, Charlotte, North Carolina 28277, to the attention of, CEO, with copy to General Counsel, at the same address, or at such other address as CorporateConnections periodically designates in writing. All payments required to be made hereunder to Franchisor must be wire transferred to the bank account designated by Franchisor.
- b. All notices to Franchisee may be in writing hand delivered, including delivery by any courier

service, or sent by Federal Express, United Parcel Service or DHL, or sent by registered or certified mail or telegraph or facsimile, addressed to Franchisee at the Franchised Business or Franchisee's address as provided in this Agreement. Franchisee is solely responsible for notifying CorporateConnections in accordance with this Article of any change of address where, upon such written notification, CorporateConnections will deliver any notices as required or permitted under this Agreement.

- c. Notices shall be deemed delivered to Franchisee on the date hand delivered, or on the day after deposit with the recognized overnight delivery services referenced above (or on the second (2nd) day after being deposited with such service for two-day delivery), or on the earlier of actual receipt or the third (3rd) day after being deposited in the U.S. Mail or with any courier service as provided herein.

21.7 Waiver and Delay. The acceptance by Franchisor of any payment specified to be paid by Franchisee hereunder with knowledge of a breach of any covenant or agreement hereof shall not be, nor be construed to be, a waiver of any breach of any term, covenant or condition of this Agreement. The failure or delay to enforce any of the provisions of this Agreement shall not constitute a waiver of rights or a waiver of any subsequent enforcement of the provisions of this Agreement. The waiver or remedy of any default or breach hereunder shall not waive or affect the default remedied or any prior or subsequent default. However, either party may, by written notice, unilaterally waive or reduce any obligation or restriction of the other party. The waiver or reduction may be revoked at any time for any reason on ten (10) days' written notice. All rights and remedies herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law, and said rights and remedies may be exercised and enforced concurrently and whenever and as often as the occasion therefore arises. Subject to any other limitations within this agreement or applicable statutes of limitations, notice of any and all claims arising out of this Agreement or the relationship between Franchisee and Franchisor must be provided to the other party within one (1) year from the discovery of the facts giving rise to such claim. Franchisee agrees that: (a) its recovery in connection with any action brought against Franchisor shall not exceed the amount of the Initial Franchise Fee, and (b) it shall not bring a claim against any parties beyond Franchisor (including, but not limited to, Franchisor's owners, officers, directors or employees).

21.8 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which will be deemed an original; and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. In addition, this Agreement can be signed by facsimile signatures and still be deemed binding.

21.9 Savings Clause. If any term hereof may be construed to obligate Franchisee to pay interest in excess of the highest legal amount, it is agreed that such term is a mistake in calculation or wording and, notwithstanding same, it is agreed that neither Franchisee nor any other person or Business Entity obligated for the payment of any sums hereunder shall ever be obligated to pay interest in excess of the highest lawful amount.

21.10 Modification of Agreement. Except as provided in this Agreement for Franchisor to make certain changes as it deems necessary or for a provision to be adjusted as allowed by this Agreement to comply with any applicable laws, any modification of this Agreement or additional obligation assumed by either party in connection therewith shall be binding only if placed in writing and signed by all parties hereto.

21.11 Legal Fees/Collection Costs. In the unlikely event that a dispute occurs or an action in law or equity arises between Franchisor and Franchisee concerning the operation, enforcement, construction or interpretation of this Agreement or the relationship between the parties, Franchisor, if it prevails on most issues, shall be entitled to recover reasonable attorney's fees, court costs and expenses incurred in the action. If Franchisor must commence action for non-payment of any amounts owed to it under this Agreement or for ancillary purchases, then Franchisee shall be responsible for all collections costs related to amounts owed, including, without limitation, the reasonable legal fees of Franchisor in connection with said collection. Similarly, if Franchisee must commence action for Franchisor to return fees, and Franchisee prevails, then Franchisor shall be responsible for the reasonable legal fees associated with said collection.

21.12 Acknowledgments. Franchisee acknowledges that Franchisor and its subsidiaries and affiliates have

certain rights reserved to them to grant licenses and rights to others, which may or may not be similar to the license and rights conveyed hereunder; to market CorporateConnections-approved products and services; and to otherwise use the Marks and the CorporateConnections System as set forth in this Agreement. Franchisee acknowledges that, prior to the execution of this Agreement, Franchisee has had the opportunity to contact existing franchisees of CorporateConnections. Franchisee acknowledges that Franchisee had the opportunity to independently investigate, analyze and construe both the business opportunity being offered hereunder and the terms and provisions of this Agreement itself, utilizing the services of such independent attorneys, accountants, or other advisers as Franchisee so elects. Franchisee acknowledges that no representation or statement has been made by Franchisor or any employee, agent or salesman thereof and relied upon by Franchisee regarding the future growth of CorporateConnections' franchise system, the anticipated income, earnings and growth of Franchisee, the actual sales or income of existing CorporateConnections businesses or the viability of the business opportunity conveyed hereunder.

- 21.13 Force Majeure.** If either party is precluded by acts of God, authority of laws, strikes, lockouts, casualties, or other causes beyond its reasonable control from performance hereunder, such performance will be excused to the extent that it is necessitated by such causes. If such an event occurs, the party seeking to rely on this provision will promptly give written notice to the other party of the nature and consequence of the cause. The provisions of this Article will not apply to monetary obligations owed by either party to the other. If such period during which the performance is excused exceeds one hundred and eighty (180) days, then CorporateConnections will upon giving written notice to Franchisee, be able to require that all money due to Franchisor will be paid immediately; and Franchisee will immediately cease trading and operating under the Marks and CorporateConnections System, until further notice from CorporateConnections.
- 21.14 Submission of Agreement.** Submission of this Agreement does not constitute an offer, and this Agreement shall become effective only upon the execution hereof by both Franchisor and Franchisee and delivery of an executed copy to Franchisee. THIS AGREEMENT IS NOT BINDING ON CORPORATECONNECTIONS UNLESS AND UNTIL IT HAS BEEN ACCEPTED AND SIGNED BY FRANCHISOR, AND FRANCHISEE HAS RECEIVED AN EXECUTED COPY OF THIS AGREEMENT. THIS AGREEMENT IS NOT EFFECTIVE UNTIL AND UNLESS FRANCHISEE HAS BEEN FURNISHED BY FRANCHISOR WITH THE DISCLOSURE DOCUMENTS, IN WRITTEN FORM, AS MAY BE REQUIRED UNDER OR PURSUANT TO APPLICABLE LAW, FOR REQUISITE TIME PERIODS.
- 21.15 Non-Disparagement.** From and after the date of this Agreement, Franchisee will not, and will cause its Affiliates not to, directly or indirectly, alone or in connection with any person, engage in any conduct or make any statement, whether in commercial or noncommercial speech, that disparages, criticizes or is injurious to the reputation of CorporateConnections or any of its Affiliates (including CorporateConnections's direct or indirect subsidiaries), employees, equityholders, partners, members, investors or representatives, including (a) inducing or encouraging others to disparage CorporateConnections or any of its Affiliates, or any of its respective employees, equityholders, partners, members, investors or representatives, and (b) making or causing to be made any statement that maligns the business, goodwill, personal or professional reputation of CorporateConnections or any of its Affiliates, or any of its respective employees, equityholders, partners, members, investors or representatives.
- 21.16 Entire Agreement; Amendments.** This Agreement together with any exhibits and/or schedules thereto constitutes the entire agreement between the parties and may not be altered, amended or added to unless such amendment or addition is in writing and signed by both an authorized officer of Franchisor and by Franchisee as provided under Article 21.10. This Agreement is deemed to cancel and supersede the terms of all prior written or oral agreements and understandings, if any, between Franchisor and Franchisee pertaining to such license and Franchise. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document.
- 21.17 Franchisee Opportunity to Review.** FRANCHISEE REPRESENTS THAT FRANCHISOR HAS ADVISED FRANCHISEE TO READ THIS AGREEMENT CAREFULLY WITH THE ASSISTANCE OF LEGAL COUNSEL BEFORE SIGNING THIS AGREEMENT.
- 21.18 Franchisee's Affiliates.** The parties agree that Franchisor may delegate some of its obligations under this Agreement to one or more of its affiliates. Franchisee agrees to not hold such affiliates liable for the performance of or lack of performance of any obligations under this Agreement. Franchisee understands

