



**HUNTINGTON LEARNING CENTERS, INC.
FRANCHISE DISCLOSURE DOCUMENT**

FRANCHISE DISCLOSURE DOCUMENT



HUNTINGTON LEARNING CENTERS, INC
496 Kinderkamack Road
Oradell, New Jersey 07649
800.653.8400
franchise@HLCMail.com
www.HuntingtonFranchise.com

As a Huntington Learning Center® franchisee, you will offer in-person tutoring and test prep services to school-aged students to be conducted at your brick-and-mortar facility.

The total investment necessary to begin operation of a franchised Huntington Learning Center® business ranges from \$163,521 to \$302,211. This includes \$80,121 you must pay us.

The total investment necessary to enter into a Development Agreement for development rights for two franchised Huntington Learning Center® businesses ranges from \$147,521 to \$286,211, in addition to the expenses for the first Huntington Learning Center® business. This includes \$49,871 that you must pay us.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Raymond J. Huntington, Huntington Learning Centers, Inc. at 496 Kinderkamack Road, Oradell, NJ 07649, (800) 653-8400.

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

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

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

Issuance Date: April 26, 2024

How to Use this Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits, or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit 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 Huntington Learning Center® business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a Huntington Learning Center® franchisee?	Item 20 or Exhibit G lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this Disclosure Document to better understand this franchise opportunity. See the table of contents.

What You Need to Know about Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 risks be highlighted:

Out-of-state dispute resolution. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in Delaware. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Delaware than in your own state.

Delaware law governs. The franchise agreement states that Delaware law governs the agreement, and this law may not provide the same protections and benefits as local law. You may want to compare these laws.

Waive right to trial by jury. The franchise agreement requires you waive any right you may have to a trial by jury.

Limitation on claims. You must agree in the franchise agreement that all claims and counterclaims by you or any of your affiliates against the franchisor or its affiliates must be brought before the earlier of the expiration of one year after the act, transaction, or occurrence upon which the claim or counterclaim is based or one year after the agreement expires or is terminated.

Minimum performance levels. You must maintain minimum sales performance levels. If you fail to do so, you could lose territorial rights or the franchisor could terminate your agreement and you could lose your investment.

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 you and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

State Specific Addenda. 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.

Mandatory Minimum Payments. You must make minimum royalty and 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.

Other risks. There may be other risks concerning this franchise.

The franchisor uses the services of one or more franchise brokers or referral sources to assist in selling this franchise. A franchise broker or referral source represents the franchisor, not you. The franchisor pays this broker a fee for selling this franchise or referring you to the franchisor. You should be sure to do your own investigation of the franchise.

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

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.

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.

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 FRANCHISED 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.

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.

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.

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:

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

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

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

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.

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).

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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- D Other agreements
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 - D2 Royalty Amendment
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 - D4 Asset Purchase Agreement for use in purchasing Company-Owned Centers
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- K Receipts

Unless otherwise indicated, all exhibits are attached to this Disclosure Document.

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

Introduction, terminology

The franchisor of the Huntington Learning Center® concept is Huntington Learning Centers, Inc. We refer to Huntington Learning Centers, Inc. as “Huntington”, “Franchisor”, “we”, “us”, and “our”. We refer to a person or legal entity who buys a franchise from us as “Franchisee” and “you”. An “Owner” is an owner of the Franchisee. The “Primary Owner” is an Owner responsible for managing the Franchised Business and who we can contact about the Franchise Agreement and the Franchised Business.

If you execute a Subsequent Franchise Agreement, we may refer to you as a “Subsequent Franchisee”. If you acquire a franchise through transfer, we may refer to you as a “Transfer Franchisee”. If you are neither a Subsequent Franchisee nor a Transfer Franchisee, we may refer to you as a “New Franchisee”. “FDD” and “Disclosure Document” mean this Franchise Disclosure Document. “Agreement Date” is the date we sign the Franchise Agreement. “Issuance Date” is the date we issue this FDD; it is on the cover page of this FDD or, if your state’s effective date is different, it is in Exhibit J. Unless otherwise indicated, all exhibits are attached to this FDD.

A “HLC” is a Huntington Learning Center® business. The “Franchised Business” is your franchised HLC. The “Premises” is the brick-and-mortar facility within which you operate your Franchised Business. The “Marks” are Huntington Learning Center® and associated logos, symbols, and trade dress. The form of our Franchise Agreement current as of the Issuance Date is attached as Exhibit B.

The Franchisor, our parent, and our affiliates

We are a Delaware corporation and do business as Huntington Learning Center®. We were founded and began offering HLC franchises in 1985. Our predecessor was Northern New Jersey Learning Center, Inc. and operated learning centers from 1977 until 1981.

We and our affiliates, Huntington Learning Corporation and Huntington Mark, LLC, are owned by Rare Holdings, Inc. Rare Holdings, Inc., Huntington Learning Corporation, and Huntington Mark, LLC do not offer franchises or provide any products or services to our franchisees. Huntington Mark, LLC, owns our trademark registrations and licenses them to us. Huntington Advertising Fund, Inc. administers the Huntington Advertising Fund. Huntington Learning Corporation operated HLCs since 1981 (we call them “Company-Owned Centers”). As of December 31, 2023, it operated 6 Company-Owned Centers in the New York metropolitan area. See Exhibit G for their locations. We, Huntington Learning Corporation, Rare Holdings, Inc., Huntington Mark, LLC, and Huntington Advertising Fund, Inc. have our and their principal business address at 496 Kinderkamack Road, Oradell, NJ 07649. We have no other parent, affiliate, or predecessor required to be disclosed in this Item 1.

We do not own or operate any HLCs or engage in any business activities other than that of franchising HLCs. From 2001 through 2013, we offered a separate franchise for supplemental educational services under the No Child Left Behind Act under the mark “Huntington School Services”. We awarded 35 of these franchises, but no longer offer them.

Huntington Learning Corporation is offering to sell some of its Company Owned Centers for sales prices between \$10,000 and \$1,900,000. We waive the \$36,000 initial franchise fee and the \$8,000 Training and Technology Initial Fee for these sales. If you buy a Company Owned Center, you must sign the Letter of Intent, Asset Purchase Agreement, and Sublease, the versions current as of the Issuance Date are in Exhibit D. The Letter of Intent requires payment of a nonrefundable deposit of between \$10,000 and \$100,000

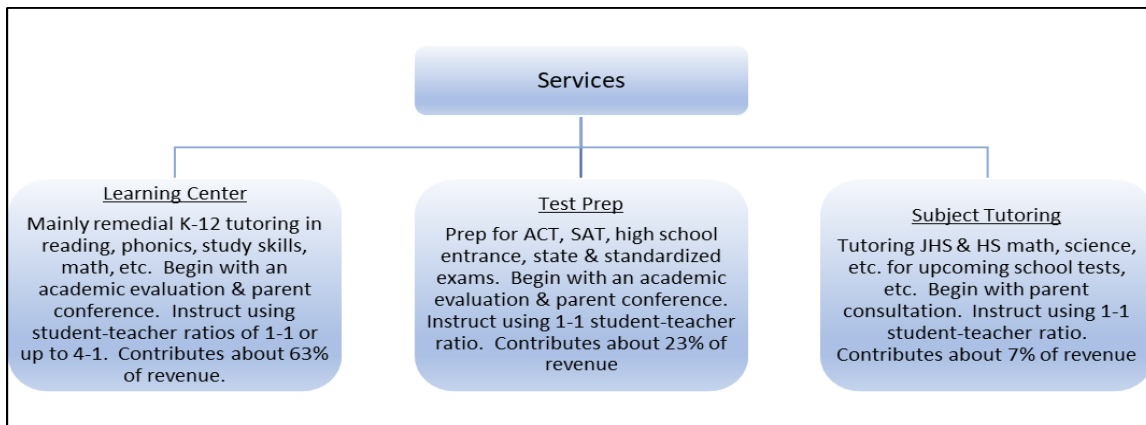
based on our estimated costs in connection with the production of due diligence, as well as transaction-related legal and other expenses.

The Franchise

We offer qualified individuals and entities a franchise to operate a franchised Huntington Learning Center® business (“Franchised Business”) at a specific location under the terms of our form of franchise agreement attached to this Disclosure Document as Exhibit B. You will operate your Franchised Business from a location we approve in at least 1,200 square feet, typically within a retail shopping center. You will use the Huntington System to provide Tutoring (which we categorize as either Learning Center service or Subject Tutoring) and Test Prep services using in-center, online, and hybrid (which is a combination of in-center and online) delivery methods in consumer-pay and, at your option, public-pay markets. The “Huntington System” is the instructional format and operating system on which we and our affiliates have expended time, effort, and money to develop.

Services

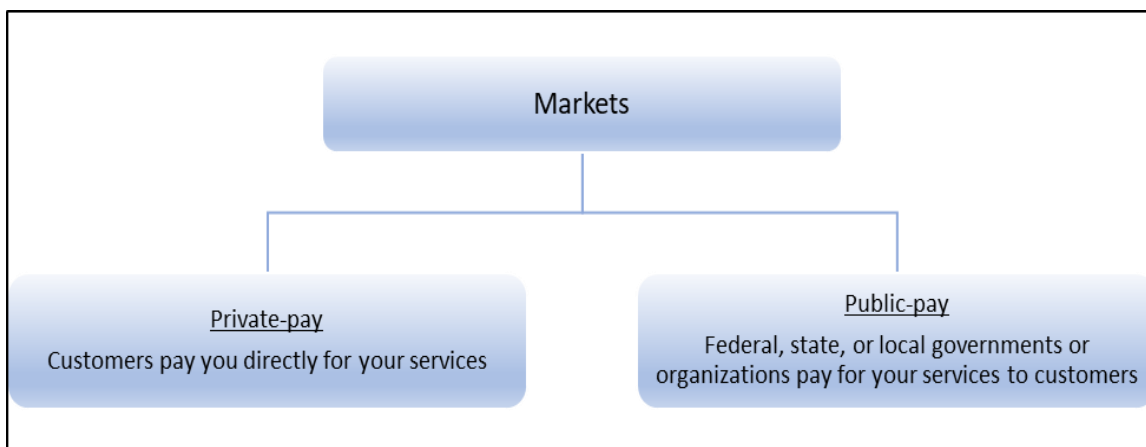
The following diagram summarizes the services you must offer:



The remaining approximately 7% of revenue contributions is due to other services or fees, such as the academic evaluation and materials fees.

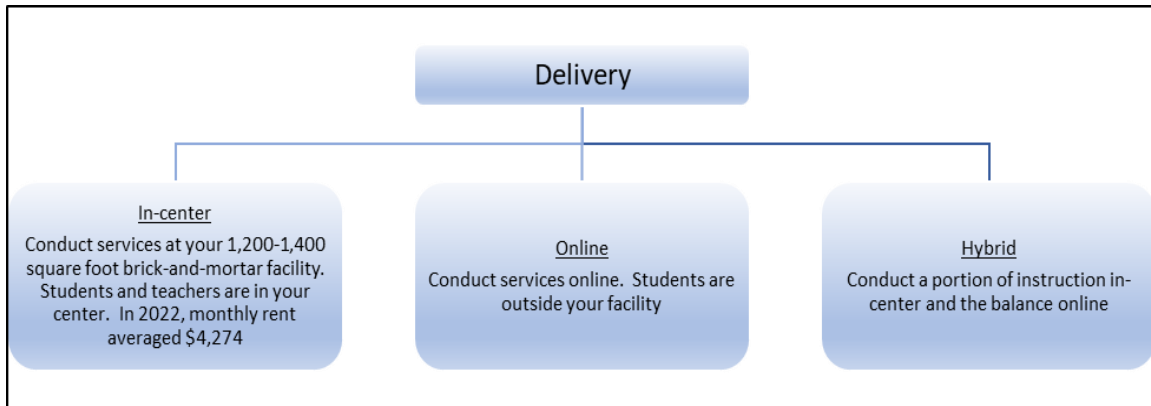
Market

The following diagram summarizes the markets you will serve. You must serve the private-pay market. At your option, you may serve the public-pay market:



Delivery methods

The following diagram summarizes the delivery methods you must use:



System characteristics

The Huntington System’s distinguishing characteristics include distinctive exterior and interior design, décor, layout, and color scheme; specialized equipment, furnishings, materials, curricula, testing, and programs; manuals; uniform operating methods, and techniques; confidential operations procedures; and procedures for record keeping and reporting, purchasing, marketing, and advertising.

We will apply the Huntington System to all franchised HLCs, although we may make exceptions in our business judgment based on local conditions, special circumstances, or different contractual provisions. We may change or modify the Huntington System in our sole discretion, and, if we do, you will agree to comply with the changed or modified Huntington System (including all operational policies, procedures, programs, and plans set forth in our manuals or otherwise in writing).

Accreditation

We are accredited by Middle States Association (“MSA”). Based on our corporate accreditation, MSA accredits each HLC. New Franchisees become accredited upon opening. Transfer Franchisees become accredited upon Transfer. Subsequent Franchisees become accredited upon renewal.

Market, competition

Generally, you will offer Huntington Services and eTutoring to parents of school-aged children and you will have the option offer Contract Services to schools. The market for these services is seasonal. Typically, demand for Learning Center Service is highest when schools issue report cards or warning notices; demand for Test Prep Service is highest in advance of test administration; and demand for Subject Tutoring Service is highest in the beginning of the school year and in mid-school year. Demand for eTutoring is like the demand for Huntington Services, since eTutoring offers the same services as Huntington Services. Demand for Contract Services is based on a school’s contracting cycle.

You will compete with free, for-profit and not-for-profit businesses that offer services the same as or like our services, including tutoring centers, learning centers, test prep centers, schools, colleges, individuals, companies, organizations, school districts, religious organizations, and charities that may be associated with franchised or non-franchised national or regional chains and may offer after-school and summer services the same as, and different from, ours and may tutor in-center, on-site, in-home, and online. There is competition for suitable locations from tutoring and test prep businesses and other types of businesses.

Other franchised businesses, including those we develop or franchise, and products, services, and businesses that we are testing or that we may develop, operate, or franchise, may affect the Franchised Business and its inquiries and sales. You also may compete with other existing HLCs and with new HLCs that we may operate, franchise, or license now or in the future. Competition may also include products and services that we sell now or in the future through other channels of distribution, such as the Internet, our websites, telemarketing, or direct marketing.

We may choose to award or decline to award a franchise to any prospective franchisee. We may choose to cease discussions at any time regarding awarding of a franchise, regardless of the stage of the franchise award process or the time and money spent by you or any other prospective franchisee and we have no obligation to reimburse you.

Regulations

You must comply with all current and future laws and regulations applicable to the Franchised Business. You should consult with your attorney about any special requirements applicable to your business. You will be subject to current and future federal, state, city, and local laws and regulations that govern businesses generally, as well as those that govern businesses that deal with children and education, which may increase your costs. Most states require background checks for all staff working with children. Some states may require specific certification or licenses or may consider your business a school or daycare. For example, you may need separate bathrooms for boys and girls, water fountains, special exit doors equipped with panic bars, fire safety improvements, and accommodations for disabled persons. If you become accredited by Middle States Association, it will regulate you.

Our agent for service of process is Raymond J. Huntington. His principal business address is 496 Kinderkamack Road, Oradell, NJ 07649. If we have an agent for service of process in your state, we list that agent in Exhibit I.