and agrees that CorporateConnections and its affiliates are separate and independent entities and that such affiliates are not a party of this Agreement.

21.19 Franchisee Acknowledgement of Business Venture Risks. FRANCHISEE ACKNOWLEDGES THAT (1) CORPORATECONNECTIONS IS A NEW FRANCHISE SYSTEM AND THAT FRANCHISOR BEGAN OFFERING FRANCHISES IN LATE 2017, (2) IT ASSUMES THE RISK OF INVESTING IN A NEW FRANCHISE SYSTEM (3) THE SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED HEREIN INVOLVES SUBSTANTIAL RISKS AND DEPENDS UPON THE ABILITY OF FRANCHISEE AS AN INDEPENDENT BUSINESS PERSON AND HIS/HER ACTIVE PARTICIPATION IN THE DAILY AFFAIRS OF THE BUSINESS, (4) NO ASSURANCE OR WARRANTY, EXPRESS OR IMPLIED, HAS BEEN GIVEN AS TO THE POTENTIAL SUCCESS OF SUCH BUSINESS VENTURE OR THE GROSS REVENUES, VOLUME OR EARNINGS LIKELY TO BE ACHIEVED, AND (5) NO STATEMENT, REPRESENTATION OR OTHER ACT, EVENT OR COMMUNICATION, EXCEPT AS SET FORTH HEREIN, IS BINDING ON CORPORATECONNECTIONS IN CONNECTION WITH THE SUBJECT MATTER OF THIS AGREEMENT.

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

IN WITNESS WHEREOF, the parties have duly executed this Agreement in multiple originals, each of which may stand alone as an original, and acknowledge that they signed this in their stated capacities, on the date set forth hereinabove.

FRANCHISOR:

Franchisee:

**CORPORATE CONNECTIONS FRANCHISING, [NAME OF FRANCHISEE]
LLC**

By: _____
Graham P. Wehmler, CEO

By: _____
[Name], [Title]

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EXHIBIT A

REGION

The Region is identified by the attached map.

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EXHIBIT B

INITIAL SUPPLIES LIST *

*Initial Supplies List is subject to change and may be provided in soft copies

New Member Application
Brochure
Stand Up Banner
Leadership Team Manuals
New Member Kit (15)

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EXHIBIT C

OWNER'S STATEMENT

This form will be completed by the Franchisee if Franchisee has multiple owners or if Franchisee is owned by a business organization (like a corporation, partnership or limited liability company). Franchisor is relying on the truth and accuracy of this form in awarding the Franchise Agreement to Franchisee.

1. **Form of Franchisee.** (check one):

- 1. General Partnership
- 2. Corporation
- 3. Limited Partnership
- 4. Limited Liability Company
- 5. Other
Specify _____

2. **Business Entity.** Franchisee was incorporated or formed on _____, under the laws of the State of _____. Franchisee is doing business as (d/b/a) (please list all current or former d/b/a names if applicable): _____.

The following is a list of all persons who have management rights and powers (e.g., officers, managers, partners, etc.) and their positions are listed below:

| <u>Name of Person</u> | <u>Position(s) Held</u> |
|-----------------------|-------------------------|
| | |
| | |
| | |
| | |

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

| <u>Owner's Name</u> | <u>Address</u> | <u>Description of Interest</u> | <u>Percentage Interest</u> |
|---------------------|----------------|--------------------------------|----------------------------|
| * | | | |
| | | | |
| | | | |
| | | | |

* _____ is designated by Franchisee and its owners as Franchisee's Key Person. Franchisor may rely on representations made by _____ and agreements made by _____ as binding on behalf of Franchisee.

4. **Governing Documents.** The undersigned agree to provide copies of the documents and contracts governing the ownership, management and other significant aspects of Franchisee (e.g., articles of incorporation or organization, partnership or shareholder agreements, etc.) to Franchisor promptly upon request.

This Owner's Statement is current and complete as of _____, 20__.

INDIVIDUALS:

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

CORPORATION, LIMITED LIABILITY COMPANY OR
PARTNERSHIP:

Name: _____

By: _____

Title: _____

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EXHIBIT D

CERTIFICATION OF MINIMUM QUANTITY OF SUPPLIES

Franchisee understands the requirement to start and maintain within the Franchised Business a minimum quantity of supplies listed in Exhibit B herein as required by Franchisor to properly and effectively operate the Franchised Business. Franchisee hereby certifies that, as part of the purchase of the Franchised Business that is already in operation, that Franchisee already has an inventory that meets or exceeds the minimum quantity of supplies required by Franchisor within the Franchised Business. Franchisee warrants that such inventory is not inventory from another CorporateConnections Franchise owned by Franchisee.

Franchisor may require Franchisee to provide Franchisor a document separate from this Agreement listing the items within the inventory of the Franchised Business representing the minimum quantity of supplies required by Franchisor. If Franchisor determines in its sole discretion that Franchisee's inventory does not meet such minimum quantity of supplies, then Franchisee shall purchase the additional product as required by Franchisor to meet such minimum quantity of supplies.

Franchisee certifies and warrants the above by its signature below.