This document summarizes certain provisions of your Franchise Agreement and other information in plain English. The terms of your Franchise Agreement will govern your franchise relationship with us. Read this Disclosure Document, the Franchise Agreement, and all accompanying agreements and their exhibits carefully. Do not rely on this Disclosure Document alone to understand your Franchise Agreement. Show your Franchise Agreement and this Disclosure Document to an advisor, like a lawyer or an accountant.

Referrals

We may provide referral incentives to existing franchisees, employees, real estate professionals, franchise brokers, and others for referrals of prospective franchisees. We determine the amount of these incentives. We may also pay membership fees to public, quasi-public, and private services for referrals from identified groups (such as veterans or military personnel planning to leave the service).

Item 2. Business Experience

This item lists our principal officers and other executives with management responsibility in the operation of our business relating to the sale or operation of the franchise described in this Disclosure Document. All these individuals work from their homes or other locations.

Raymond J. Huntington, Director

Dr. Huntington has occupied this position with the Franchisor and its affiliates since 1977. He and Mrs. Huntington co-founded the Huntington Learning Center® business. He is in the Palm Beach, FL, area and provides services from locations in both New Jersey and Florida.

Eileen C. Huntington, Director and CEO

Mrs. Huntington has occupied the position of CEO since 2010 and the position of Director since 1977. She and Dr. Huntington co-founded the Huntington Learning Center® business. She is in the Palm Beach, FL, area and provides services from locations in both New Jersey and Florida.

Anne Huntington Sharma, Director and President

Mrs. Sharma was promoted to this position in October 2019. From October 2017 to October 2019, she was Vice President of Business Development. From September 2015 to September 2017, she was Head of Public Private Partnerships. From February 2014 to September 2015, she was a Director. She is in the Sioux Falls, SD, area and provides services from locations in both South Dakota and New Jersey.

Karla Hopf, Chief Operating Officer

Ms. Hopf was promoted to this position in January 2024. From April 2021 to December 2023, she was Vice President of Franchise Operations. From March 2020 to March 2021, she was Vice President of Franchise Development. From July 2012 to February 2020, she was an Operations Manager for Huntington Learning Corporation. She is in the Philadelphia, PA, area and provides services from locations in Pennsylvania.

Denise Hawkins, Senior Vice President Finance

Ms. Hawkins was promoted to this position in January 2024. From July 2019 to December 2023, she was Vice President Finance. From 2012 to 2019, she was Controller. She is in the Orange County, NY, area and provides services from locations in New York and New Jersey.

Michael Gangi, Vice President Franchise Operations

Mr. Gangi was promoted to this position in January 2024. From January 2005 to December 2023, he was an Operations Manager for Huntington Learning Corporation. He is in the Long Island, NY, area and provides services from locations in New York.

Maureen K. Eichholz, Vice President of Franchise Development

Ms. Eichholz has occupied this position since January 2024. From July 2023 to December 2023, she was Senior Director of Franchise Development at iCode School, Frisco, TX. From August 2019 to March 2023, she was Executive Director of Franchise Development at Sylvan Learning Center, Towson, MD. From May 2019 to July 2019, she was Senior Director of Franchise Development for Lemon Tree Development LLC, Parsippany, NJ. From January 2016 to April 2019, she was Senior Director of Franchise Development at Brain Balance Achievement Center, Walnut Creek, CA.

Patricia McCabe, Vice President of Marketing

Ms. McCabe was promoted to this position in March 2022. From February 2021 to March 2022, she was Senior Director of Marketing and Development. From June 2021 to February 2021, she was the Director of Franchise Marketing. From June 2011 to June 2019, she was Senior Marketing Manager for Benjamin Moore. She is in the Bergen County, NJ, area and provides services from locations in New Jersey.

Eric Graham, Vice President of Information Technology

Mr. Graham was promoted to this position in January 2024. From September 2021 to December 2023, he was Senior Director of Application Development. From September 2005 through June 2021, he held various IT and Project Management positions, most recently serving as the Director of Project Management for Goddard Systems, Inc., King of Prussia, Pennsylvania. He is in the Philadelphia, PA, area and provides services from locations in Pennsylvania.

Katie Niad, Vice President of Support Services

Ms. Niad was promoted to this position in January 2024. From July 2013 to December 2023, she was Director of Coaching Services. From May 2009 through June 2013, she was the Coaching Services Manager. From March 2007 through April 2009, she was a member of the Coaching Services Department. From November 2004 through Feb 2007, she was a Director in a franchise Huntington Learning Center® business. She is in the Oak Ridge, TN, area and provides services from locations in Tennessee.

Kristen Dench, Director of Public Private Partnerships

Ms. Dench was promoted to this position in January 2023. From March 2016 to December 2022, she was an Operations Manager for Huntington Learning Corporation. She is in the Suffolk County, NY, area and provides services from locations in New York.

Carol Lovallo, Director of Educational Development

Ms. Lovallo was promoted to this position in August 2018. From March 2018 to July 2018, she was Assistant Director of Educational Development. From March 2013 to February 2018, she was Educational Development Supervisor. From 2010 to February 2013, she was Educational Development Specialist. From 2006 to 2010 she held various positions with Huntington Learning Corporation. She is in the Middlesex County, NJ, area and provides services from locations in New Jersey.

Elizabeth Porta, Director of Customer Engagement Center

Ms. Porta was promoted to this position in January 2024. From January 2013 to December 2023, she was Manager of Customer Engagement Center (CEC). From October 2004 through December 2012, she held various roles as a CEC Agent and Administrative Assistant. She is in the Bergen County, NJ, area and provides services from locations in New Jersey.

Marielle Carroll, Training Manager

Mrs. Carroll was promoted to this position in March 2020. From November 2017 to February 2020, she was a Corporate Trainer. From September 2014 to October 2017, she was a Director with Huntington Learning Corporation. She is in the Union County, NJ, area and provides services from locations in New Jersey.

Item 3. Litigation

Prometheus Innovation Corporation, et al. v. Huntington Learning Centers, Inc., Number: BER-L-002025-20 (Superior Court, Bergen County, New Jersey). A franchisee and its owner (collectively, “Prometheus”) filed this action against Huntington on March 26, 2020. Prometheus asserted in the complaint (“Complaint”) claims for fraud, fraud by omission, negligent misrepresentation, and unjust enrichment based upon allegations that Huntington provided them with non-similar financial comparisons, provided incomplete financial performance representations, failed to disclose an intention

to open additional centers less than six miles from the center they were acquiring, and is benefiting from Prometheus' performance under agreements that were allegedly derived through the use of misrepresentations and concealed facts. Prometheus filed a [Corrected] Amended Complaint on June 18, 2020 ("Amended Complaint"), which sought to add six new counts. Huntington filed a motion to dismiss. In their response to the motion to dismiss, Prometheus voluntarily dismissed five of the new counts. Accordingly, the only new claim under the Amended Complaint is a claim for tortious interference with a business relation. The Amended Complaint seeks rescission of all contractual obligations; compensatory, incidental, and consequential damages; exemplary damages; interest; and attorneys' fees and costs. The fraud and fraud by omission counts seek damages of at least \$2,500,000, the negligent misrepresentation and tortious interference claims seek unspecified damages, and the unjust enrichment claim seeks all monies paid by Franchisee and Ellington to the Company. Huntington filed its Answer on October 13, 2020, denying all material allegations. Huntington filed a motion for summary judgment as to all remaining claims on August 22, 2022. After briefing and oral argument, the Court granted Huntington's motion for summary judgment on November 2, 2022. Huntington filed a motion to recover its attorneys' fees and costs as the prevailing party. On January 23, 2023, the court awarded Huntington \$226,805.98 in attorneys' fees and costs. On February 6, 2023, Prometheus appealed the order granting summary judgment and the order awarding attorneys' fees and costs to Huntington. On October 4, 2023, Huntington and Prometheus entered into a Settlement Agreement pursuant to which Prometheus dismissed its appeal and entered a general release, and Huntington waived the attorney's fees awarded by the court.

Franchisor-initiated litigation in which we were a party in the last fiscal year: Huntington initiated one lawsuit against a franchisee during 2023 for abandoning a franchised business, failure to pay liquidated damages, and failure to refund customers: Huntington Learning Centers, Inc. v. Dynafolio, LLC and Kanin Asvaplungprohm, No. 2:23-cv-2607 (D. N.J. 2023).

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 4.

Item 5. Initial Fees

Initial fee

The initial franchise fee is \$36,000. It is payable in full when you sign the Franchise Agreement, fully earned by us upon payment, and not refundable. During 2023, we charged an initial franchise fee of between \$0 and \$36,000. An existing franchisee who operates a HLC in a Territory may split it into two portions if we agree. The portion with the HLC continues to operate under its existing Franchise Agreement in its reduced Territory and the franchisee can elect either to retain its Territorial rights and restrictions or to convert it to an Exclusive Area. The franchisee signs a new Franchise Agreement for the portion without the HLC; its initial franchise fee is reduced by 50% and it operates in an Exclusive Area. We describe "Territory" and "Exclusive Area" in Item 12.

VetFran and teacher programs

We proudly participate in the International Franchise Association's Veterans Transition Franchise Initiative,

otherwise known as "VetFran". If you are a New Franchise and if one of your Owners is a veteran honorably discharged from the U.S. Armed Forces or on active duty on the Agreement Date, we offer to reduce the initial franchise fee for your first new franchise if that individual owns at least 10% of the Franchisee. The reduced fee will be \$27,000, which is a \$9,000 or 25% discount.

If you are a New Franchisee and one of your Owners currently is, or formerly was, employed as a state credentialed teacher in a public or private school system and taught students in kindergarten through grade 12 within the last five years, we offer to reduce the initial franchise fee for you first new franchise if that individual owns at least 10% of the Franchisee. The reduced fee will be \$27,000, which is a \$9,000 or 25% discount. We do not combine VetFran and teacher discounts; and we do not combine either of these discounts with any other offer.

Development Agreement

We may offer New Franchisees the opportunity to develop and operate additional franchised HLCs within a specific geographic territory under a Development Agreement (see Exhibit C). If you sign a Development Agreement, you will sign a separate, then-current franchise agreement for each HLC you agree to franchise under it. You must sign the first franchise agreement within two years of the Development Agreement's date and any remaining options within a mutually agreed time period.

When you sign a Development Agreement, you pay all Initial Franchise Fees in full for each HLC you agree to franchise. No Initial Franchise Fee is refundable, except as follows: If you are in full compliance with the Development Agreement, we will credit the Initial Franchise Fee you paid when you signed the Development Agreement to the Initial Franchise Fee payable under each franchise agreement.

The Initial Franchise Fee for franchise agreements signed under a Development Agreement will be reduced to \$20,000 (a \$16,000 or 44% discount) per HLC we grant you the right to open. If you and we execute a Development Agreement, the minimum is one HLC and there is no maximum number of HLCs. For example, the fee for the option to two franchised HLCs under a Development Agreement is \$40,000.

Required purchases

Unless otherwise noted, all fees in this Item 5 are uniformly imposed among franchisees and are nonrefundable.

New Franchisees

New Franchisees pay us a total of \$80,121, consisting of \$36,000 for the Initial Franchise Fee, \$8,000 for the Training and Technology Initial Fee, \$14,250 for the Kick Start Marketing Program, and \$21,871 for the Startup Package. The Start-up Package consists of \$3,064 for the Educational Start-up Package, \$5,045 for the Marketing Start-up Package (which includes a \$2,000 deposit for the Marketing Communication Program), and \$13,762 for the IT Start-up Package (which includes computer equipment).

Transfer Franchisees and Subsequent Franchisees

Transfer Franchisees pay us a total of \$33,295, consisting of \$6,000 for the Transfer Fee, \$8,000 for the Training and Technology Initial Fee, \$14,250 for the Kick Start Marketing Program, and \$5,045 for the Marketing Start-up Package (which includes a \$2,000 deposit for the Marketing Communication Program); and we waive the Initial Franchise Fee. If the sale price is \$25,000 or less and you are Transferring an exclusive area, you pay us a total of \$27,295, consisting of the \$8,000 Training and Technology Initial Fee, \$14,250 for the Kick Start Marketing Program, and \$5,045 Marketing Start-up Package; and we waive the Initial Franchise Fee and Transfer Fee. Fees for Transfer of Territories are higher; see Item 6 for these fees.

We occasionally offer existing franchisees discounts if they acquire a low-performing HLC.

We do not require Subsequent Franchisees to buy a Start-up Package or participate in the Kick Start Marketing Program. We do not require franchisees who acquire a subsequent center to participate in the Kick Start Marketing Program.

Sale of Company Owned Centers

Our affiliate, Huntington Learning Corporation, is offering to sell some of its Company Owned Centers for sales prices between \$10,000 and \$1,900,000. We waive the \$36,000 initial franchise fee and the \$8,000 Training and Technology Initial Fee for these sales. If you buy a Company Owned Center, you must sign the Letter of Intent, Asset Purchase Agreement, and Sublease. The versions of these documents current as of the Issuance Date are in Exhibit D. The Letter of Intent requires payment of a nonrefundable deposit of between \$10,000 and \$100,000 based on our estimated costs in connection with the production of due diligence, as well as transaction-related legal and other expenses.

Item 6. Other Fees

The following table describes recurring or isolated fees or payments you pay us or our affiliates under the Franchise Agreement and related agreements, or that we impose or collect in whole or in part for a third party. Unless otherwise indicated, all fees are subject to change and no fee or payment is refundable for any reason.

OTHER FEES			
Type of Fee	Amount	Due Date	Remarks
Royalty rate	9.5% of Gross Revenue. \$2,000 per month minimum	15th of each month	The royalty rate for Transfer and Subsequent Franchises may differ. See notes for rates and definition of Gross Revenue.
Advertising fund	2% of Gross Revenue	15th of each month	You pay 2% of your Huntington Services Revenue and eTutoring Revenue to the Huntington Advertising Fund; and 2% of your Contract Services Revenue to the Contract Services Advertising Fund. The minimum payment to the Huntington Advertising Fund is \$500 per month. There is no minimum payment to the Contract Services Advertising Fund.
Advertising	Minimum of \$57,000 per year	As required by vendors	For Huntington Services and eTutoring. Prorated in 1st and last years. You must spend a minimum of \$2,000 each month.
CoOp	Fees average about \$2,000 per month. Some impose no fee	15th of each month	You pay your CoOp, which determines the amount, except as provided by its bylaws. No minimum or maximum requirement. We credit your payments to your minimum ad requirement, to the extent they do not exceed it. Some charge more; e.g., NY Metro is about \$3,300 per month. Each HLC in good standing can vote. Company Owned Centers participate equally and have no controlling voting power in any CoOp.

Huntington Learning Centers Inc. Franchise Disclosure Document

OTHER FEES			
Type of Fee	Amount	Due Date	Remarks
Training and Technology Services	\$1,300 per month	15 th of each month	Begin paying as of 1 st full month after the Agreement Date. Item 11 describes these services.
Convention	No charge for up to four attendees	Upon billing	Additional attendees cost \$495 each.
Online Training Facility licenses	No charge for 1 st two licenses	15 th of each month	Additional licenses are \$45 per license per month
Added Software	To be determined	To be determined	Added Software includes software for customer relationship management, scheduling, and texting. We have not introduced any of this software, although we may do so and, if we do, you will pay us and third parties initial and ongoing fees for its use.
Call Center	\$390 per month, plus variable fees	15 th of month	See notes for fees.
Virtual Testing	To be determined	15 th of month	See notes for fees.
Conference Services	\$300 per month, credited against fees	15 th of month	See notes for fees.
Huntington Online Prep	\$53.50, \$74.50, and \$95.50 for the 2-, 4-, and 6-test options	After the 1 st session	You may buy online practice tests for ACT and SAT students. You pay the vendor who pays us a portion.
Accounting & payroll	\$125 to \$165 per month	Monthly	You pay the vendor.
Transfer	\$6,000	When you request our consent to transfer	Fee for a Territory is greater.
Subsequent Franchise Agreement	\$6,000	When you sign the Subsequent Franchise Agreement	Fee for a Territory is greater.
Relocation or renovation	\$500	Upon billing	You also pay us our related costs.
Evaluation of suppliers	Will vary	Upon billing	You also pay us our related costs.
Internet service provider	\$45 - \$130 per month	Upon billing	Costs vary based on the provider and speed you select.
Insurance	About \$10,000 per year	Upon billing	Your insurance company determines the fee. You pay the insurance company; excludes Workers Compensation. See Item 8. If you do not obtain or maintain insurance, we may obtain it and you pay us.

OTHER FEES			
Type of Fee	Amount	Due Date	Remarks
			Fees and requirements are subject to change.
Taxes and income taxes	Will vary	Upon billing	You pay us all taxes we pay on amounts you pay us, unless the tax is credited against our payment. Taxes are not typical and we cannot estimate them.
Audit	Will vary	Upon billing	We may audit the Franchised Business and Premises.
Reimbursement of our third-party costs	Will vary	Upon billing	You pay us our related third-party costs, including those for brokers, agencies, attorneys, accountants, architects, litigation costs, consultants, and agents.
Default Fees	\$100 or \$1,000	Upon billing	If you fail to cure a non-monetary default, lease a premises, open, complete initial training, submit your profit and loss data, or submit required reports or you miss a scheduled training or meeting without notice, you pay us \$100 per day until cured. If you receive 3 defaults, you pay us \$1,000 per subsequent default. Fees are to offset our costs in addressing the default and are subject to change.
Late fee; interest	\$100 late fee; 18% annual interest	Upon billing	
Attorneys' fees	Cost of action	Upon billing	
Indemnification	Cost of claim against us; attorney fees	Upon billing	

Notes to the table

Unless otherwise indicated, all fees are subject to change and no fee or payment is refundable for any reason. All references to “dollars” or “\$” refer to the legal currency of the United States.

Revenue

“Gross Revenue” means all received and accrued revenue, including cash, cash equivalents, and credit, derived directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, from all business conducted with the use of the Marks or System or upon, from, or with, Huntington Services, eTutoring, or Contract Services, whether evidenced by check, cash, credit, charge, exchange, or otherwise (including the proceeds of any business interruption insurance policies) and whether for services or products provided or to be provided and whether such services or products are permitted or not permitted under the Franchise Agreement. Gross Revenue includes the fair market value of any goods or services received by you, directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, in the event consideration other than cash is received. If you and we cannot agree on the fair market value of these goods and services, then we have the right to designate an independent appraiser, and the appraiser’s determination of the fair market value will be binding. You and we will bear the cost of the appraisal equally. You will pay us all Third Party Costs (except the cost of the appraisal) we incur in connection with such appraisal. Gross Revenue must not be offset by any expense; however, Gross Revenue excludes (a) all sales or similar taxes that, by law, are chargeable to customers (if such taxes are separately stated and charged to the customer, paid by the customer, and paid to the appropriate taxing authority by you) and (b) any documented refund given to customers by you in good faith.

"Huntington Services Revenue" means Gross Revenue for Huntington Services. "eTutoring Revenue" means Gross Revenue for eTutoring. "Contract Services Revenue" means Gross Revenue for Contract Services Revenue.

Royalty

Royalty is 9.5%. However, if you acquire a franchise from a franchisee with an effective 8% royalty amendment and wish to keep the lower rate, you must sign our Royalty Amendment (in Exhibit D). For New Franchisees, minimums begin the earlier of the 6th full calendar month after opening or the 12th full calendar month after the Agreement Date. For acquiring or renewing franchisees, minimums begin on the Agreement Date.

Call Center

"Call Center" means a call center that responds to your inquiries. The variable AE fee is the product of the number of that month's AEs and a per AE fee, which is: 1-4 AEs: \$74.00; 5-8 AEs: \$64.60; 9-14 AEs: \$57.40; 15-22 AEs: \$50.20; 23-49 AEs: \$44.00; and 50+ AEs: \$32.70. You also must pay us for lead forms, non-inquiry calls, Subject Tutoring enrollees, ePromotion calls, etc. You must use the Call Center.

Virtual Testing

"Virtual Testing" means we conduct your initial testings remotely. We expect to introduce Virtual Testing during 2024 or 2025. When we introduce it, you must use it. You must use Virtual Testing and begin paying the Virtual Testing fees when we introduce Virtual Testing.

Conference Services

"Conference Services" consists of Virtual Conferencing (we conduct your initial conferences remotely) and Coaching (we coach you to conduct your initial conferences). We credit your \$300 monthly fee towards that month's charges. The Virtual Conferencing charge is the product of the number of Virtual Conferences and the \$215 Virtual Conferencing Use Fee. The Coaching charge is the product of the number of Coaching hours and the \$94 Coaching Hourly Connection Fee. If a month's Conference Services Monthly Fee exceeds your monthly fees, we do not issue you a credit or refund. If the monthly fees exceed that month's Conference Services Monthly Fee, you pay us the excess. You must use Conference Services.

Accounting and payroll

You must use accounting and payroll software from a vendor we designate, currently Intuit's QuickBook's Essentials online accounting software and its Core payroll online software. Essentials costs about \$42.00 per month. Payroll charges consist of a fixed charge of \$31.50 per month, plus a variable charge of \$5.10 per employee per month (regardless of the number of payrolls processed during the month). We base the lower and upper estimates on 10 and 20 employees. You pay these fees to the vendor; they are subject to change. You must connect your QuickBook's account to ProfitKeeper, which reports certain revenue and expenses to us. In addition to this software, we recommend you retain at your cost a bookkeeper or an accountant to assist you with setting up and maintaining your financial books and records.

Item 7. Estimated Initial Investment

Table 7.1 estimates your initial investment to open a Franchised Business as of the date of this Disclosure Document. These estimates are based on our experience and information provided by franchisees. These figures are estimates only. We estimate this investment since most costs are not within our control and may change frequently. We cannot, and do not, guarantee that your costs will fall within the stated range. Costs constantly change. Your costs may be higher. You should diligently investigate all potential costs before proceeding. Except for the deposit you pay us for the Marketing Communication Program, no amount you pay us is refundable. Except for security and utility deposits, we are not aware of any amounts payable to third parties that are refundable. All amounts exclude sales tax and shipping, unless otherwise indicated.

TABLE 7.1. SINGLE UNIT						
YOUR ESTIMATED INITIAL INVESTMENT						
Type of expenditure	Amount			Method of Payment	When Due	To whom payment is to be made
Initial Franchise Fee (Note 1)	\$36,000	To	\$36,000	Lump sum	When you sign the Franchise Agreement	Franchisor
Online initial training (Note 2)	\$0	To	\$200	As incurred	Before or during initial training	Vendors
Curricula and testing materials (Note 3)	\$18,957	To	\$18,957	As incurred	Before opening	Vendors and Franchisor
Furniture, computers (Note 4)	\$45,162	To	\$45,962	As incurred	Before opening	Vendors and Franchisor
Start-up supplies (Note 5)	\$3,700	To	\$5,700	As incurred	Before opening	Vendors and Franchisor
Advertising (Note 6)	\$19,295	To	\$19,295	As incurred	As arranged	Vendors and Franchisor
Training and Technology Initial Fee (Note 7)	\$8,000	To	\$8,000	Lump sum	When you sign the Franchise Agreement	Franchisor
Architect (Note 8)	\$0	To	\$3,200	As incurred	As arranged	Vendors
Security and utility deposits; license fees (Note 9)	\$500	To	\$3,000	As incurred	As arranged	Landlord, utilities
Real estate and improvements (Note 10)	\$0	To	\$105,000	As incurred	Before opening	Vendors
Exterior sign (Note 11)	\$500	To	\$10,000	As incurred	Before opening	Vendors
Interior graphics (Note 12)	\$2,175	To	\$5,875	As incurred	Before opening	Vendors
Professional fees (Note 13)	\$500	To	\$3,000	As incurred	As arranged	Vendors
Insurance (Note 14)	\$2,500	To	\$10,000	As incurred	As arranged	Vendors
Additional funds – three months (Note 15)	\$26,232	To	\$28,022	As incurred	As arranged	Employees, vendors
Total estimated initial investment for a Franchised Business	\$163,521	To	\$302,211			

Note Description

1 Initial Franchise Fee

New Franchisees pay us this nonrefundable fee upon signing the Franchise Agreement. We waive the initial franchise fee for Transfer Franchisees and Subsequent Franchisees. In 2019, our affiliate sold a Company Owned Center for \$1,600,089 more than the above table's highest total estimated initial investment for a franchised HLC.

2 Online initial training

Our initial training is online and the upper estimate assumes you typically incur only miscellaneous expenses.

3 Curricula and testing materials

Curricula and testing materials consist of electronic and non-electronic items (typically books) that you must buy or license from us or third parties before opening. Lower and upper estimates consist of items totaling \$15,893 and the Educational Material Start-up Package totaling \$3,064. We recommend you place each curriculum item's page in a plastic sheet protector and place these sheet protectors in binders to prolong their useful life; their cost ranges from \$3,600 to \$4,300 and we do not include their cost in Table 7.1

4 Furniture, computers

Furniture includes desks, office and student chairs, bookcases, file cabinets, study carrels, and tables you buy before opening. Lower and upper estimates are \$30,000, excluding tax, delivery, and installation. You must buy the \$13,762 IT Start-up Package from us when you sign the Franchise Agreement; see its purchase order in Exhibit E. You must install network wiring and obtain an internet connection from third parties; lower and upper estimates include \$1,400 and \$2,200, respectively. The higher estimate is for more complex environments, such as with networked computers. Costs vary by location. Amounts you pay us are nonrefundable. Amounts you pay third parties typically are nonrefundable. All amounts are subject to change.

5 Start-up supplies

Start-up supplies are office and consumable supplies, forms, student workbooks, file folders, paper, pens, etc. Amounts paid to third parties typically are nonrefundable. Amounts paid to us are nonrefundable. All amounts are subject to change.

6 Advertising

You must spend at least \$57,000 per year on advertising Huntington Services and eTutoring, participate in the Kick Start Marketing Program and the Marketing Communication Program, and purchase the Marketing Start-up Package. Lower and upper estimates include \$14,250 for the Kick Start Marketing Program, the \$2,000 deposit for the Marketing Communication Program, and the \$3,045 Marketing Start-up Package; see Exhibit E for the start-up package's purchase order. We credit the \$14,250 for the Kick Start Marketing Program to the \$57,000 annual advertising requirement. Since you promote Contract Service by researching opportunities and soliciting Public Entities for services, we include no estimate for its advertising.

7 Training and Technology Initial Fee

You pay us this amount when signing the Franchise Agreement.

8 Architect

An architect designs the Premises and exterior signage based on our, the landlord, and municipal requirements. Architectural fees depend on many factors, including pre-existing conditions, design requirements, square footage, and zoning requirements. The lower estimate assumes the landlord pays all architectural fees as part of the landlord's build-out allowance. The upper estimate assumes you pay all architectural fees. Your costs may be higher, for example, if you use an expediter or if you need a state-licensed architect to seal the drawings.

9 Security and utility deposits; license fees

Note Description

Typically, you give your landlord and utility companies refundable deposits. Landlords typically require 2-3 months' rent, or more, as security. The lower amount assumes you give the landlord no security. Your costs may be higher. If you obtain any licenses or permits, you may have to pay related fees.

10 Real estate and improvements

You may lease or purchase the Premises. This estimate assumes you lease the Premises and you or the landlord pay for tenant improvements. We assume the space is ready for your improvements with finished floor and walls, dropped ceiling with lighting, plumbing, interior bathrooms, exterior doors and windows, water supply, sewerage, HVAC, electrical service and outlets, sprinklers, etc. If the landlord pays for your improvements, you may eliminate or reduce initial construction costs. However, in return, your rent may be higher. The lower estimate assumes the landlord pays for all improvements and gives you the first three months' rent-free. The upper estimate assumes you pay for tenant improvements calculated as the product of 1,400 square feet and the estimated per square foot cost of improvements of \$75 per square foot. Your costs may be higher.

Improvement costs depend on many factors, including landlord contributions, size, condition before improvements, extent of improvements, demolition, flooring, walls, painting, doors, windows, ceiling, sprinklers, lights, electricity, heating and air conditioning, plumbing, the presence or absence of interior bathrooms, and many other items. Rent also depends on many factors, like concessions, your geographic area, size, condition, utilities, and common area maintenance charges. Costs and rent also depend on whether you locate in 1st or 2nd floor retail space or professional space. Rent in 1st floor retail space is generally higher than in 2nd floor retail space and professional space. Rent generally increases after the first year. You negotiate rent with your landlord. Construction costs and rent typically are nonrefundable. Your actual cost to develop and open a Franchised Business may be higher than the amounts shown in Table 7.1 based upon the circumstances that affect your Franchised Business and your own choices. Circumstances include real estate and their associated costs, labor availability and their associated costs, condition of the leased space, material costs, professional fees, municipal fees, impact fees, and other costs and fees in the area in which the Franchised Business is located. If you are a Transfer or Subsequent Franchisee, you may incur costs to bring your Franchised Business into conformity with the Huntington System; we cannot estimate these costs, since they vary significantly based upon the physical condition of the Premises.

11 Exterior sign

The lower estimate assumes the New Franchisee's Premises is in a professional office. The upper estimate assumes it is in a retail shopping center. These estimates include fabrication, installation, and electrical installation, but do not include taxes, permit fees, and other fees (such as design fees), other signs (such as pylons), temporary banners (such as a grand opening banner), and door decals. A pylon sign costs about \$600. A temporary banner costs about \$45-\$100. You may buy these items from a vendor of your choice, if they comply with our standards and install them according to our, landlord, and municipal requirements.

12 Interior graphics

This entry is for a 1,400 square foot Premises and consists of an interior signage package, window posters, lobby plaques, and front door decals. Lower and upper estimates for our interior signage package are \$2,000 and \$2,900. The number of signs depends on the Premises size and its configuration. You may need additional posters, plaques, and other signs. You must buy from our recommended vendor. Lower and upper estimates for window posters are \$0 and \$2,500; the number of posters depends on the number of windows, poster type (hanging or decal; single- or double-sided), shipping, and installation; you may buy posters from a vendor of your choice, providing it meets our standards. The estimate for lobby plaques is \$175 for three plaques, including shipping, handling, and hardware; you may buy plaques from a vendor of your choice, providing the vendor meets our standards, or you may order using our marketing portal, which we call "eve". Lower and upper estimates for front door decals are \$0 and \$300; you may buy decals from a vendor of your

Note Description

choice, providing it meets our standards. If you are a Transfer or Subsequent Franchisee and your Premises does not conform to our requirements, you must buy and install these graphics.

13 Professional fees

Professional fees include fees for attorneys, accountants, and other consultants.

14 Insurance

This entry estimates the cost for our minimum required property and liability insurance. See Item 8 for our insurance requirements. The lower estimate assumes you pay the first three months of the annual premium before opening. The upper estimate assumes you pay the entire annual premium before opening. Your costs may be higher, depending on your state requirements and other variables, such as the prevalence of litigation and natural disasters. Neither estimate includes Workman's Compensation, which depends on your payroll.