Signature of Franchisee

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EXHIBIT E

PRINCIPAL OWNER'S GUARANTY

In consideration of and as an inducement to **CORPORATE CONNECTIONS FRANCHISING, LLC** a Delaware limited liability company ("**Franchisor**") entering into that certain Franchise Agreement dated as of _____, 20____ (the "**Franchise Agreement**"), between Franchisor and _____, a(n) _____ ("**Franchisee**"), the undersigned individuals (each, a "**Guarantor**") jointly and severally, personally and unconditionally, do hereby: (a) guarantee to Franchisor, and its successor and assigns, for the term of the Agreement and as provided in the Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant in

- (1) the Franchise Agreement and (2) any ancillary agreement executed by Franchisee and Franchisor (or executed by Franchisee in favor of Franchisor) in connection with the Franchise Agreement, including but not limited to any agreement for the purchase of goods or services from Franchisor and any promissory note related to payments made to Franchisor (collectively, the "**Agreements**"); and (b) agree to be personally bound by, and personally liable for, each and every provision in the Agreements, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities including, without limitation, the requirements pertaining to non-competition, confidentiality, transfers, and dispute resolution.

Each Guarantor waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed; and (4) any right the Guarantor may have to require that an action be brought against Franchisee or any other person as a condition of liability. Each Guarantor consents and agrees that: (1) such Guarantor's direct and immediate liability under this guaranty shall be joint and several; (2) such Guarantor shall render any payment or performance required under the Agreements upon demand if Franchisee fails or refuses punctually to do so; (3) liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (4) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that Franchisor may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of each of the Agreements and following the termination, expiration or transfer of each of the Agreements to the extent any obligations under any such Agreements survive such termination, expiration or transfer.

Depending on the creditworthiness of each Guarantor and the community property laws of the states in which they reside, Franchisor may require that the spouses of one or more Guarantors execute this guaranty as well. Each Guarantor represents and warrants that, if no signature appears below for such Guarantor's spouse, such Guarantor is either not married or, if married, is a resident of a state that does not require the consent of both spouses to encumber the assets of a marital estate or Franchisor has waived in writing any requirement that such spouse execute this guaranty.

Each Guarantor consents and agrees that:

- (a) Guarantor's liability under this undertaking shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Franchisee and the other owners and Guarantors of Franchisee;
- (b) Guarantor shall render any payment or performance required under any of the Agreements upon demand if Franchisee fails or refuses punctually to do so;
- (c) This undertaking will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Agreements by a trustee of Franchisee. Neither the Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment,

modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency;

(d) Franchisor may proceed against Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Franchisee. Guarantor waives the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed; and

(e) This Guaranty shall be governed by and construed in accordance with the laws of the State of North Carolina.

(f) Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor.

Each Guarantor signs and delivers this Guaranty effective as of the date of the Franchise Agreement regardless of the actual date of signature.

GUARANTORS

Sign: _____

Print: _____

Sign: _____

Print: _____

Sign: _____

Print: _____

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EXHIBIT E-1

SPOUSAL LIMITED GUARANTY

In consideration of and as an inducement to **CORPORATE CONNECTIONS FRANCHISING, LLC** a Delaware limited liability company ("**Franchisor**") entering into that certain Franchise Agreement dated as of _____, 20____ (the "**Franchise Agreement**"), between Franchisor and _____, a(n) _____ ("**Franchisee**"), the undersigned, who is the spouse of one of the principals of the Franchisee (the "**Guarantor**"), does hereby: (a) guarantee to Franchisor, its affiliates, and its successor and assigns, for the term of the Agreement and as provided in the Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant in (1) the Franchise Agreement and (2) any ancillary agreement executed by Franchisee and Franchisor (or executed by Franchisee in favor of Franchisor) in connection with the Franchise Agreement, including but not limited to any agreement for the purchase of goods or services from Franchisor and any promissory note related to payments made to Franchisor (collectively, the "**Agreements**"); and (b) agrees to be personally bound by, and personally liable for, each and every provision in the Agreements, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities including, without limitation, the requirements pertaining to non-competition, confidentiality, transfers, and dispute resolution.

The Guarantor waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed; and (4) any right the Guarantor may have to require that an action be brought against Franchisee or any other person as a condition of liability. The Guarantor consents and agrees that: (1) the Guarantor's direct and immediate liability under this guaranty shall be, subject to the limitations set forth below, joint and several; (2) The Guarantor shall render any payment or performance required under the Agreements upon demand if Franchisee fails or refuses punctually to do so; (3) liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (4) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that Franchisor may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of each of the Agreements and following the termination, expiration or transfer of each of the Agreements to the extent any obligations under any such Agreements survive such termination, expiration or transfer.

The Guarantor's liability under this spousal guaranty shall be limited to the assets that the Guarantor holds jointly or in common with its spouse either by contract, agreement, or by the community property and/or marital property laws applicable to the State where the Guarantor resides. Notwithstanding anything stated to the contrary, if the Franchisee transfers any of the assets of its franchised business to the Guarantor either outright or in trust or transfers the assets of the franchised business to avoid creditors' claims, then the Guarantor shall become jointly and severally liable with the Franchisees and other principals and/or guarantors of the Franchisee for all of the debts and obligations that the Franchisee owes to the Franchisor as if the Guarantor had signed the original franchise agreement between Franchisor and Franchisee at the time that it was originally signed by the Franchisee.

The Guarantor consents and agrees that:

(a) Guarantor's liability under this undertaking shall be direct, immediate, and independent of the liability of, and shall, except as set forth in this Guaranty, be joint and several with, Franchisee and the other owners and Guarantors of Franchisee;

(b) Guarantor shall render any payment or performance required under any of the Agreements upon demand if Franchisee fails or refuses punctually to do so;

(c) This undertaking will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Agreements by a trustee of Franchisee. Neither the Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency;

(d) Subject to the limitations set forth in this Agreement, Franchisor may proceed against Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Franchisee. Guarantor waives the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed; and

(e) This Guaranty shall be governed by and construed in accordance with the laws of the State of North Carolina.

(f) Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor.

The Guarantor signs and delivers this Guaranty effective as of the date of the Franchise Agreement regardless of the actual date of signature.

GUARANTOR

Sign: _____

Print: _____

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EXHIBIT F
ACH AGREEMENT

**Authorization Agreement For
Automated Clearing House Transactions (ACH Debits)**

| ACH Authorization | |
|--------------------------------|---|
| Individual Company Name: | / |

I (we) hereby authorize: BNI Franchising, LLC hereinafter called COMPANY/INDIVIDUAL, to initiate debit entries and to initiate, if necessary, credit entries and adjustments for any debit entries in error to my(our)

Checking Savings account (select one) indicated below and the depository named below, hereinafter called DEPOSITORY, to debit and/or credit the same to such account.

| Bank Information | | | |
|-------------------------------------|--|----------------------------|--|
| DEPOSITORY NAME: | | Branch: (if applicable) | |
| City, State, ZIP: | | | |
| Transit/ABA No: ("Routing #") | | Account #: | |

This authority is to remain in full force and effect until COMPANY/INDIVIDUAL has received written notification from me (or either of us) of its termination in such time and in such manner as to afford COMPANY/INDIVIDUAL and DEPOSITORY a reasonable opportunity to act on it.

Name(s):
Please print _____

Signature(s)

Date

I (we) wish for this transaction to take place starting on: _____ and to
 recur: once a month, every two weeks, _____ other:

CHECK ONE: I am not currently participating in the Automated Payment Program.
 ADD – Debit the account shown.
I am currently participating in the Automated Payment Program.
 CHANGE – Change financial institutions and/or account number.

TAPE VOIDED CHECK HERE
[Voided check not necessary, but recommended]

EXHIBIT G

NON-DISCLOSURE AND NON-SOLICITATION AGREEMENT

This Non-Disclosure and Non-Solicitation Agreement (this “**Agreement**”) is entered into by the undersigned (“**you**”) in favor of **Corporate Connections Franchising, LLC**, a Delaware limited liability company, and its successors and assigns (“**us**”), upon the terms and conditions set forth in this Agreement.

1. **Definitions.** For purposes of this Agreement, the following terms have the meanings given to them below:
- (a) “**CorporateConnections Franchise**” means a CorporateConnections franchise operated under the Marks and using the System.
 - (b) “**Competitive Business**” means any business or facility owning, operating or managing, or granting franchises or licenses to others to do so, any business or establishment that markets, promotes, advertises or sells referral-based networking services.
 - (c) “**Copyrights**” means all works and materials for which we or our affiliates have secured common law or registered copyright protection and that we allow franchisees to use, sell or display in connection with the marketing and/or operation of a CorporateConnections Franchise, whether now in existence or created in the future.
 - (d) “**Franchisee**” means the CorporateConnections franchisee for whom you are an owner, partner, member, officer, director, employee or independent contractor.
 - (e) “**Intellectual Property**” means, collectively or individually, our Marks, Copyrights, Know-how and System.
 - (f) “**Know-how**” means all of our trade secrets and other proprietary information relating to the development, construction, marketing and/or operation of a CorporateConnections Franchise, including, but not limited to, pricing system, methods, techniques, specifications, procedures, policies, marketing strategies and information comprising the System and the Manuals.
 - (g) “**Manuals**” or “**Operations Manuals**” means our confidential operations manual(s) for the operation of a CorporateConnections Franchise including the Executive Director, Managing Director, Chapter Director and the Leadership Manuals..
 - (h) “**Marks**” means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a CorporateConnections Franchise, including domain names and any other trademarks, service marks or trade names that we designate for use in a CorporateConnections Franchise. The term “Marks” also includes any distinctive trade dress used to identify a CorporateConnections Franchise, whether now in existence or hereafter created.
 - (i) “**Post-Term Restricted Period**” is the 1-year beginning on the termination or expiration of this Agreement.
 - (j) “**Prohibited Activities**” means any or all of the following: (i) acquiring or developing, or having any direct or indirect interest as a disclosed or beneficial owner in, any Competitive Business, other than owning an interest of less than 5% in a Competitive Business that is a publicly traded company; (ii) offering or performing networking services (other than through a CorporateConnections Franchise); (iii) being employed or engaged as a director, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business; (iv) diverting or attempting to divert any business from us (or one of our affiliates or franchisees) to a Competitive Business; and/or (v) inducing (a) any of our employees or managers (or those of our affiliates or franchisees) to leave their position with us (or our affiliate or franchisee); or (b) any customer of ours (or of one of our affiliates or franchisees) to transfer their business to any person that is not then a franchisee of ours.

- (k) **“Protected Area”** means a geographic area which will be comprised of one or more Territories.
- (l) **“Restricted Period”** means the 1-year period after you cease to be an owner, partner, member, officer, director, employee or independent contractor of Franchisee.
- (m) **“Restricted Territory”** includes both (a) the Protected Area; and (b) the protected areas or territories we have granted to any other CorporateConnections Franchisee.
- (n) **“System”** means our distinct and, with respect to certain aspects, proprietary system for the operation of a CorporateConnections Franchise that provides networking services and related products and services, the distinctive characteristics of which include logo, trade secrets, pricing system, concept, style, proprietary programs and products, confidential operations manuals and operating system. The System shall also include additional products and services that we may authorize from time to time for franchisees.

2. **Background.** You are an owner, partner, member, officer, director, employee or independent contractor of Franchisee. As a result of this association, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and that you could seriously jeopardize our entire franchise system if you were to unfairly compete with us. In order to avoid such damage, you agree to comply with the terms of this Agreement.
3. **Intellectual Property.** You agree: (i) you will not use the Know-how in any networking business or capacity other than the CorporateConnections Franchise operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer an owner, partner, member, officer, director, employee or independent contractor of Franchisee. You further agree that you will not use the Intellectual Property for any purpose other than the performance of your duties for Franchisee and within the scope of your employment or other engagement with Franchisee.
4. **Immediate Family Members.** You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities or (ii) uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.
5. **Covenants Reasonable.** You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE.
6. **Breach** You agree that failure to comply with the terms of this Agreement will cause substantial and irreparable damage to us and/or other CorporateConnections Franchises for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed \$1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery

of monetary damages. Any claim, defense or cause of action that you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

7. Miscellaneous.

(a) If we hire an attorney or file suit against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorneys' fees and costs in doing so.

(b) This Agreement will be governed by, construed and enforced under the laws of North Carolina and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

(c) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

(d) You and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration and geographic area. However, we may at any time unilaterally modify the terms of this Agreement upon written notice to you by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under this Agreement to ensure that the terms and covenants in this Agreement are enforceable under applicable law.

(e) Notwithstanding anything in this Agreement to the contrary, you, may, in accordance with any applicable law including the federal Defend Trade Secrets Act, disclose Intellectual Property, (a) in confidence, to federal, state, or local government officials, or to an attorney of Franchisee, for the sole purpose of reporting or investigating a suspected violation of law; or (b) in a document filed in a lawsuit or other legal proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with any applicable law or create liability for disclosures expressly allowed by law.

EXECUTED on the date stated below.

Date: _____

Signature

Typed or Printed Name

EXHIBIT H

DEVELOPMENT SCHEDULE

| Year of contract | Expiration date of the Development Period | Number of Chapters |
|-------------------------|--|---------------------------|
| Current # | | |
| Year 1 | | |
| Year 2 | | |
| Year 3 | | |
| Year 4 | | |
| Year 5 | | |

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EXHIBIT C
FORM OF GENERAL RELEASE

THIS AGREEMENT ("Agreement") is made and entered into this ___ day of _____, 20__ by and between CORPORATE CONNECTIONS FRANCHISING, LLC a Delaware limited liability company having its principal place of business at 11525 N. Community House Road, Suite 475, Charlotte, North Carolina 28277, (the "Franchisor"), and _____, a _____ with a principal address at _____ (hereinafter referred to as "Releasor"), wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any current and former affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any past and present shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Agreement, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement. In the event Releasor breaches any of the promises covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys' fees.

2. Releasor represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.

3. Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary.

4. North Carolina law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder, without regard to North Carolina's provisions for conflicts of laws. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

5. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein, and said action must be filed in the State of North Carolina.

6. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

7. Releasor further expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of California or any other state laws, and does so understanding and acknowledging the significance and consequences of such specific waiver of Section 1542. Releasor acknowledges that they are or may be represented by counsel, and acknowledge that they are familiar with the provisions of California Civil Code Section 1542, which provides as follows: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR. Releasor acknowledges that he/she/or it may later discover claims or facts in addition to or different from those set forth in this release and which, if known or suspected at the time of executing this release, may have materially affected this Agreement. Nonetheless, notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all claims, Releasor expressly acknowledges that this Release is also intended to include in its effect, without limitation, all claims which they do not know or expect to exist in their favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claim or claims. Releasor waives any rights, claims or causes of action that might arise as a result of such different or additional claims or facts. Notwithstanding the governance of this Release by laws of the State of North Carolina, it is the intent of Releasor to waive any right, claim or cause of action as is consistent with the forgoing waiver of Section 1542 of the Civil Code of California.

8. This release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

9. Nothing in this Release shall act as a waiver of Releasor's reliance on any representations made in the Franchise Disclosure Document given to Releasor in conjunction with the sale of this franchise together with the exhibits attached to it.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

RELEASOR

Name: _____

CORPORATE CONNECTIONS FRANCHISING, LLC

By: _____
Name: _____
Title: _____

EXHIBIT D
STATE SPECIFIC ADDENDA

CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516 or the California Franchise Relations Act, Cal. Bus. & Prof. Code §§20000-20043 applies, and the terms of this Addendum apply.

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 DISCLOSURE DOCUMENT.

OUR WEBSITE (www.corporateconnections.com) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AND COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT ITS WEBSITE ADDRESS WWW.DFPI.CA.GOV.

SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

THE REGISTRATION OF THIS FRANCHISE OFFERING BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE COMMISSIONER. IT IS UNLAWFUL TO SELL ANY FRANCHISE IN THIS STATE THAT IS SUBJECT TO REGISTRATION UNDER THIS LAW WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 14 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 14 DAYS PRIOR TO THE RECEIPT OF ANY CONSIDERATION, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

Item 3, Additional Disclosure:

Neither we nor any person described in Item 2 of the Disclosure Document is subject to any currently effective order of any National Securities Association or National Securities Exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq. suspending or expelling such persons from membership in such association or exchange.

Item 5. Additional Disclosure:

The Franchisor shall defer its required Initial Franchise and (and Development) Fees until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced business operations.

Item 6, Additional Disclosure:

The highest interest rate allowed by law in California is 10% annually.

Item 17, Additional Disclosures:

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

voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

The franchise agreement requires application of the laws of North Carolina. This provision may not be enforceable under California law.

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

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

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

The franchise agreement requires binding arbitration. The arbitration will occur in North Carolina with the cost being borne by the parties as determined by the arbitrator. Prospective franchisees are encouraged to consult with private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

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

No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee's understanding of the law and facts as of the time of the franchisee's investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

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

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CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516 or the California Franchise Relations Act, Cal. Bus. & Prof. Code §§20000-20043 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

The Franchise Agreement requires franchisee to execute a general release of claims upon renewal or transfer of the franchise agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

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

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code §1671, certain liquidated damages clauses are unenforceable.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. The Federal Bankruptcy Code also provides rights to franchisee concerning termination of the Franchise Agreement upon certain bankruptcy-related events. If the Franchise Agreement is inconsistent with the law, the law will control.

The Franchise Agreement requires binding arbitration. The arbitration will occur in North Carolina with the cost being borne by the parties as determined by the arbitrator. Prospective franchisees are encouraged to consult with 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.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

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

2. Section 4.1 shall be amended to add the following language at the end of this section: Notwithstanding the foregoing, the Franchisor shall defer its required Initial Franchise and (and Development) Fees until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced business operations.

3. Section 4.3 of the Franchise Agreement shall be amended to read as follows: "Franchisee shall pay to Franchisor a monthly fee equal to twenty percent (20%) of the previous month's Gross

Revenues as defined herein (“Continuing Royalty”) for the use of the Corporate Connections System and the Marks. Franchisee shall remit to Franchisor the Continuing Royalty on or before the fifteenth (15th) of each month based on the previous month’s Gross Revenues. Franchisee shall remit to Franchisor a royalty report and a goal progress report as required by Franchisor with the remittance of the Continuing Royalty each month. Submittal of the required report and payment of the Continuing Royalty in readily available funds must be received by Franchisor no later than the 15th of the month in which they are due or be subject to the late fees as provided below in the Article. The Continuing Royalty is an obligation that is separate and apart from any other financial obligation that Franchisee has to Franchisor. The Franchisor reserves the right to modify its policies and practices regarding revenue recognition revenue reporting and the inclusion or exclusion of certain revenue from “Gross Revenues.” Any payment of the Continuing Royalty that is not in compliance with this Article is a material breach of this Agreement.

4. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement

5. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

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HAWAII ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§482E-1 – 482E-12 applies, the terms of this Addendum apply.

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

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

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

TRANSFER FEES ARE COLLECTABLE TO THE EXTENT THAT THEY REFLECT THE FRANCHISOR'S REASONABLE ESTIMATED OR ACTUAL COSTS IN EFFECTING A TRANSFER.

Item 5. Initial Franchise Fee. The following statement is added to Item 5:

The Franchisor shall defer its required Initial Franchise (and Development) Fees until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced business operations.

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

Commissioner of Securities 335
Merchant Street, Room 203
Honolulu, Hawaii 96813

HAWAII ADDENDUM TO FRANCHISE AGREEMENT

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

2. Notwithstanding anything stated in Section 4.1 of the Franchise Agreement, the Franchisor shall defer its Initial Franchise (and Development) Fees until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced business operations

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

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ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. Illinois law governs the Franchise Agreement.
2. Item 5. The Franchisor shall defer its required Initial Franchise and (and Development) Fees until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced business operations. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.
3. The following statements are added to Item 17, Additional Disclosures: The Illinois Franchise Disclosure Act governs the Franchise Agreement.

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

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.
4. The representations under this Franchise Compliance Certificate are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act.
5. Under 200.604(a) of the Illinois Administrative Rules .
6. **FRANCHISOR is required** to amend its disclosure document within 90 days of any material change to the Franchise Disclosure Document such as changes regarding required advertising; changes to insurance requirements; new computer/POS system components; new/additional software license agreements & fees; all proprietary product/service developments; implementation of loyalty (gift card) programs and the implementation & transaction fees thereof; required participation in promotional events and marketing campaigns; and all **required** operational aspects that will increase a franchisee's expenses.

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ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

1. Illinois law governs the Franchise Agreement.

2. Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to the Franchisor's financial condition.

3. The following provisions are hereby amended:

The Illinois Franchise Disclosure Act governs the Franchise Agreement.