15 Additional funds – three months

This entry estimates the following expenses for a New Franchisee's first three months of operation: Recruitment, equipment leasing, repairs, maintenance, postage, credit card fees, cleaning, and additional funds of \$15,000 for both lower and upper entries. It includes \$3,900 for three months of Training and Technology Fees. It includes \$2,343, \$1,096, and \$2,883 for three months of Call Center, Conference Services, and Coaching fees for both lower and upper estimates, less credits of \$900 and \$570 for the three months of the Conference Services Monthly Fee (at \$300 per month). Call Center and Conference Services fees vary from month to month based on several factors, including seasonality. We relied on Franchised Center experience for these estimates.

This entry does not include any funds for any other business expense, such as rent; utilities; any amount you may pay yourself or your employees (such as for salaries, commissions, or other employee-related expenses); payroll taxes or employee benefits; financing expense; Royalty; Ad Fund fees; software or license fees payable to third parties (like curricula, testing, and accounting and payroll software); or any other expense you, your advisors, or others may consider vital or necessary. This entry does not include any funds for any personal or living expenses you or your family may incur before or after you open the Franchised Business, including, for example, rent or mortgage, utilities, car payments, and credit card payments.

This entry assumes you function as Center Manager and use part-time teachers. If you choose to hire other management or other personnel, you should make allowance for this additional expense. This entry does not include the costs for any full- or part-time personnel you hire to set up your Premises or its furniture, computers, or other contents.

You may have additional business expenses starting and operating the Franchised Business. The working capital entry is a recommendation. It is not a representation of the amount you will need; you may need more working capital. The three-month period is not a representation of when you should expect to break even, if ever. Your start-up phase may be more than three months. Except for marketing deposits described in this note, all amounts paid to us are nonrefundable. Amounts paid to others typically are nonrefundable.

Initial investment if you execute a Development Agreement

Table 7.2 estimates your initial investment associated with executing a Development Agreement for one additional HLC and opening that HLC. These costs are in addition to costs for the first Franchised Business, which we estimate in Table 7.1 above. Except for the deposit you pay us for the Marketing Communication Program, no amount you pay us is refundable. Except for security and utility deposits, we are not aware of any amounts payable to third parties that are refundable.

TABLE 7.2. DEVELOPMENT AGREEMENT						
YOUR ESTIMATED INITIAL INVESTMENT						
Type of expenditure	Amount			Method of Payment	When Due	To whom payment is to be made
Reduced Initial Franchise Fee (Note 1)	\$20,000	To	\$20,000	Lump sum	When you sign the Development Agreement	Franchisor
Costs and expenses associated with opening (Note 2)	\$127,521	To	\$266,211	As incurred	As arranged	Employees, vendors, Franchisor
Total estimated initial investment (Note 3)	\$147,521	To	\$286,211			

Note Description

1 Reduced initial franchise fee

This nonrefundable fee is the amount a New Franchisee pays us upon signing the Development Agreement for a second HLC. If you purchase additional HLCs under a Development Agreement, you must pay a reduced Initial Franchise Fee of \$20,000 per HLC when you sign the Development Agreement.

2 Costs and expenses associated with opening

This figure represents the total estimated initial investment required to open a HLC. (See Table 7.1 above.)

3 Costs Per Additional HLC

If you purchase additional HLCs, you must pay us the following amounts per additional HLC: A reduced Initial Franchise Fee of \$20,000, Training and Technology Initial Fee of \$8,000, and Start-up Package of \$21,871 (which includes a \$2,000 deposit for the Marketing Communication Program). You do not participate in the Kick Start Marketing Program.

In summary, the additional amount paid to us per additional HLC under a Development Agreement, as listed in Item 5, is \$47,871.

Item 8. Restrictions on Sources of Products and Services

This item presents your obligations to buy or lease goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items relating to establishing or operating the Franchised Business from us, our designees, or suppliers we approve.

Standards

You must meet our standards for services and products at the Franchised Business. We specify these standards in writing or in the “Huntington Manuals”, which currently consist of the Brand Standards Manual, Call Center Standards, and Conference Services Standards.

You must buy, install, and use all items we specify. These items include fixtures, furnishings, equipment, graphics, supplies, advertising, software, technology, curricula, testing material, and interior and exterior signage. You must not install or use any item that does not meet our standards.

Except as described in this Disclosure Document, you may buy your furniture, equipment, and supplies from any vendor, if you comply with our standards. We charge you our related costs for you to secure approval to buy from alternative suppliers. We formulate and modify our standards by evaluating vendors’ products and services. If you want us to approve your use of any product or service not in the

Huntington Manuals, you give us the information and samples we request, which we review according to our standards. We will notify you when we receive this information and these samples and when we approve or disapprove the submitted product or service. We complete our review within a reasonable period (usually 30 days) after we receive this information and these samples. We reserve the right to withhold approval of a supplier for any reason. You must not use any product or service we do not approve in writing. We do not make available our standards for vendor approval. We do not issue specifications or standards for goods and services. If a good or service no longer complies with our standards, we revoke our approval.

Required purchases

We may designate one or more third parties (which we call “Designated Vendors”) to supply you with certain categories of products and services. You must purchase those categories of products and services only from Designated Vendors or from us or our affiliates, as we direct. We provide no material benefits to any franchisee based on such purchases or the use of Designated Vendors.

From designated vendors

You must buy or license advertising materials, digital advertising, direct mail advertising, testing material, curricula, eCurricula, and accounting and payroll software from Designated Vendors. You must sign an agreement with a Designated Vendor to license its electronic test.

From us

You must buy the following from us: Training and Technology Services, Call Center services, Conference Services, certain curricula and eCurricula, certain student materials, and the Start-up Package. When we introduce Virtual Testing, you must buy it from us. As of the Issuance Date, we are the sole approved supplier of these items; and none of our affiliates are approved suppliers of any items you must purchase in connection with the Franchised Business.

Computer system and software

You must purchase the IT Start-up Package from us, which consists of the following items:

Technology Item	
PC - Dell Optiplex or better	HP LaserJet high speed printer or better
Monitor – 23” Widescreen or better	HP printer toner cartridge for LaserJet
Laptop - Dell Latitude or better	Printer cable - USB, 10' length
Firewall – unlimited user, multi-zone security	Tablet mobile device – Samsung Galaxy Tab or better
Wireless Access Point (WAP) with power over Ethernet injector	Extra-long tablet power adapter
Power Over Ethernet (PoE) Injector for WAP	Tablet enclosure and security cable
Battery backup - APC UPS or better	Chromebooks – HP 14 or better
Network cables - Cat5E, 10' length	Microsoft Office 365 (1 Year Subscription)
Network cable - Cat5E, 75' length	Virus and spyware protection – Bitdefender (1 Year Subscription)
HP multifunction printer/scanner/copier/fax	Mobile-devices secure-storage and charging station
HP printer toner cartridge for multifunction - black	Sybase database license for up to 5 computers for LCOS
HP printer toner cartridge for multifunction – yellow	QuickBooks Online (excludes monthly license fees to Intuit)
HP printer toner cartridge for multifunction – magenta	Spam Filtering
HP printer toner cartridge for multifunction – cyan	

We make no express or implied warranty for any products, goods, or services we or others supply to you or that we recommend you use.

Insurance

Before you begin operations, you must purchase and maintain throughout the term of the Franchise Agreement at your expense all insurance required by all federal, state, municipal, and local laws for where the Franchised Business is located, plus all the following insurance coverage:

Minimum Insurance Requirements	
Type	Description
Company	The insurance company must have an AM Best rating of at least A-.
Commercial General Liability	\$1,000,000 Each Occurrence and \$2,000,000 General Aggregate to provide Bodily Injury and Property Damage including Products Liability, Personal & Advertising Liability, Tenant's Liability and Medical Payments. This policy must not have any exclusions for virus, bacteria, or pandemics unless not commercially available and must be on an occurrence form. In addition, there can be no Designated Location Endorsement on the policy and no exclusion for remote tutoring.
Automobile Liability	\$1,000,000 Any One Accident to cover any auto used in your HLC, including owned, non-owned and rented/hired vehicles
Umbrella Liability	\$1,000,000 limit excess of Commercial General Liability, Automobile Liability, Employer's Liability and Employee Benefit Liability
Property Insurance	This policy must cover 100% of the replacement cost of all build-out, furniture, fixtures, equipment, and inventory used in your HLC in which the franchisee has an insurable interest. This policy must include flood and/or earthquake coverage in special hazard zones and geographically prone areas.
Business Income & Extra Expense	This policy must have a limit of at least \$300,000. It must cover royalties and Training and Technology Fees due to the Franchisor and Ad Fund payments due to the Huntington Advertising Fund.
Workers' Compensation and Employer's Liability	This policy covers Statutory Workers' Compensation for lost wages and medical payments for job related injuries and Employer's Liability of \$1,000,000 for Bodily Injury by Accident (each accident); Bodily Injury by Disease (each employee) and Bodily Injury by Disease (policy limit) in each state in which the franchisee is operating in.
Employment Practices Liability	\$500,000 limit to cover any wrongful employment acts, third-party liability for discrimination and harassment, including Wage & Hour Defense for at least \$100,000 and include the Franchisor as an Additional Insured and Co-Defendant. This policy may not have any exclusions for pandemics or viruses, unless not commercially available.
Cyber Liability	\$1,000,000 limit to cover all first and third-party cyber claims, including Ransomware, and Social Engineering Fraud for \$100,000.
Professional Liability	\$1,000,000 Each Claim and \$2,000,000 Annual Aggregate to cover any wrongful act, error or omission or Educator's Legal Liability claim brought against you and/or us as a result of your professional services as a Huntington Learning Center® franchisee. This policy will be written on an Occurrence Form, unless not commercially available. If not commercially available, a Claims Made policy is acceptable and must include a two-year tail (extended reporting period) endorsement if this policy is cancelled or non-renewed due to cessation of your business operations as a Huntington Learning Center® franchisee. This policy may not have a retention or deductible greater than \$5,000 Each Claim.
Sexual Misconduct	\$1,000,000 Each Claim and \$2,000,000 Annual Aggregate This policy will be written on an

Minimum Insurance Requirements	
Type	Description
Coverage	Occurrence Form, unless not commercially available. If not commercially available a Claims Made policy form is acceptable and must include a two-year tail (extended reporting period) endorsement if this policy is cancelled or non-renewed due to cessation of your business operation as a HLC franchisee. This policy may not have a retention or deductible greater than \$5,000 per claim.

We reserve the right to require coverage post termination on any policy required by this section.

Each of your insurance policies and all certificates of insurance covering the Franchised Business must name Huntington Learning Centers, Inc. and its affiliates and its and their respective present and past officers, directors, partners, agents, and employees as additional insured (except for Workers' Compensation and, except as described above, Employment Practices Liability Insurance or EPLI) and must provide that we be given at least 10 days' written notice of any termination, amendment, cancellation, or modification of any of your policies.

You must provide us and our designee with certificates of insurance evidencing such insurance immediately upon our written request and (a) no later than 10 days before you begin operating the Franchised Business; (b) after any modification of, addition to, or deletion from, this insurance; (c) within 60 days after the end of each calendar year; (d) upon renewal of this insurance; and (e) 30 days before this insurance's expiration date.

Your obligation to obtain and maintain the insurance in the amounts specified above or otherwise in writing will not be limited in any way by reason of any insurance that we may maintain. You must obtain and maintain this insurance at your expense. We can modify, add to, or delete from, these insurance requirements from time to time in writing. We do not represent this insurance will insure you against any insurable risk. You may choose to obtain insurance in addition to the minimum we require.

If you do not obtain or maintain this insurance, we may obtain it for you and you must pay us our related costs.

You may use an insurance company of your choosing, providing it complies with our requirements.

You should seek the advice of an independent risk management professional or insurance broker to determine any additional coverage you should have in place. You pay their fees.

Revenue or Benefits from Sale or Lease of Products and Services

Total revenue for the year ended December 31, 2023, was \$23,221,658, of which we derived 37% or \$8,550,847 from franchisees for purchases or leases of products or services as follows: Accreditation fees totaling \$198,150; Call Center and Conference Services fees totaling \$4,330,521; Curricula totaling \$1,298,134; Marketing mailings and materials totaling \$722,614; and Training and Technology fees totaling \$2,001,428.

We negotiate purchase arrangements with suppliers, including price terms, for our benefit and the benefit of our franchisees. We have no purchasing or distribution cooperative. Our officers own an interest in us and Huntington Learning Corporation.

Except as described in this item, no vendor makes any payment or rebate to us or our affiliates, because of transactions with franchisees. We or our affiliates may profit or receive payments, commissions, discounts, or other material considerations or allowances from your purchases or leases of products and services. Some vendors permit us to pay after they deliver the service or product but may require you pay in advance. Some vendors pay us a portion of the payment you make to them or contribute

goods, services, or sponsorships to our meetings. Vendors who display at our Convention pay us a fee. Where permitted by applicable law, we or our affiliates may retain those profits, payments, rebates, discounts, or allowances for our own accounts, with no obligation to provide any benefits to you.

The following is our estimate of the total cost of products and services you will buy or lease from us or our affiliates for establishing the Franchised Business, excluding initial franchise and license fees you pay us: We estimate these costs will be 11% and 7% of the lower and upper totals in the table in Item 7, respectively. We estimate the cost of products you will buy or license from us or our affiliates after you open the Franchised Business will represent less than 5% of your overall purchases in operating it.

Item 9. Franchisee’s Obligations

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

Abbreviations used in the following table

Item	Abbreviation	Item	Abbreviation
Franchise Agreement	Franchise	Territory Amendment	Territory
Development Agreement	Development	Asset Purchase Agreement	APA
Royalty Amendment	Royalty	Sublease	Sublease

	Obligation	Paragraph in Agreement		Disclosure Document Item
a.	Premises selection and acquisition / lease	Franchise: 2, 4 Development: 4 Royalty: None	Territory: None APA: None Sublease: None	6, 11, 12
b.	Pre-opening purchases / leases	Franchise: 4, 8, 15 Development: None Royalty: None	Territory: None APA: None Sublease: None	5, 6, 7, 8
c.	Premises development and other pre-opening requirements	Franchise: 2, 4, 8, 13 Development: 2, 4 Royalty: None	Territory: None APA: None Sublease: None	6, 7, 11
d.	Initial and ongoing training	Franchise: 3, 6, 7, 15 Development: None Royalty: None	Territory: None APA: None Sublease: None	7, 11, 15
e.	Opening	Franchise: 4 Development: 2 Royalty: None	Territory: None APA: None Sublease: None	11
f.	Fees	Franchise: 1, 3, 4, 6, 7, 8, 11, 12, 14, 15, 16, 18, 19, 24 Development: 3 Royalty: None	Territory: 3 APA: 2, 4 Sublease: 3, 6	5, 6, 7
g.	Compliance with	Franchise: 1, 3, 4, 5, 7, 8, 10, 11,	Territory: None	8, 11

Huntington Learning Centers Inc. Franchise Disclosure Document

	Obligation	Paragraph in Agreement	Disclosure Document Item
	standards and policies / Huntington Manuals	12, 14, 15, 19 Development: None Royalty: None	APA: None Sublease: None
h.	Trademarks and proprietary information	Franchise: 9, 10 Development: 2 Royalty: None	Territory: None APA: None Sublease: None
i.	Restrictions on products / services offered	Franchise: 8 Development: None Royalty: None	Territory: None APA: None Sublease: None
j.	Warranty and customer service requirements	Franchise: 8, 26 Development: None Royalty: None	Territory: None APA: None Sublease: None
k.	Territorial development and sales quotas	Franchise: 26 Development: 2, 4 Royalty: None	Territory: None APA: None Sublease: None
l.	Ongoing product / service purchases	Franchise: 8, 15 Development: None Royalty: None	Territory: None APA: None Sublease: None
m.	Maintenance, appearance, and remodeling requirements	Franchise: 3, 4, 8, 15 Development: None Royalty: None	Territory: None APA: None Sublease: None
n.	Insurance	Franchise: 13 Development: None Royalty: None	Territory: None APA: 9 Sublease: 4
o.	Advertising	Franchise: 6, 12, 15 Development: None Royalty: None	Territory: 2 APA: None Sublease: None
p.	Indemnification	Franchise: 19 Development: 10 Royalty: None	Territory: None APA: 18 Sublease: 7
q.	Owner's participation / management / staffing	Franchise: 8 Development: 6 Royalty: None	Territory: None APA: None Sublease: None
r.	Records / reports	Franchise: 11, 19, 22 Development: None Royalty: None	Territory: None APA: None Sublease: None
s.	Inspections / audits	Franchise: 11, 12, 14 Development: None Royalty: None	Territory: None APA: None Sublease: 2
t.	Transfer	Franchise: 4, 6, 11, 14, 22 Development: 7 Royalty: 2, 6	Territory: 3, 4 APA: None Sublease: 12
u.	Renewal	Franchise: 3, 4, 6, 11	Territory: 4

	Obligation	Paragraph in Agreement		Disclosure Document Item
		Development: None Royalty: 6	APA: None Sublease: None	
v.	Post-termination obligations	Franchise: 16, 17, 25, 26 Development: 8 Royalty: 8	Territory: 6 APA: None Sublease: 2	17
w.	Non-competition covenants	Franchise: 16, 17 Development: None Royalty: None	Territory: None APA: None Sublease: None	17
x.	Dispute resolution	Franchise: 24 Development: 10 Royalty: None	Territory: None APA: 21 Sublease: 8	17

Item 10. Financing

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

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

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

Our pre-opening obligations to you

Before you open the Franchised Business, we provide you with the following assistance:

- A. **Locating a site and negotiating purchase or lease of the Premises.** Before you sign the Franchise Agreement, you and we agree on the geographic area (the "Site Selection Area") within which you lease or purchase the Premises from a third party. After signing the Franchise Agreement, you find a site for the Premises within the Site Selection Area and send us information about it. (Franchise Agreement, Paragraphs 4 and 5) We approve a proposed site for the Premises if the site meets our standards, you are not in default of the Franchise Agreement, and you do not owe us any past-due amount. (Franchise Agreement, Paragraph 4) We also require the following: (a) Do not lease the Premises on a month-to-month basis; (b) Do not use your home or any other residential property as your Premises (c) Premises must be safe and convenient for staff, students, and parents; (d) Premises must be in a 1st floor retail location, a 2nd floor above a retail location, or a professional office; (e) Premises must be at least 1,200 usable square feet measured from inside wall to inside wall and excluding supporting and other columns (if your Royalty rate is 8%, the minimum is 1,600 square feet); (f) Premises must contain a bathroom; (g) Premises must be in contiguous space all on one floor; (h) Premises must have signage on or near the building's exterior; (i) Premises must have adequate, well-lit adjacent or nearby parking; and (j) You must not use the Premises for any business other than that of a HLC.

We will approve a site under the Development Agreement in the same manner and using the same criteria we approve a site under our then-current franchise agreement. (Development Agreement,

Paragraph 6)

You must identify a location for the Premises, obtain our approval, and lease or acquire it within 90 days after the Agreement Date. (Franchise Agreement, Paragraph 4) You may request an extension of this 90-day period and, if we grant it, you must sign our general release, to the extent not prohibited by applicable law. The extension's duration will be 30 days or less. (Franchise Agreement, Paragraphs 4 and 15). If we and you cannot agree on a site within the required time period, then you must pay us the non-monetary default fee shown in Item 6 for each day you have not signed a lease at a location that we approve.

You pay all expenses in connection with the Premises and its lease and construction, including those related to real estate professionals, attorney, architect, permits, contractors, builders, and licenses. We recommend you engage multiple real estate professionals to assist you in finding and evaluating a location. (Franchise Agreement, Paragraph 4) We recommend you consult with an attorney or other professional about your Premises lease and all other documents associated with this franchise.

- B **Constructing and decorating the Premises.** We will provide you with design specifications for a prototypical Franchised Business for adaptation by you. You must use a licensed architect to develop its construction plans (based on generic plans we provide to you), construct it to our standards, conform it to local ordinances and building codes, and obtain any required permits. (Franchise Agreement, Paragraphs 4 and 5)
- C **Equipment, signs, fixtures, opening inventory, supplies.** You must buy, install, and use all items we specify, including fixtures, furnishings, equipment, graphics, supplies, advertising, software, technology, curricula, testing material, and interior and exterior signage. We provide you with the names of approved suppliers and a list of products and services we require you use at the Franchised Business, including educational materials and the suppliers we require or suggest you use. (Franchise Agreement, Paragraphs 4, 5)

We deliver the items in the Start-up Package, which includes marketing, educational, and IT material and their specifications. (Franchise Agreement, Paragraph 6) You install these items. The Marketing Start-up Package supports your initial marketing efforts and offers marketing support beginning before you open the Franchised Business and concludes after your first month of operation. The Educational Start-up Package includes tutoring and test prep materials, such as student testing folders and binders, Huntington Math Placement Exam pre- and post-tests, Huntington Writing Program materials, answer sheets, operational and staffing forms, ACT and SAT student workbooks, retail books, response sheets, and practice sheets. The IT Start-up Package includes computers, monitors, tablets, printer, toner, firewall, cables, ChromeBooks, Microsoft Office, Virus protection, spam filtering, charging station, Sybase, and QuickBooks Online (excluding QuickBooks' monthly license fees to Intuit).

We deliver the Kick Start Marketing Program, which we describe below in this section.

- D **Training and Technology Services.** We will license you our Training and Technology Services, which consist of: (a) Use of the Phone Number; (b) use of the Software; (c) use of HLCMail.com email addresses; (d) use of our proprietary math, study skills, writing, phonics, and Test Prep programs; (e) use of licensed digital testing material and curricula; (f) use of online scheduled initial training; (g) use of two seat licenses in our Online Training Facility; (h) use of Video Chat Software licenses; (i) use of a page on our Website for your Franchised Business's information; (j) attendance for up to four attendees at our convention; (k) accreditation fees, excluding our and accreditor out-of-pocket costs; (l) use of our Help Desk; (m) LCOS restoration support; and (n) participation in Basic MCP and you may purchase Additional MCP. We describe Basic MCP and Additional MCP in the Marketing Communication Program ("MCP") section below. (Franchise Agreement, Paragraphs 2, 5, 6, and 12)

- E **Hiring and training employees.** We provide unlimited initial training for your part- and full-time employees. You are responsible to hire and train your employees for the work they perform for you. You are responsible for them and for all issues related to them in connection with your Franchised Business. Other than the rights reserved in the Franchise Agreement, we reserve no actual or apparent authority over them or any issue related to them. Since we are a franchisor and do not operate any HLCs, all your employees perform work that is outside our usual course of business.
- F **Time to open.** Time to open depends on many factors, including location selection, your ability to obtain and negotiate a lease, financing, building permits, zoning and local ordinances, weather conditions, shortages or delayed installation of equipment or signs, Premises design and construction, strikes, unexpected events (such as COVID), training, inventory, and unavoidable delays. The average time a New Franchisee took to open a new HLC in 2022-2023 after signing a franchise agreement was 9.3 months, the median was 9.0 months, ranging between 4.1 and 15.8 months.
- G **Initial training.** Our initial training trains you and your staff to implement our Brand Standards and to ensure HLC customers receive consistency in products, services, and customer experiences. Franchisees must attend Franchisee Initial Training (FIT) and your full-time staff must attend Huntington Initial Training (HITP) and each must complete it to our satisfaction. We do not maintain separate training facilities for our affiliates. If you or your staff member do not complete initial training successfully, we may require that trainee to reattend initial training. (Franchise Agreement, Paragraph 7)

We offer FIT and HITP throughout the year. FIT consists of three components, FIT-1, FIT-2, and FIT-3 each conducted over one week, Monday through Friday, of online, instructor-led training and 37 hours of online modules, as follows:

FRANCHISEE INITIAL TRAINING (FIT)				
Subject	Hours of Virtual Instructor-Led Classroom Training	Hours of Online Modules	Hours of Virtual Meetings	Total Hours of FIT Training
Curricula and Instruction	12	10	-	22
Management	10	1	-	11
Marketing	10	4	-	14
Operations	40	22	15	77
Staffing	8	-	-	8
Total	80	37	15	132

Our initial training employs volumes of written and electronic-based online training that includes phone and video conferences, role playing, video modules, phone and video conferences, and homework before, during, and after initial training, as well as evaluations. Marielle Carroll supervises the training program; we describe her experience in Item 2.

We do not charge for FIT or HITP, since each is part of Training and Technology Services. You pay travel, living expenses, and related costs for training program enrollees.

- H **Training requirements.** Your Primary Owner must complete FIT to our satisfaction in the manner and at the location we determine. If you are a New Franchisee, your Primary Owner must complete FIT before the Opening Date. If you are a Transfer Franchisee, your Primary Owner must complete FIT no later than 90 days after the Agreement Date. In addition, your Primary Owner must complete a three-day management training of about 15 hours within a year after the Agreement Date. If you operate or plan to operate more than one HLC, you must attend a two-day multi-center training of about 10 hours of management training of about 15 hours within a year after the Agreement Date.

Your teachers must comply with our requirements, which include the following: (a) Teachers must have been awarded a bachelor's degree from an accredited 4-year college; (b) Teachers must complete our teacher training program within 90 days after you hire them or before they perform any HLC-related activity; (c) Learning Center teachers must be, or have been, certified as a teacher by any state. But, if they do not hold, or never have held, state teacher certification from any state, then, in addition to our teacher training program, they must complete our teacher certification program; (d) Your teachers must be able to use our Software. In addition, we can impose requirements for the following for your eTutoring teachers: (1) The appearance of the physical location in which the teacher provides eTutoring; (2) The teacher's video background; (3) The technology and equipment the teacher uses to provide eTutoring; and (4) The teacher's dress and appearance.

We are not required by the Franchise Agreement to furnish any other service or assistance to you before the opening of your Franchised Business.

Our continuing obligations to you

During your operation of the Franchised Business, we provide you with the following assistance:

A **Advice.** We will provide you with advice about the operation of the Franchised Business and delivery of services. (Franchise Agreement, Paragraph 5)

B **Our proprietary programs.** We will provide you with access to our proprietary math, study skills, writing, phonics, and Test Prep programs. We will offer to sell you materials owned by, or licensed to, us. (Franchise Agreement, Paragraph 5)

C **Sales Support Services**

Our Sales Support Services consist of Call Center services, Virtual Testing, and Conference Services:

Call Center. We will provide you with Call Center Services while your Call Center License is in effect (Franchise Agreement, Paragraph 5). The Call Center is a remote, cloud-based contact center whose agents respond to inquiries to your HLC's advertised phone numbers and Phone Number (800 CAN LEARN). Its skills-based routing software directs callers to agents who discuss the program believed most appropriate, gather information, and attempt to schedule an academic evaluation. Agents enter this information into our proprietary software, which transmits an electronic copy to you. As of the Issuance Date, the Call Center is staffed 77.5 hours per week Monday through Saturday. It opens additional hours on some Sundays in January, February, and June and closes Christmas Day, Easter Sunday, Memorial Day, Independence Day (July 4th), Labor Day, Thanksgiving Thursday, and New Year's Day. This schedule is subject to change.

Virtual Testing. Virtual Testing means we conduct your initial tests remotely. We will provide you with Virtual Testing while your Virtual Testing license is in effect. We anticipate introducing Virtual Testing in 2024-2025. (Franchise Agreement, Paragraph 5).

Conference Services. Conference Services consists of Virtual Conferencing (we conduct your initial conferences remotely) and Coaching (we prep you to conduct initial conferences). We will provide you with Conference Services while your Conference Services license is in effect. (Franchise Agreement, Paragraph 5)

D **Prices.** To the extent permitted by applicable law, we can specify a retail price or set minimum or maximum prices for the services that you sell. (Franchise Agreement, Paragraph 8).

- E **Hiring and training employees.** You are responsible to hire and train your employees for your Franchised Business. You are responsible for them and for all issues related to them in connection with your Franchised Business. Other than the rights reserved in the Franchise Agreement, we reserve no actual or apparent authority over them or any issue related to them. Since we are a franchisor and do not operate any HLCs, all your employees perform work that is outside our usual course of business.
- F **Training.** We will offer your Owners and full- and part-time staff and teachers initial training through our Online Training Facility. (Franchise Agreement, Paragraph 7)
- G **Bookkeeping and accounting; ProfitKeeper.** You must use the accounting and payroll software we designate, currently Intuit's QuickBooks' Essentials online accounting software and its Core payroll online software. You must use our chart of accounts. We deliver QuickBooks Online as part of our Training and Technology Services; you pay its monthly fees. You must connect your QuickBooks' account to ProfitKeeper, which reports certain revenue and expenses to us. (Franchise Agreement, Paragraph 11)
- H **Training and Technology Services.** We will continue to provide you access to our Training and Technology Services, which we describe in the above section. (Franchise Agreement, Paragraphs 2, 6, and 12)
- I **Marketing portal.** We will provide you with access to our marketing portal, which we call eve. (Franchise Agreement, Paragraph 12). Materials include digital, audio, video, print, direct mail, etc.

If you receive a notice for a default that cannot be cured, fail to cure a default after notice within the required time period, or owe us any past-due amount, we can limit the services or benefits permitted or required to be provided to you under the Franchise Agreement, either temporarily or permanently. We may reinstate any of these services or benefits at any time and you must accept them. If we limit any services or benefits as described in this paragraph, you continue to pay all fees required under the Franchise Agreement and other agreements, including any fees associated with services or benefits we limit. You have no right to a refund of any fees paid in advance or otherwise for those services.

Your marketing

You develop, implement, manage, and pay for your marketing. You must advertise solely within your CoOp's geographic area. You must spend a minimum of \$57,000 per calendar year to promote Huntington Services and eTutoring using direct mail, newspapers, magazines, Internet, blogs, webinars, and television, radio, cable stations, etc.; and of this amount, you must spend a minimum of \$2,000 per month. You promote Contract Services by researching opportunities for Contract Services and by soliciting Public Entities to provide these services. We develop your marketing materials and make them available through eve, which is our marketing portal. You may use your own marketing materials, if we approve them in advance. Payments for certain items do not count towards this minimum spending on advertising Huntington Services and eTutoring, including payments in connection with Huntington Advertising Fund, Contract Services Advertising Fund, Additional MCP, school and merchant visits and other ground marketing, scholarships or discounts you may offer, and employee compensation. We do not have a franchisee advertising council to advise us on advertising policies. (Franchise Agreement, Paragraph 12)

Kick Start Marketing Program

The Kick Start Marketing Program is a mandatory marketing support program to help new and transfer HLCs kick start their marketing effort. Program duration is approximately three months. When you sign the Franchise Agreement, you pay us \$14,250, which we spend on your behalf on the following: (a) developing, launching, and, during the duration of this program, monitoring your Pay Per Click (PPC) advertising

campaign, (b) conducting up to six direct mail campaigns, (c) creating and placing an organic Facebook post, and (d) providing a public relations announcement to local news outlets. We may change the Kick Start Marketing Program and its components from time to time. If we do not spend the full amount within three months, then, at our option, we may continue the program until we spend the full amount on your marketing or credit any unused balance to any amounts you owe us. We will not use, and you may not use, the Kick Start Marketing Program to pay any fees your CoOp may impose.