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

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

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

4. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

5. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

STATE ADDENDUM FOR THE STATE OF INDIANA

1. To be added to Item 3 of the Disclosure Document, is the following statement: There are presently arbitration proceedings to which the Franchisor is a party.
2. Item 17 of the Disclosure Document is amended to reflect the requirement under Indiana Code 23-2-2.7-1 (9), which states that any post term non-compete covenant must not extend beyond the franchisee's exclusive territory.
3. Item 17 is amended to state that this is subject to Indiana Code 23-2-2.7-1 (10).
4. Under Indiana Code 23-2-2.7-1 (10), jurisdiction and venue must be in Indiana if the franchisee so requests. This amends Article 21.3 of the Franchise Agreement.
5. Under Indiana Code 23-2-2.7-1 (10), franchisee may not agree to waive any claims or rights.

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MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14- 201 – 14-233 applies, the terms of this Addendum apply.

Items 5 & 7, Additional Disclosure:

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

Item 17, Additional Disclosures:

Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).

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

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

The general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Franchise Compliance Certificate:

The representations under this Franchise Compliance Certificate are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

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

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

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

Nothing in the Franchise Agreement prevents the franchisee from bringing a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Nothing in the Franchise Agreement operates to reduce the 3-year statute of limitations afforded to a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Further, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Federal Bankruptcy laws may not allow the enforcement of the provisions for termination upon bankruptcy of the franchisee.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

State Cover Page and Item 17, Additional Disclosures:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota, requiring waiver of a jury trial or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document shall abrogate or reduce any of your rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required.

Items 5 & 7, Additional Disclosure:

Payment of the Initial Franchise Fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

Item 6, Additional Disclosure:

NSF checks are governed by Minn. Stat. 604.113, which puts a cap of \$30 on service charges.

Item 13, Additional Disclosures:

The Minnesota Department of Commerce requires that a franchisor indemnify Minnesota Franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes upon the trademark rights of the third party. The franchisor does not indemnify against the consequences of a franchisee's use of a franchisor's trademark except in accordance with the requirements of the franchise agreement, and as the condition to an indemnification, the franchisee must provide notice to the franchisor of any such claim immediately and tender the defense of the claim to the franchisor. If the franchisor accepts tender of defense, the franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 17, Additional Disclosures:

Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waive compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void.

We will comply with Minn. Stat. Sec. 80C.14, subs. 3, 4 and 5, which requires, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure), 180 days notice for nonrenewal of the Franchise Agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability

imposed by Minnesota Statute §§80C.01 – 80C.22.

The limitations of claims section must comply with Minn. Stat. Sec. 80C.17, subd. 5.

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MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Payment of the Initial Franchise Fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 4 which requires that except for certain specified cases, that franchisee be given 180 days' notice for non-renewal of this Franchise Agreement.

The Minnesota Department of Commerce requires that franchisor indemnify franchisees whose franchise is located in Minnesota against liability to third parties resulting from claims by third parties that the franchisee's use of franchisor's trademarks ("Marks") infringe upon the trademark rights of the third party. Franchisor does not indemnify against the consequences of a franchisee's use of franchisor's trademark but franchisor shall indemnify franchisee for claims against franchisee solely as it relates to franchisee's use of the Marks in accordance with the requirements of the Franchise Agreement and franchisor's standards. As a further condition to indemnification, the franchisee must provide notice to franchisor of any such claim immediately and tender the defense of the claim to franchisor. If franchisor accepts tender of defense, franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 3 which requires that except for certain specified cases, a franchisee be given 90 days' notice of termination (with 60 days to cure). Termination of the franchise by the franchisor shall be effective immediately upon receipt by franchisee of the notice of termination where its grounds for termination or cancellation are: (1) voluntary abandonment of the franchise relationship by the franchisee; (2) the conviction of the franchisee of an offense directly related to the business conducted according to the Franchise Agreement; or (3) failure of the franchisee to cure a default under the Franchise Agreement which materially impairs the goodwill associated with the franchisor's trade name, trademark, service mark, logo type or other commercial symbol after the franchisee has received written notice to cure of at least twenty-four (24) hours in advance thereof.

According to Minn. Stat. Sec. 80C.21 in Minnesota Rules or 2860.4400J, the terms of the Franchise Agreement shall not in any way abrogate or reduce your rights as provided for in Minn. Stat. 1984, Chapter 80C, including the right to submit certain matters to the jurisdiction of the courts of Minnesota. In addition, nothing in this Franchise Agreement shall abrogate or reduce any of franchisee's rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedy provided for by the laws of the State of Minnesota.

Any claims franchisee may have against the franchisor that have arisen under the Minnesota Franchise Laws shall be governed by the Minnesota Franchise Law.

The Franchise Agreement contains a waiver of jury trial provision. This provision may not

be enforceable under Minnesota law.

Franchisee consents to the franchisor seeking injunctive relief without the necessity of showing actual or threatened harm. A court shall determine if a bond or other security is required.

The Franchise Agreement contains a liquidated damages provision. This provision may not be enforceable under Minnesota law.

Any action pursuant to Minnesota Statutes, Section 80C.17, Subd. 5 must be commenced no more than 3 years after the cause of action accrues.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

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NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

Cover Page, Additional Disclosure.

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT I OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10001. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

The Franchisee will be required to make an estimated initial investment ranging from \$88,580 to \$601,080. This amount exceeds the Franchisor's stockholders' equity as of December 2019, which is (\$171,100).

Item 3, Additional Disclosure. The last sentence in Item 3 is deleted and replaced with the following:

Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has any administrative, criminal, or a material civil or arbitration action pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegations.

Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has been convicted of a felony or pleaded nolo contendere to any other felony charge or, during the ten-year period immediately preceding the application for registration, been convicted of a misdemeanor or pleaded nolo contendere to any misdemeanor charge or been found liable in an arbitration proceeding or a civil action by final judgment, or been the subject of any other material complaint or legal or arbitration proceeding if such misdemeanor conviction or charge, civil action, complaint, or other such proceeding involved a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegation.

Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, is subject to any currently effective injunctive or restrictive order or decree relating to franchises, 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 in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

Item 17, Additional Disclosures.

The following is added to the Summary sections of Item 17(c) and 17(m): To the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Section 687.4 and 687.5 be satisfied.

The Summary section of Item 17(d) is deleted and replaced with the following language: You may terminate the agreement on any grounds available by law.

The following is added to the Summary sections of Items 17(v) and 17(w): The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

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NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.

Any provision in the Franchise Agreement requiring franchisee to sign a general release of claims against franchisor does not release any claim franchisee may have under New York General Business Law, Article 33, Sections 680-695.

The New York Franchise Law shall govern any claim arising under that law.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

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DISCLOSURES REQUIRED BY NORTH CAROLINA LAW

The State of North Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled. (N.C.G.S. §66-95)

Effective Date: _____

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NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the North Dakota Franchise Investment Law, N.D. Cent. Code, §§51-19-01 – 51-19-17 applies, the terms of this Addendum apply.

Items 5 & 7, Additional Disclosure:

Payment of the Initial Franchise Fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

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

Any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota may be unenforceable under North Dakota law. Any mediation or arbitration will be held at a site agreeable to all parties. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

Any general release the franchisee is required to assent to as a condition of renewal is not intended to nor shall it act as a release, estoppel or waiver of any liability franchisor may have incurred under the North Dakota Franchise Investment Law.