For new HLCs, the Kick Start Marketing Program begins after the Premises receives a Certificate of Occupancy. For transfer HLCs, the program begins after the franchisee signs the franchise agreement. Franchisees who are renewing their franchise (i.e. executing a subsequent franchise agreement) and franchisees who are opening a subsequent franchised business do not participate in the Kick Start Marketing Program.

Marketing Start-up Services

Marketing Start-up Services provides the following marketing support concurrently with the Kick Start Marketing Program: (a) developing a 12-month marketing plan (budget, setting goals, seasonal tactics, target keywords, direct mail dates, ZIP Codes); (b) training in how to conduct a marketing program, and (c) transitioning marketing responsibilities to you.

Marketing Materials Start-up Package

These materials support your initial marketing efforts. We ship these materials to your center in about 4 separate shipments 2-3 weeks after you and your landlord sign your lease.

Marketing Communication Program

Description. The Marketing Communication Program ("MCP") has four components: The Solicitation Program is a series of campaigns to encourage former clients to enroll or re-enroll; the Referral Program is a series of campaigns to encourage current clients to refer a friend; the Weekly Client Email Program is a weekly communication to current enrollees; and the Educator Program is a series of communications to educators. In conjunction with the Solicitation Program we offer an optional outbound calling program by which the Call Center conducts follow-up phone calls. Each Solicitation and Referral campaign consists of direct mail, email, Facebook ad, and text message (depending on the data you enter in the Software) that we send 2 to 4 times per month. In connection with the Referral Program, you give each referring party a gift card at your cost (typically \$50 each) for each referral.

Free and additional services. We provide you Basic MCP as part of Training and Technology Services at no additional fee and we make available Additional MCP for a fee:

- Basic MCP. On your behalf as part of Training and Technology Services and for no additional fee, we conduct the Weekly Client Email Program and a certain number of Solicitation, Referral, and Educator campaigns. We call these "Basic MCP". (Franchise Agreement, Paragraph 12)
- Additional MCP. At your option, you may add additional Solicitation and Referral campaigns; and you may increase the number of educators in the Educator Program; and you may elect the outbound calling program for those in the Solicitation Program. You must deposit with us \$2,000 as a deposit for these additional services. Before we conduct an additional Solicitation or Referral campaign, we deduct from your deposit a fee of \$0.99 per client. Before we increase the number of educators in the Educator Program, we deduct from your deposit a fee of \$45 per month per 100 educators. If you elect the optional outbound calling program, the Call Center conducts follow-up phone calls. For each client the Call Center attempts to contact, we deduct from your deposit \$3.75

per client; and, if we generate an academic evaluation (an "AE"), we charge the lesser of the applicable per AE fee (which we describe in Item 6's notes) or \$43.00. We call these "Additional MCP". (Franchise Agreement, Paragraph 12)

During 2023, 202 franchise HLCs spent an average of \$2,463 on one or more Marketing Communication Programs and generated average revenue of \$37,663 per HLC.

CoOp

When you sign the Franchise Agreement, you become a member of a CoOp. We typically base CoOp membership on the area of dominant influence (an "ADI") in which a HLC is located. An ADI is the geographic area surrounding a city in which the city's broadcasting stations account for a greater share of the listening or viewing households than broadcasting stations based in nearby cities. You begin contributing to your CoOp when you open or acquire the Franchised Business. We credit any fees you pay to your CoOp to advertise Huntington Services and eTutoring to your minimum advertising requirement, to the extent they do not exceed it. The CoOp's bylaws govern how it operates and members may review these bylaws. The CoOp may prepare annual or periodic financial statements and, if it does, its members may review them. A majority vote determines contributions, except as otherwise provided by the CoOp's bylaws. Each HLC in good standing gets one vote. There is no minimum or maximum contribution amount. Company-owned Centers contribute to their CoOp on the same basis as franchise centers; Company-owned Centers participate equally and have no controlling voting power in any CoOp. We can form, change, dissolve, or merge CoOps. We recommend you contact your CoOp, request copies of its bylaws and minutes, and determine its activity and contributions.

Website and Networking Media Sites

We operate the website, HuntingtonHelps.com (the "Website") for our benefit and the benefit of our brand. We provide a page on our Website for your Franchised Business's information. You personalize it and keep it up to date. You may not use any other website that relates to your Franchised Business or refers to, or uses, our Marks. For our benefit and the benefit of our brand we have accounts on networking websites or electronic communications portals, such as Facebook and online blogs. If you establish an account on any networking website or electronic communications portal, you must comply with our Brand Standards.

Huntington Advertising Fund

The Huntington Advertising Fund pays the expenses of promoting and enhancing the value, public recognition, and acceptance of the Marks in connection with Huntington Services and eTutoring. Huntington Advertising Fund, Inc. administers this fund. Its Board of Directors consists of five members elected by franchisees for two-year terms and five members we appoint. You, our other franchisees, and Company-Owned Centers contribute 2% of their Huntington Services Revenue and eTutoring Revenue to the Huntington Advertising Fund (and not to the Contract Services Advertising Fund), although Company-Owned Centers are not required to do so. An outside accountant prepares the fund's non-audited financial statement, which is available upon request. We have used an in-house advertising department and an outside agency to create and place advertising. The fund may accumulate monies not spent in the year in which they accrue. We use a minimal amount of its fund's monies (less than 1%) for franchise sales.

During 2023, the Huntington Advertising Fund spent 28.5% of its expenditures on media placement, 61.1% on production, and 10.4% on administrative expenses.

Contract Services Advertising Fund

The Contract Services Advertising Fund pays the expenses of promoting and enhancing the value, public recognition, and acceptance of the Marks in connection with Contract Services. You and our other franchisees contribute 2% of your and their Contract Services Revenue to the Contract Services Advertising Fund (and not Huntington Advertising Fund). Company-Owned Centers do not contribute to it. We administer this fund and develop its financial statement, which is available upon request to those who contribute to it. We have used both an in-house advertising department and an outside agency to create and place advertising. The fund may accumulate any monies not spent in the year in which they accrue. We use a minimal amount of its funds (less than 1%) for franchise sales.

During 2023, the Contract Services Advertising Fund spent 7% of its expenditures on media placement, 8.1% on production, and 84.9% on administrative expenses.

Technology

Our proprietary software (which we call the “Software”) consists of LCOS and eCenter. We license it to you as part of Training and Technology Services. This Software performs certain functions associated with student management and learning management systems, including support of marketing, inquiries, scheduling, student information, student evaluation, student instruction, student record keeping, student attendance, student billing, cash receipts, accounts receivable, scheduling, curricula management, management reports, and other aspects of HLCs. We may introduce software (“Added Software”) that we may own or license from third parties into the System, which may include software for customer relationship management, scheduling, and text messaging; and, if we do, you will pay us and third parties initial and on-going fees for their use. You may incur additional costs associated with Added Software. (Franchise Agreement, Paragraph 8)

You must buy the IT Start-up Package from us. We describe the package in Item 8 and its cost in Item 5. You must maintain your technology and pay for its maintenance. We recommend you obtain a maintenance contract for third-party technical support. Such contracts typically cost 20%-30% of the purchase price and typically cover hardware, updating, and support. After installation, you typically incur about 35 hours per year of hourly technical support not covered by such a contract; it costs about \$110-\$150 per hour. You typically replace hardware and software every two to three years. You must obtain, install, and maintain primary and standby backup Internet connections that meet our standards. If we cannot connect to your equipment to support or exchange data, we may charge related costs or we may terminate use of the Software. You must backup your LCOS daily. If you lose your LCOS data, do not have a backup copy, and ask our assistance, we attempt to restore your data as part of our Training and Technology Services. You must obtain, install, and maintain the hardware and software we require in the Huntington Manuals and in writing, including computer and related systems, telecommunications, audio, video, camera, hardware, software, and firmware; telephone software and local and remote access lines; fax machine, efax, document scanner; and high-speed primary and backup internet access. (Franchise Agreement, Paragraph 8)

We can modify the Software, eCurricula, any Added Software, and all other hardware and software we require or permit you to use in connection with the Franchised Business. We can require you to purchase, lease, or license new or modified computer hardware and telephone systems. There are no contractual limitations on the frequency, extent, or costs of these modifications. You have no right to modify any of our technology, including the Software, eCurricula, and any Added Software. (Franchise Agreement, Paragraph 8)

Except for your financial, accounting, employee, human resource, and payroll data, we own all electronic and non-electronic data developed or derived in connection with the Franchised Business. You must permit us to

access your computer system and give us independent access to it; there are no contractual limitations on our right to access, record, or use this data, as well as your financial, accounting, employee, human resource, and payroll data. (Franchise Agreement, Paragraph 8)

Other than as described in this Item 11, we, our affiliates, and third parties have no obligation to provide ongoing maintenance, repairs, upgrades, or updates to your computers or any of your computer-related systems, hardware, or software.

Manuals

We will provide you with electronic access to the Huntington Manuals, which currently consist of the Brand Standards Manual, Call Center Standards, Virtual Testing Standards, and Conference Services Standards. You access them through a password protected Website. Huntington Manuals include descriptions of marketing techniques, operational procedures, business practices, and management methods for the Huntington System, Call Center, Virtual Testing, and Conference Services. We provide you with electronic access to modifications, additions, and deletions to the Huntington Manuals (Franchise Agreement, Paragraph 5). The Table of Contents to the Huntington Manuals as of the end of our last fiscal year is shown on Exhibit F.

Item 12. Territory

If you are a New Franchisee, you and we agree on a geographic area (the “Site Selection Area”) before you sign the Franchise Agreement. You locate the Premises within the Site Selection Area. If the site meets our standards, we approve it for the Premises.

Protected area

If you are a New Franchisee, we grant you an Exclusive Area about your Premises. If you are a Transfer or Subsequent Franchisee, your Premises already is in an Exclusive Area or a Territory.

Exclusive Area

An “Exclusive Area” is a circular geographic area centered on the Premises with a radius between zero and three miles. Typically, we exclude metropolitan areas and low-income areas from it. The radius may be zero, if, for example, the Premises is in or near a metropolitan area, a densely populated area, or a low-income area, as we determine.

Territory

A “Territory” is a geographic area with political or physical boundaries. Transfer and Subsequent Franchisees with a Territory may keep it if they sign a Territory Amendment (see Exhibit D) concurrently with the Franchise Agreement.

Development Agreement; no right of first refusal

If you sign a Development Agreement, you can sign additional franchise agreements to open other HLCs within a geographic area (“Development Area”) according to an agreed schedule. You must execute the 1st franchise agreement within two years of the Development Agreement date. If you comply with the terms of the Development Agreement, we will not locate, or license others to locate, another HLC in your Development Area. After the Development Agreement terminates, we may locate or license HLCs in the Development Area (but not in your Exclusive Areas).

Minimum requirements

Continuation of exclusivity of your Exclusive Area or Territory does not depend on achieving any sales volume, market penetration, or other contingency, except your Gross Revenue from Huntington Services and eTutoring must exceed \$350,000 for each 12 full-month period after your 1st anniversary; if it does not, we can reduce the size of your Exclusive Area, terminate the Franchise Agreement, open or license a HLC within the Exclusive Area, or terminate your eTutoring or Contract Service licenses. Under a Development Agreement, your right to sign a franchise agreement does not depend on achieving any sales volume, market penetration, or other contingency, except you must not have an uncured default and have satisfied all monetary and other obligations within required time periods.

Relocation

If you wish to relocate the Premises, you must comply with our Relocation Policy, which currently is: You request permission to relocate the Premises; you may relocate only with our prior written approval; you may relocate only within your Exclusive Area; you may not relocate within 2 miles of the Exclusive Area's boundary; the Premises must comply with our standards; you must not be in default of the Franchise Agreement; you must not owe us any past-due amount; and you pay us a \$500 relocation fee and our related costs. If you have a Territory, we also require you relocate only within the Territory's population or geographic center, as we determine. If you converted a Territory to an Exclusive Area, you must comply with the policies for both Territories and Exclusive Areas. We can refuse relocation, if you do not comply with our Relocation Policy, wish to relocate within three years of a previous relocation, are in default of any agreement with us, or owe us or any of our affiliates any past due amounts or reports.

Restrictions on you for soliciting or accepting orders from customers

If you have an Exclusive Area, you may solicit customers solely within your CoOp's geographic area, including the exclusive areas and territories of any other franchisees within your CoOp. If you have a Territory, you may solicit customers solely within your Territory's geographic area.

You may provide Huntington Services for customers only while they and their teachers are physically present in the Premises. You may provide eTutoring and Contract Services for customers only while they are at a location in the United States.

You may use the Internet to advertise only in full compliance with the Franchise Agreement and the Brand Standards Manual.

Our rights

Outside your Exclusive Area, we and our franchisees and affiliates can offer any products and services of any kind (including Huntington Services, eTutoring, and Contract Services) without restriction under the Marks or other marks; and can establish other businesses and systems without restriction using any marks for any products and services (including the mark, Huntington Learning Center® and our other Marks), including Huntington Services, eTutoring, and Contract Services, and grant licenses, without providing any rights to you, regardless of their proximity to the Franchised Business.

We and our affiliates can market, sell, and distribute and license others to market, sell, and distribute in any manner without restriction at any time and at any location (including within the Site Selection Area, Exclusive Area (or Territory), and Development Area) any educational products or services of any kind to any person using the Marks or other trademarks or service marks, through any channel of distribution. We and our affiliates and franchisees can provide without restriction services and products at any

location (including within the Site Selection Area, Exclusive Area (or Territory), and Development Area) that are the same as, or similar to, Huntington Services, eTutoring, and Contract Services, in connection with any program offered or funded by any private, governmental, or other individual or entity (including under the Every Student Succeeds Act, as amended, and the Individuals with Disabilities Education Act, as amended) to any individual, organization, school, doctor, psychologist, or agency.

We can acquire, merge with, or otherwise affiliate with, and thereafter own and operate, and license others to own and operate, without restriction, any educational business or other business of any kind, including any business that offers products or services the same as, similar to, and competitive with, Huntington Services, eTutoring, and Contract Services under the Huntington System or using the Marks or any other system or trademarks or service marks. We can be acquired by any educational or other business, which business may offer products or services the same as, similar to, and competitive with, Huntington Services, eTutoring, or Contract Services; and we can require you to convert the Huntington System and Marks to the system and marks of an acquiring educational business at your expense.

We can use our Websites and Networking Media Sites without restriction at any location (including within the Site Selection Area, Exclusive Area (or Territory), and Development Area) to offer, and to license to others to offer Added Software, Call Center services, Virtual Testing, Coaching Services, Video Conferencing, eCenter, eCurricula, online prep, online tutoring, Public-Private Partnership, Training and Technology Services, and any programs we may be testing.

Item 13. Trademarks

The Franchise Agreement grants you the right to operate a Franchised Business under the Huntington Learning Center® trademark. We also may authorize or require you use other current or future trademarks to operate your Franchised Business.

You must follow our rules when you use our Marks. You must not use any of our company names or Marks as part of an entity name (for example, for a corporation, limited liability company (LLC), or partnership) email address, electronic identifier, Internet domain name, or on any human resource documents or materials. You must not use any of our company names or Marks with modifying words, designs, or symbols, except for those we license to you. Among other things, your business entity's name may not include any of our company names or Marks or any variation of them and you must not use your name in connection with our trademarks in advertising your Franchised Business (for example, "John Smith's Huntington Learning Center®"). You must not sell (and may not use any of our company names or Marks in connection with) any product or service or in a manner we do not authorize in advance in writing.

In the adoption of any name in connection with the Franchised Business, including any name for any legal entity or Domain, you must not use any of the Marks or any variations them. In addition, you must not use any of the following words: "Huntington", "Learning", "Center", "Exam", "Online", "Home", "HLC", "NCLB", "Prep", "Can", "Learn", "Provider", "School", "Service", "Solution", "Supplemental", "Test", "Tutor", "Tutoring", "Your", or "YTS". You must not use any of these words in any combination, whether singular or plural, whether with or without prefix or suffix, whether in the English language or any other language.

You will have the right under the franchise agreement to use the Marks only to operate your Franchised Business and not for any other purpose or in any manner that we have not authorized in writing. You may use our Marks on vehicles only with our prior written consent and subject to our requirements for that kind of usage.

Huntington Learning Centers Inc. Franchise Disclosure Document

Huntington Mark, LLC (which we call "Huntington Mark") owns the following marks, which are registered on the Principal Register. We have filed all required affidavits.

Mark	Registration Number	Registration Date
Huntington Learning Center	1,357,269	August 27, 1985
Trileaf symbol	1,425,199	January 13, 1987
YOUR CHILD CAN LEARN	3,103,102	June 13, 2006
Huntington	3,134,873	August 29, 2006
Huntington Exam Prep	3,888,741	December 14, 2010
YOUR TUTORING SOLUTION	4,114,400	March 20, 2012

Huntington Mark owns the marks described above and any other marks you will use in operating the Franchised Business. We use the marks under a license agreement with Huntington Mark. The term of this agreement is indefinite, but it may be terminated by either party without cause on 30 days' notice. In the event of termination, we must assign to Huntington Mark all of our obligations under the Franchise Agreements.

As of the date of this Disclosure Document, there are no effective material determinations of the patent and trademark office, trademark trial and appeal board, the trademark administrator of this state or any court; nor is there any pending infringement, opposition, or cancellation proceeding; nor is there any pending material litigation involving the principal trademarks. As of the date of this Disclosure Document, no agreements in effect significantly limit our right to use or license the use of our Marks in a manner material to you. We do not know of either superior prior rights or infringing uses that could materially affect your use of our Marks in any state.

You must notify us of any suspected infringements, imitations, or suspected unauthorized use of the Marks, or any challenges to the validity, our ownership of, right to use and license others to use, or to your use of, the Marks. We have the sole right to direct and control any actions, litigation, arbitration, administrative proceedings and all other proceedings and actions involving the Marks, including any settlement. We have the right, but not the obligation, to (a) take action against uses by others that may constitute infringement of the Marks and (b) defend you against any third-party claim, suit, or demand arising out of your use of the Marks; and, if we provide a defense, you will be solely responsible for the cost of the defense, including the cost of any judgment or settlement. If we undertake the defense or prosecution of any actions affecting the Marks, you must cooperate with us in these actions and you agree to sign at your sole expense all documents and to do those acts and things as may, in the opinion of our counsel, be necessary to comply with the Franchise Agreement, including being named as a nominal party in these proceedings or actions.

We will not indemnify you for any damages or expenses you incur due to any actions involving the Marks. We will not be liable for any loss, expense, or damage you incur because of your use of the Marks. Under the Franchise Agreement, you irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, with power of substitution, to sign and to file for you any relevant document and to perform any legal act necessary to defend, compromise, and settle in any judicial, arbitration, or administrative proceedings or actions affecting the Marks. With our written consent, you may participate at your own expense in any actions affecting the Marks.

We can modify or discontinue any of the Marks at any time and can substitute different marks for use in identifying the Huntington System and franchised HLCs. You must comply with the change at your cost and expense when we notify you and we will have no liability or obligation to you.

Item 14. Patents, Copyrights, and Proprietary Information

Huntington Mark or its affiliates obtained the following copyright registrations on the indicated date:

Item	Copyright number	Registration Date
Student progress record	TX0001613518	1985-07-11
HLC operating forms	TX0001611474	1985-07-10
S.A.T. seminar booklet	TX0001613579	1985-07-11
S.A.T. seminar booklet	TX0001615241	1985-07-15
Huntington Learning Center® Website - April 2008	VA0001679352	2009-08-05
Huntington Learning Center® Website - November 2008	VA0001678186	2009-08-24

We or Huntington Mark claim a common law copyright for this Disclosure Document, the Franchise Agreement, Development Agreement, Brand Standards Manual, Contract Manual, Service Standards, LCOS software, eCenter software, our proprietary testing materials, our proprietary curricula, our proprietary lesson plans, and all our advertisements, promotional materials, forms, and reports. We or Huntington Mark own exclusively all rights to these copyrighted works, even if you (or your employees or agents), the Huntington Advertising Fund, or the Contract Services Advertising Fund developed them. We can modify or discontinue using any copyrighted work or use additional or substitute copyrighted works, and you must comply with our directions at your expense after receiving notice. We have the right to use such works under the license agreement with Huntington Mark described in Item 13 above.

You must notify us in writing of any suspected infringements or any challenges to your use of the copyrighted works. We are not required to protect you from claims arising from your use of the copyrighted works. We have the sole right to institute, defend, direct, and control any actions involving the copyrighted works, including any settlement. We have the right, but not the obligation, (a) to take action against uses by others that may constitute infringement of the copyrighted works; and (b) to defend you against any third-party claim, suit, or demand arising out of your use of the copyrighted works; and, if we provide a defense, you will be solely responsible for the cost of the defense, including the cost of any judgment or settlement. If we undertake the defense or prosecution of any actions affecting the copyrighted works, you must cooperate with us in these proceedings or actions and you agree to sign at your sole expense all documents and to do those acts and things as may, in the opinion of our counsel, be necessary to comply with the Franchise Agreement, including being named as a nominal party in these proceedings or actions. We will not indemnify you for any damages or expenses you incur due to any judicial, arbitration, or administrative proceedings or actions involving the copyrighted works. We will not be liable for any loss, expense, or damage you incur because of your use of the copyrighted works, except as described in the Franchise Agreement. Under the Franchise Agreement, you irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, with power of substitution, to sign and to file for you any relevant document and to perform any legal act necessary to defend, compromise, and settle in any judicial, arbitration, or administrative proceedings or actions affecting the copyrighted works. We have the right to file an original counterpart or a copy of the Franchise Agreement with any court, arbitrator, or agency as written evidence of your appointment of us or our nominee to be your attorney-in-fact with regard to this matter.

We have a license agreement with an unaffiliated vendor that licenses to us and our franchisees the right to use its copyrighted ACT and SAT test preparation materials through our “Huntington Online Prep” web-based platform program. Using the license and copyrighted materials, we have created testing questions from our own banks of testing materials. We claim proprietary and trade secret rights in those questions. You must provide the Huntington Online Prep program as part of your Test Prep Services. This license agreement expires March 2025; we expect to renew it. Both we and it can terminate the license agreement for a breach that remains uncured for 30 days, and we have the right

to decline to renew the agreement at the end of its term. If the license agreement terminates or is not renewed, you will have no further right to use this website and these materials. We do not own the copyright or any other intellectual property rights in Huntington Online Prep, including its website, platform, and curricula.

We have a license agreement with an unaffiliated vendor that licenses to us and our franchisees the right to use its copyrighted adaptive standardized test, which you must use during initial and interim testing of Learning Center students. The vendor informed us that it will no longer provide this test as of October 1, 2022, and, as of this date, you will have no further right to use this test. Although we expect to replace it, we can offer no assurance that we will be successful in replacing it. If we do replace it, the replacement test's fees may be greater than this test's fees; and its terms of use may differ significantly from this test's terms of use.

No patents or pending patent applications are material to the franchise.

If you know of any unauthorized disclosure or use of our proprietary information or trade secrets, you must notify us and we can take any action we believe appropriate. You must notify us of any apparent infringement of, or challenge to, your use of any copyrighted works, or of any person's claim of any rights in any copyrighted works; and you may not communicate with any person, other than us and our and your attorneys, regarding any challenge, infringement, or claim. We may take any action we choose and control any litigation or administrative proceeding from any claim concerning any copyrighted work. You must assist us in protecting and maintaining our interests in the copyrighted works in any litigation or proceeding.

You will receive certain valuable information about the Huntington System and the Franchised Business, including its development and operation. This information includes marketing techniques, operational procedures, business practices, and management methods not generally known, all of which is valuable information and are trade secrets.

Item 15. Obligation to Participate in the Actual Operation of the Franchise Business

You must designate an Owner to serve as the Primary Owner. The Primary Owner must be a natural person, not a legal entity; must hold an ownership interest in the Franchisee; must complete Franchisee Initial Training; must be fluent in English; must be responsible for managing the Franchised Business; throughout the term of the Franchise Agreement must work full-time, year-round in the business during all hours it is open, which, at a minimum, are those hours listed in the Huntington Manuals; must not work in any other full- or part-time job or occupation throughout the term of the Franchise Agreement; and must be the individual who we can contact about the Franchised Business.

Each HLC provides a highly personalized approach to tutoring students, interacting with them and their parents or guardians, communicating with their schools and other professionals, and supporting and managing staff. Your Primary Owner should ensure full and complete compliance with your obligations to us, your customers, vendors, and all others. The business is a challenging one and requires your Primary Owner's strong, personal commitment. It requires and responds to personal attention. Your Primary Owner must learn the business by attending Franchisee Initial Training and understanding all aspects of the business. It is most important that your Primary Owner be involved fully and personally in all facets of the business. Your Primary Owner must be able to organize the business to maintain our standards; and must set standards for your employees to follow in connection with the Franchised Business. Before opening the business and thereafter, especially during at least its 1st and 2nd year of

operation, the business will require the Primary Owner work many long hours. Your Primary Owner must understand and be able to perform all the marketing, sales, operations, management, personnel, and maintenance functions required to ensure successful operation of the business throughout the term of the Franchise Agreement.

While you own the business and for a two-year period after you cease owing the business, you must not have an interest or relationship with any competitors.

Your Owners and their spouses, spouses of guarantors, and all employees having access to any of our confidential information must sign our confidentiality agreement, which is an exhibit to the Franchise Agreement. If any provision of our confidentiality agreement conflicts with any law or regulation, including any National Labor Relations Board regulation, we have the right to strike that provision from our confidentiality agreement.

Item 16. Restrictions on What the Franchisee May Sell

You must sell all services and products we specify in the Huntington Manuals or in writing. You must sell Huntington Services and eTutoring throughout the term of the Franchise Agreement. At your option, you may sell Contract Services. You must sell no other services or products. You must stop selling services or products we disapprove. If we add to or change these services, you must offer the added or changed required services. If we remove a service, you must cease offering the removed service. We may change the Huntington System at any time and, if we do, we will notify you in writing. You must comply with the changed Huntington System. There is no limit on our right to make changes to the Huntington System.

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

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.

THE FRANCHISE RELATIONSHIP					
		Franchise Agreement		Development Agreement	
	Provision	Section	Summary	Section	Summary
a	Length of the franchise term	Table 1 and Section 14	Term is 10 consecutive years.	5	When you satisfy the development obligations or termination of any franchise agreement with us
b	Renewal or extension of the term	3	If you comply with the required conditions, you may sign Subsequent Franchise Agreements, each for a 10 consecutive year terms.	None	Not applicable
c	Requirements for the franchisee to renew or extend	3	Between 180 and 240 days before the end of the term, you must give us notice of intent to sign a Subsequent Franchise Agreement, which may differ materially from the Franchise Agreement. You must not have received a default notice in the 12 full months before the Expiration Date. You must not have received 3 or more notices	None	Not applicable

THE FRANCHISE RELATIONSHIP

		Franchise Agreement		Development Agreement	
Provision	Section	Summary		Section	Summary
			within any 12-month period. You must not have received 4 or more notices of a default. You must have timely satisfied all monetary obligations to us and our affiliates; completed required training; upgraded the Franchised Business to our standards; complied with our requirements for insurance, location lease, computers, computer software, etc.; have a lease for at least 36 months; and pay a nonrefundable fee of \$6,000 (if you have a Territory, the fee is greater). You must give us your profit and loss statement and balance sheet for the preceding year. During the 12 full months before the date of your notice to us of any proposed Transfer and during the 12 full months before the date of the Transfer, your Gross Revenue from Huntington Services and eTutoring must be \$350,000 or more. You must sign our general release; it does not apply to any liability under Maryland Franchise Registration and Disclosure Law.		
d	Termination by franchisee	None	Not applicable	None	Not applicable
e	Termination by franchisor without cause	15	We may terminate the Call Center License, Virtual Testing License, Conference Services License upon 10 days' notice. We may terminate the Contract Services License if you have not provided any Contract Services during any 12-month period. We may terminate the eTutoring License if you have not provided any eTutoring during any 12-month period.	None	Not applicable
f	Termination by franchisor with cause	15	We may terminate the franchise if you are in default.	8	We may terminate if you default or fail to meet your development obligations.
g	"Cause" defined – curable defaults	15	Cause includes when you fail to comply with any material term of the Franchise Agreement or Huntington Manuals; fail to submit any required financial, operating, or informational statement; fail to pay when due any amount after 10 days written notice to pay it; submit any information to us, or you or your Owners submit, any information to any governmental authority or financial institution that contains any materially inaccurate, incomplete, or misleading statement, or omits any material fact needed to make the submission not misleading; fail to comply with any current or future applicable law or regulation after notice and any permitted opportunity to comply; fail to locate a Premises, sign a lease, or open the Franchised Business	None	Not applicable

THE FRANCHISE RELATIONSHIP					
Franchise Agreement			Development Agreement		
Provision	Section	Summary	Section	Summary	
		within the required time limits; fail to maintain a Premises that meets our standards; fail to sell any Huntington Service or eTutoring after 5 days written notice; sell any product or service that is not part of our Huntington System; or fail to become accredited. Fail to submit required reports or payment to a Public Entity.			
h	"Cause" defined-non-curable defaults	15	<p>Your Primary Owner fails to complete successfully the initial training program; any non-approved Transfer; disclosure of any of our trade secrets; violation any of the non-compete covenants; you do not keep the Franchised Business open for operation for 5 consecutive business days; you lose possession of the Premises; you lose the right to do business in your jurisdiction; you or your Owners become insolvent or make a general assignment for the benefit of creditors; unappealed conviction of an indictable offense punishable by a term of imprisonment of one year or more; misconduct relevant to the operation of the Franchised Business; misconduct that impairs the goodwill associated with the Marks; any civil activity, criminal activity, or misconduct involving any person under the age of 19; you maintain false books or records; you misuse the Marks; you receive three or more defaults in 12 months; you receive four or more defaults; you locate or relocate without permission; during any 12-month period after the 1st anniversary date of the Agreement Date, your Gross Revenue Gross Revenue from Huntington Services and eTutoring is less than \$350,000. You make a material misrepresentation about acquiring the Franchised Business. Fail for 10 days to comply with federal, state, or other laws. Fail to comply with a Public Entity's standards or give us a copy of a contract executed with a Public Entity. You advertise outside your CoOp. You provide eTutoring to a student under the age of 18, without required consent. You fail to record an eTutoring session. Termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).</p>	8	Any breach of contract. Any non-curable breach of the Franchise Agreement.
i	Franchisee's obligations on termination/non-renewal	16	Your rights to use the Marks, Huntington System and Training and Technology Services terminate. At your expense, you must stop operating the Franchised Business and using Training and Technology Services; not represent yourself as a HLC; pay all sums due; stop using any advertised phone numbers; stop using any Website; stop using any electronic address in connection with the	8	No right to any HLC for which a Franchise Agreement has not been signed.