Covenants not to compete during the term of and upon termination or expiration of the franchise agreement are enforceable only under certain conditions according to North Dakota law. If the Franchise Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

The Franchise Agreement includes a waiver of exemplary and punitive damages. This waiver may not be enforceable under North Dakota law.

The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by franchisor in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

The Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. This waiver may not be enforceable under North Dakota law.

The Franchise Disclosure Document and Franchise Agreement state that franchisee must consent to the jurisdiction of courts outside that State of North Dakota. That requirement may not be enforceable under North Dakota law.

The Franchise Disclosure Document and Franchise Agreement may require franchisees to consent to termination or liquidated damages. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. To the extent this requirement conflicts with North Dakota law, North Dakota law will apply.

NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the North Dakota Franchise Investment Law, N.D. Cent. Code, §§51-19-01 – 51-19-17 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any release executed in connection with a renewal shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

Payment of the Initial Franchise Fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

Covenants not to compete during the term of and upon termination or expiration of the franchise agreement are enforceable only under certain conditions according to North Dakota law. If the Franchise Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law.

The waiver of trial by jury may not be enforceable under the North Dakota Franchise Investment Law.

The requirement that arbitration be held outside the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. Any mediation or arbitration will be held at a site agreeable to all parties.

The requirement that a franchisee consent to termination or liquidated damages has been determined by the Commissioner to be unfair, unjust and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement states that franchisee must consent to the jurisdiction of courts located outside the State of North Dakota. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. To the extent this requirement conflicts with North Dakota law, North Dakota law will apply.

Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Franchisor in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

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RHODE ISLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Rhode Island Franchise Investment Act, R.I. Gen. Law ch. 395 §§19-28.1-1 – 19-28.1-34 applies, the terms of this Addendum apply.

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

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.”

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RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Rhode Island Franchise Investment Act, R.I. Gen. Law ch. 395 §§19-28.1-1 – 19-28.1-34 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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.”

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

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SOUTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the South Dakota Franchise Investment Act, SDCL §§ 37-5B-1 through 37-5B-53, applies, the terms of this Addendum apply.

1. South Dakota law governs the Franchise Agreement.
2. Item 5. The Franchisor shall defer its required Initial Franchise and (and Development) Fees until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced business operations.
3. Franchise Compliance Certificate:

The representations under this Franchise Compliance Certificate are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the South Dakota Franchise Investment Act.

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SOUTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

To the extent that the South Dakota Franchise Investment Law, SDCL §§ 37-5B-1 through 37-5B-53 applies, the terms of this Addendum apply.

Notwithstanding anything stated in Section 4.1 of the Franchise Agreement, the Franchisor shall defer its Initial Franchise (and Development) Fees until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced business operations

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

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VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

Item 5, Additional Disclosure. The following statement is added to Item 5:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the Initial Franchise Fee and other payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

Item 17, Additional Disclosures:

Any provision in any of the contracts that you sign with us which provides for termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et. seq.).

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

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VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

1. Notwithstanding what is stated in Section 4.1 of the Franchise Agreement the following language will be added to that section, “ The Virginia State Corporation Commission’ Division of Securities and Retail Franchising requires us to defer payment of the Initial Franchise Fee and other initial payments owed by Franchisee to the Franchisor until the Franchisor has completed its pre-opening obligations under the Franchise Agreement.”

2. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

Notwithstanding anything stated in Section 4.1 of the Franchise Agreement, the Franchisor shall defer its Initial Franchise (and Development) Fees until Franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced business operations

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

WASHINGTON ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

Items 5 & 7, Additional Disclosure:

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any Initial Franchise Fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

Item 17, Additional Disclosure:

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

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

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

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

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

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

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WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT

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

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

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

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

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

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

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any Initial Franchise Fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

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WISCONSIN ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures:

For all franchisees residing in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract which is inconsistent with the Law.

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WISCONSIN ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

To the extent any of the provisions regarding notice of termination or change in dealership are in conflict with Section 135.04 of the Wisconsin Fair Dealership Law, the Wisconsin law shall apply.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:
Corporate Connections Franchising, LLC

FRANCHISEE:

By: _____
Its: _____
Date: _____

By: _____
Its: _____
Date: _____

EXHIBIT E
FRANCHISE COMPLIANCE CERTIFICATION

As you know, you and Corporate Connections Franchising, LLC (the "Franchisor") are preparing to enter into a Franchise Agreement for the establishment and operation of a "Corporate Connections" franchised business (a "Corporate Connections Franchise"). The purpose of this Franchise Compliance Certificate is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue or inaccurate. This Certificate does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder. Please review each of the following questions and statements carefully and provide honest and complete responses to each. The following dates and information are true and correct:

- a. _____, 20__ The date of my first face-to-face meeting with a representative of CorporateConnections to discuss the possible purchase of a CorporateConnections Franchise.
Initials _____
- b. _____, 20__ The date on which I received the Franchisor's Franchise Disclosure Document ("FDD").
Initials _____
- c. _____, 20__ The date when I received a fully completed copy (other than signatures) of the Franchise Agreement and Addenda (if any) and all other documents I later signed.
Initials _____
- d. _____, 20__ The date on which I signed the Franchise Agreement.
Initials _____

1. Have you personally reviewed the Franchise Agreement and each Addendum and related agreement attached to it?
Yes _____ No _____
2. Did you sign a receipt for the FDD indicating the date you received it?
Yes _____ No _____
3. Do you understand that no agreement or addendum is effective until it is also signed and dated by the Franchisor?
Yes _____ No _____
4. Did you enter into any written agreement with the Franchisor concerning the purchase of this franchise before today?
Yes _____ No _____

5. Did you pay any money to the Franchisor concerning the purchase of this franchise before today?
- Yes _____ No _____
6. Do you understand that the Franchise Agreement requires all disputes and claims you may have under the Franchise Agreement and the Personal Guarantee to be determined in arbitration in Charlotte, North Carolina (if they cannot be resolved informally or by mediation)?
- Yes _____ No _____
7. Do you understand that the Franchise Agreement and the Personal Guarantee each include a waiver of jury trials (subject to applicable state laws)?
- Yes _____ No _____
8. Do you understand that if the Franchisor provides site selection assistance, guidance or recommendations, that any recommendations, suggestions, or approvals of a proposed site are not a warranty, guarantee or representation that the site will achieve any level or amount of sales, revenue or profit as a CorporateConnections Franchise location?
- Yes _____ No _____
9. During my discussions and evaluations leading up to my decision to buy a CorporateConnections Franchise, I communicated with the following individuals from Corporate Connections Franchising, LLC:

| | <u>Name</u> | <u>Address</u> |
|----|-------------|----------------|
| 1. | _____ | _____ |
| 2. | _____ | _____ |
| 3. | _____ | _____ |
| 4. | _____ | _____ |

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

The individuals signing below for the **“Franchisee Applicant”** constitute all of the executive officers, partners, shareholders, investors and/or principals of the Franchisee Applicant, or constitute the duly authorized representatives or agents of the foregoing.

FRANCHISEE APPLICANT:

Signature

Printed Name _____, 20____
Date _____

Signature _____

Printed Name _____, 20____
Date _____

Signature _____

Printed Name _____, 20____
Date _____

Signature _____

Printed Name _____, 20____

EXHIBIT F

LIST OF STATE ADMINISTRATORS

California: Department of Financial Protection and Innovation (DFPI)
320 West 4th St., Suite 750
San Francisco, CA 90013-2344
213-576-7500

Hawaii: Director of Commerce & Consumer Affairs
335 Merchant St., Suite 203
Honolulu, Hawaii 96813
808-586-2727

Illinois: Illinois Attorney General's Office
Franchise Bureau
500 South Second Street
Springfield, Illinois 62706
217-782-2538

Indiana: Indiana Securities Division
302 West Washington, Room E-111
Indianapolis, Indiana 46204
317-232-6681

Maryland: Maryland Division of Securities
Office of the Attorney General
200 Saint Paul Place
Baltimore, Maryland 21202
410-576-6360

Michigan: Michigan Dept. of Attorney General Consumer Protection Division
Franchise Section
525 West Ottawa Street
G. Mennen Williams Bldg., 1st Floor Lansing, Michigan 48909
517-373-7117; Fax: 517-335-1935

Minnesota: Minnesota Department of Commerce
Securities Section
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
651-539-1500

New York: NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236

North Dakota: North Dakota Securities Department
600 East Boulevard Ave.
State Capitol - 5th Floor, Dept. 414
Bismarck, North Dakota 58505-0510
701-328-4712

Rhode Island: Department of Business Regulation
Securities Division
John O. Pastore Complex
1511 Pontiac Ave., Building 69-1
Cranston, RI 02920
401-462-9500; Fax: 401-462-9532

South Dakota: South Dakota Division of Insurance
Securities Regulation
124 S. Euclid Suite 104
Pierre, South Dakota 57501-3185
605-773-3563 Fax: 605-773-5953

Utah: Department of Commerce
Division of Consumer Protection
160 East 300 South, 2nd Floor
PO Box 146704
Salt Lake City, Utah 84144-6704
801-530-6601; Fax: 801-530-6001

Virginia: State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
804-371-9051; Fax: 804-371-9911

Washington: Washington Department of Financial Institutions
Securities Division
150 Israel Road
Tumwater, Washington 98501
360-902-8760

Wisconsin: Wisconsin Department of Financial Institutions
Franchise Registration
Division of Securities
201 W. Washington Ave., Suite 300 Madison, Wisconsin 53703
608-266-8557

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EXHIBIT G
LIST OF CURRENT FRANCHISE LOCATIONS

As of December 31, 2022

| Region | Executive Director | Address | Phone |
|---------------|---------------------------|--|--------------|
| LA | Tim Paulin | 608 Smith Drive Metairie, LA 70005 | 504-834-5264 |
| NC Charlotte | Kelly Irons | PO Box 690302, Charlotte, North Carolina 28227, | 704-293-9399 |

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EXHIBIT H

LIST OF AGENTS FOR SERVICE OF PROCESS

California: Department of Financial Protection and Innovation ("DFPI")
320 West 4th St., Suite 750
San Francisco, CA 90013-2344

Hawaii: Commissioner of Securities
Department of Commerce & Consumer Affairs
Securities Compliance Branch
335 Merchant St., Suite 203
Honolulu, HI 96813

Illinois: Illinois Attorney General
500 South Second Street
Springfield, IL 62706

Indiana: Indiana Secretary of State
302 W. Washington St., Room E-111
Indianapolis, IN 46204

Maryland: Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202-2020

Michigan: Michigan Department of Commerce
Corporations and Securities Bureau
525 West Ottawa, G. Mennen Williams Bldg., 7th Floor
Lansing, MI 48909

Minnesota: Minnesota Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

New York: New York Department of State
Attention: UCC
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231
(518) 473-2492

North Dakota: Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol Fifth Floor Dept 414
Bismarck, ND 58505-0510
701-328-4712

Rhode Island: Director, RI Dept. of Business Regulation
1511 Pontiac Ave.
Cranston, RI 02920

South Dakota: Division of Insurance Securities Regulation
124 S. Euclid Suite 104
Pierre, SD 57501-3185

Virginia: Clerk of the State Corporation Commission
1300 East Main St., 1st Floor
Richmond, VA 23219

Washington: Administrator of Securities
State of Washington, Department of Financial Institutions
150 Israel Road SW
Tumwater, WA 98501
360-902-8760

Wisconsin: Department of Financial Institutions
Division of Securities
345 W. Washington Ave., 4th Floor
Madison, WI 53703

All other states: Graham Weihmiller, CEO
Corporate Connections Franchising, LLC
11525 North Community House Road, Suite 475
Charlotte, North Carolina 28277

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EXHIBIT I

**LIST OF FRANCHISEES
WHO HAVE LEFT THE SYSTEM
WITHIN THE MOST RECENTLY
COMPLETED FISCAL YEAR**

None.

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EXHIBIT J

State Effective Dates

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

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

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

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

EXHIBIT K

RECEIPT (Your Copy)

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Corporate Connections 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.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or payment of any consideration that relates to the franchise relationship. Maryland, Michigan, and Oregon require that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first. Washington requires that we give you this Disclosure Document at least 14 business days before the execution of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If Corporate Connections 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 agency listed on Exhibit F.

The issuance date of this Disclosure Document is September 22, 2023.

The franchise sellers for this offering are Corporate Connections Franchising, LLC, 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277, (704) 248-4800, and Robert Gervais, Corporate Connections Franchising, LLC, 11525 North Community House Road, Suite 475, Charlotte, North Carolina 28277, (514) 912-7161.

Corporate Connections Franchising, LLC authorizes the respective state agencies identified on Exhibit H to receive service of process for it in the particular state.

I received a Disclosure Document dated September 22, 2023, that included the following Exhibits:

| | | | |
|----|----------------------------------|----|--|
| A. | Financial Statements | G. | List of Current Franchise Locations |
| B. | Franchise Agreement | H. | List of Agents for Service of Process |
| C. | Form of General Release | I. | List of Franchisees Who Have Left the System |
| D. | State Specific Addenda | J. | State Effective Dates |
| E. | Franchise Compliance Certificate | K. | Receipt |
| F. | List of State Administrators | | |

Date: _____
(Do Not Leave Blank)

Signature of Prospective Franchisee

Print Name

EXHIBIT N
RECEIPT (Your Copy)

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Corporate Connections 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.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or payment of any consideration that relates to the franchise relationship. Maryland, Michigan, and Oregon require that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first. Washington requires that we give you this Disclosure Document at least 14 business days before the execution of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

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| D. | State Specific Addenda | J. | State Effective Dates |
| E. | Franchise Compliance Certificate | K. | Receipt |
| F. | List of State Administrators | | |

Date: _____
(Do Not Leave Blank)

Signature of Prospective Franchisee

Print Name