THE FRANCHISE RELATIONSHIP					
		Franchise Agreement		Development Agreement	
Provision	Section	Summary	Section	Summary	
		Franchised Business; notify customers that you no longer operate a HLC; remove all signs that the Premises was a HLC; notify your landlord that the Franchise Agreement has expired; submit all required reports; assign any student contracts we request; cancel any assumed name registration in connection with the Franchised Business; give us a list of your customers with related information; refund any monies due your customers; change the Premises to distinguish it from its appearance as a HLC; not use or disclose any trade secret, operating instruction, or business practice or anything in the Huntington Manuals; return or destroy the Huntington Manuals; comply with all provisions of the Franchise Agreement that survive its termination, including non-compete covenants; and, if we require, assign your lease, transfer phone numbers, email, and utilities, and sell us your assets at their depreciated value. You notify each Public Entity of termination; terminate all applications and contracts with Public Entities; pay all amounts you owe us and Public Entities; comply with Public Entities' termination requirements; if we request, assign us your interest in Public Entities. If termination is due to your default, pay us a lump sum for breaching it and all related damages and costs.			
j	Assignment of contract by franchisor	14	We can transfer, assign, or sell, by agreement or by law, directly, indirectly, or contingently, the Franchise Agreement and any right and obligation under it.	7	No restriction on our right to assign.
k	"Transfer" by franchisee – defined	1	Transfer means the direct, indirect, or contingent sale, assignment, transfer, conveyance, gift, pledge, mortgage or other encumbrance (whether by or among any of your Owners or others and whether by agreement or by law) of any interest in you, the Franchise Agreement, any assets of the Franchised Business, any share of stock in a corporate franchisee, any membership interest in a limited liability company franchisee, or any partnership interest in a partnership franchisee.	1	Includes transfer of contract or assets or ownership change.
l	Franchisor approval of transfer by franchisee	14	We have the right to approve all Transfers. No Transfer may be made to a trust or any person who is or was within one year before the effective date of the proposed Transfer employed by us or our affiliates.	7	You may not transfer.
m	Conditions for approval of transfer	14	You give us written notice at least 30 days before any proposed Transfer, with a copy of proposed sales contract. The transferee must be approved under our standards for financial condition, character, managerial	7	You may not transfer.

THE FRANCHISE RELATIONSHIP

		Franchise Agreement		Development Agreement	
Provision	Section	Summary	Section	Summary	
		<p>commitment, English fluency, and other conditions we apply to new franchisees. Payment terms must not be unreasonable. The transferee must have completed, or agree to complete, our training, assume your obligations under the Franchise Agreement, and sign our then-current Franchise Agreement. You must not be in default. All your money and other obligations must be satisfied. Your Franchised Business must comply with all our standards. You may not Transfer until after you open your Franchised Business. You indemnify us against any related claim. You and the transferee sign our consent to transfer agreement. After Transfer, you remain liable for all Franchise Agreement terms that, by their nature, survive its termination. You and each Owner and guarantor sign our general release, to the extent not prohibited by law. If Transfer is to a company formed for ownership convenience, the transferee company must not be in any business other than operation of your Franchised Business. During the 12 full months before the date of notice to us of a proposed Transfer and during the 12 full months before the Transfer, your Gross Revenue from Huntington Services and eTutoring must equal or exceed \$350,000. Pay us the Transfer Fee, our related costs, any related broker fees, and a Training and Technology Initial Fee of \$8,000. If you have a Territory, fees are greater. In connection with any Transfer, we may conduct an audit at your cost.</p>			
n	Franchisor's right of first refusal to acquire franchisee's business	14	We have the option to buy the seller's interest on the same terms and conditions offered by the offeror. You must indemnify us against any related claim. If we cannot furnish the same consideration, we may buy the interest for cash.	None	Not applicable
o	Franchisor's option to purchase franchisee's business	None	Not applicable	None	Not applicable
p	Death or disability of franchisee	14	Upon death or incapacity of any person with an interest in the Franchise Agreement, in you, or in all or substantially all the assets of your Franchised Business, that person's executor, administrator, or representative must promptly notify us and transfer that interest to a	None	Not applicable

THE FRANCHISE RELATIONSHIP					
		Franchise Agreement		Development Agreement	
Provision	Section	Summary		Section	Summary
			third party approved by us within the lesser of the end of the term of the Franchise Agreement or 240 days after the death or incapacity. You pay us a nonrefundable Transfer Fee of \$1,000, plus our associated costs.		
q	Non-competition covenants during the term of the franchise	17	You must not divert any business or customer of a HLC; perform any act injurious to our goodwill; or own or assist any business that is the same as, or similar to, a HLC.	None	Not applicable
r	Non-competition covenants after the franchise is terminated or expires	17	For 2 years you must not divert any HLC or customer; perform any act injurious to our goodwill; or own or assist any business the same as or similar to a HLC located within: (a) the Premises, (b) your Exclusive Area, (c) a radius of 25 miles from your Exclusive Area, (d) a radius of 25 miles from the Premises, or (e) a radius of 25 miles from any HLC existing on the date this business commences operations.	None	Not applicable
s	Modification of the agreement	23	Except for those specifically permitted to be made unilaterally by us or you under the Franchise Agreement, no amendment, change, or variance from the Franchise Agreement will be binding on either party, unless mutually agreed to by the parties and signed by their authorized officers or agents in writing. In connection with Contract Services, if we determine there is a conflict between Brand Standards and Public Standards, we can reduce your rights or obligations, without your consent.	10	No modifications generally.
t	Integration/ Merger clause	23	The Franchise Agreement and its exhibits are the entire agreement between you and us about its subject matter; and supersedes all prior and contemporaneous negotiations, understandings, representations, and agreements, oral or written, about its subject matter. Nothing in the Franchise Agreement is intended to disclaim the representations in this Disclosure Document.	10	Only the terms of the Development Agreement are binding, subject to applicable state law. Any other promises may not be enforceable. Nothing in the Development Agreement is intended to disclaim the representations in this Disclosure Document.
u	Dispute resolution by arbitration or mediation	24	If you have a dispute with us, it must be mediated before you can bring legal action. Your Franchise Agreement does not allow for arbitration.	10	If you have a dispute with us, it must be mediated before you can bring legal action. Your Development Agreement does not allow for arbitration.

THE FRANCHISE RELATIONSHIP						
		Franchise Agreement			Development Agreement	
	Provision	Section	Summary		Section	Summary
v	Choice of forum	24	Subject to applicable state law, any action, whether or not arising out of, or relating to, the Franchise Agreement, brought by you or any Owner against us must be brought, and any action brought by us against you may be brought, in the judicial district in which we have, at the time of commencement of the action, our principal place of business, which, as of the Issuance Date, is Oradell, NJ.		10	Subject to applicable state law, you must bring any action against us in the judicial district in which we have, at the time the action begins, our principal place of business, which, as of the Issuance Date, is Oradell, NJ.
w	Choice of law	24	Subject to applicable state law, the Franchise Agreement will be interpreted and construed in accordance with the laws of the state of Delaware, except for that state's conflict-of-law rules. If you are located outside of the state of New Jersey, the New Jersey Franchise Practices Act will not apply to this Franchise Agreement.		10	Subject to applicable state law, the Development Agreement will be interpreted and construed in accordance with Delaware laws, except for its conflict-of-law rules.

The following table lists important provisions of the Royalty Amendment, Territory Amendment, Asset Purchase Agreement, and Sublease. You should read these provisions in the agreements attached to this Disclosure Document.

Abbreviations Used in the Following Table			
Item	Abbreviation	Item	Abbreviation
Royalty Amendment	Royalty	Asset Purchase Agreement	APA
Territory Amendment	Territory	Sublease	Sublease

THE FRANCHISE RELATIONSHIP					
	Provision	Section		Summary	
a	Length of the franchise term	Royalty:	3	Royalty:	Terminates on the Original Expiration Date. We may terminate upon default.
		Territory:	2	Territory:	Terminates when the Franchise Agreement terminates. We may terminate upon default.
		Sublease:	None	Sublease:	Not applicable
		APA:	None	APA:	Not applicable
b	Renewal or extension of the term	Royalty:	6	Royalty:	No renewal
		Territory:	4	Territory:	No renewal
		Sublease:	None	Sublease:	Not applicable
		APA:	None	APA:	Not applicable
c	Requirements for the franchisee to renew or extend	Royalty:	None	Royalty:	Not applicable
		Territory:	None	Territory:	Not applicable
		Sublease:	None	Sublease:	Not applicable
		APA:	None	APA:	Not applicable
d	Termination	Royalty:	None	Royalty:	Not applicable

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THE FRANCHISE RELATIONSHIP					
	Provision	Section		Summary	
	by franchisee	Territory:	None	Territory:	Not applicable
		Sublease:	None	Sublease:	None
		APA:	None	APA:	None
e	Termination by franchisor without cause	Royalty:	None	Royalty:	Not applicable
		Territory:	None	Territory:	Not applicable
		Sublease:	None	Sublease:	None
		APA:	None	APA:	None
f	Termination by franchisor with cause	Royalty:	7	Royalty:	Terminates if you default
		Territory:	5	Territory:	Terminates if you default
		Sublease:	8	Sublease:	Terminates if you default
		APA:	None	APA:	Not applicable
g	"Cause" defined – curable defaults	Royalty:	None	Royalty:	Not applicable
		Territory:	None	Territory:	Not applicable
		Sublease:	8	Sublease:	Involuntary bankruptcy not dismissed within 90 days; failure to pay rent within 10 days after notice; failure to perform non-monetary obligation within 30 days after notice; failure to report falsified report within 60 days.
		APA:	None	APA:	None
h	"Cause" defined-non-curable defaults	Royalty:	7	Royalty:	You violate a material term of the Royalty Amendment. Premises size is less than 1,600 square feet. You commit two defaults or owe us, Huntington Advertising Fund, Contract Services Advertising Fund, CoOp any past-due amounts of more than \$5,000 for 30 days or more; your Gross Revenue Gross Revenue from Huntington Services and eTutoring does not equal or exceed \$350,000 for each 12 full-month period following the first anniversary of the Agreement Date.
		Territory:	5	Territory:	You commit two defaults or owe us, Huntington Advertising Fund, Contract Services Advertising Fund, CoOp any past-due amounts of more than \$5,000 for 30 days or more; your Gross Revenue Gross Revenue from Huntington Services and eTutoring does not equal or exceed \$350,000 for each 12 full-month period following the first anniversary of the Agreement Date.
		Sublease:	8	Sublease:	Voluntary bankruptcy filing; abandonment of Premises; or unauthorized transfer.
		APA:	None	APA:	None
i	Franchisee's obligations on termination / non-renewal	Royalty:	8	Royalty:	Royalty increases to greater of 9.5% or then-current rate
		Territory:	6	Territory:	Territory converts to an Exclusive Area.
		Sublease:	2	Sublease:	Repair the Premises so that it is in good condition and repair, reasonable wear and tear excepted.
		APA:	None	APA:	None
j	Assignment of Contract by franchisor	Royalty:	6	Royalty:	No restriction on our right to assign
		Territory:	4	Territory:	No restriction on our right to assign
		Sublease:	12	Sublease:	No restriction on our right to assign
		APA:	None	APA:	Not applicable
k	"Transfer" by	Royalty:	2	Royalty:	Includes transfer of Contract or assets or ownership change

THE FRANCHISE RELATIONSHIP					
	Provision	Section		Summary	
	franchisee – defined	Territory:	4	Territory:	Includes transfer of Contract or assets or ownership change
		Sublease:	None	Sublease:	None
		APA:	None	APA:	None
l	Franchisor approval of transfer by franchisee	Royalty:	6	Royalty:	You may not transfer
		Territory:	4	Territory:	You may not transfer
		Sublease:	12	Sublease:	We have the right to approve all transfers
		APA:	None	APA:	None
m	Conditions for approval of transfer	Royalty:	None	Royalty:	Not applicable
		Territory:	None	Territory:	Not applicable
		Sublease:	12	Sublease:	You must have our written consent
		APA:	None	APA:	None
n	Franchisor's right of first refusal to acquire franchisee's business	Royalty:	None	Royalty:	Not applicable
		Territory:	None	Territory:	Not applicable
		Sublease:	None	Sublease:	None
		APA:	None	APA:	None
o	Franchisor's option to purchase franchisee's business	Royalty:	None	Royalty:	Not applicable
		Territory:	None	Territory:	Not applicable
		Sublease:	None	Sublease:	None
		APA:	None	APA:	None
p	Death or disability of franchisee	Royalty:	None	Royalty:	Not applicable
		Territory:	None	Territory:	Not applicable
		Sublease:	None	Sublease:	None
		APA:	None	APA:	None
q	Non-competition covenants during the term of the franchise	Royalty:	None	Royalty:	Not applicable
		Territory:	None	Territory:	Not applicable
		Sublease:	None	Sublease:	None
		APA:	None	APA:	None
r	Non-competition covenants after the franchise is terminated or expires	Royalty:	None	Royalty:	Not applicable
		Territory:	None	Territory:	Not applicable
		Sublease:	None	Sublease:	None
		APA:	None	APA:	None
s	Modification of the agreement	Royalty:	10	Royalty:	No modifications generally
		Territory:	8	Territory:	No modifications generally
		Sublease:	15	Sublease:	No modifications generally
		APA:	21	APA:	No modifications generally
t	Integration/ Merger clause	Royalty:	10	Royalty:	The amended Franchise Agreement and its exhibits are the entire agreement; and supersede all prior and contemporaneous negotiations. Our obligations to you are
		Territory:	8		
		Sublease:	15		

THE FRANCHISE RELATIONSHIP				
	Provision	Section		Summary
		APA:	21	<p>exclusively in the amended Franchise Agreement</p> <p>Territory: The amended Franchise Agreement and its exhibits are the entire agreement; and supersede all prior and contemporaneous negotiations. Our obligations to you are exclusively in the amended Franchise Agreement</p> <p>Sublease: Only the terms of the Amendment are binding, subject to applicable state law. Any other promises may not be enforceable.</p> <p>APA: Only the terms of the Amendment are binding, subject to applicable state law. Any other promises may not be enforceable.</p>
u	Dispute resolution by arbitration or mediation	Royalty:	None	Royalty: Not applicable
		Territory:	None	Territory: Not applicable
		Sublease:	None	Sublease: None
		APA:	None	APA: None
v	Choice of forum	Royalty:	None	Royalty: Not applicable
		Territory:	None	Territory: Not applicable
		Sublease:	15	Sublease: You must bring any action in our judicial district
		APA:	21	APA: You must bring any action in our judicial district
w	Choice of law	Royalty:	None	Royalty: Not applicable
		Territory:	None	Territory: Not applicable
		Sublease:	15	Sublease: Delaware law governs, except for conflict-of-law rules; NJ Franchise Practices Act does not apply
		APA:	21	APA: Delaware law governs, except for conflict-of-law rules; NJ Franchise Practices Act does not apply

Item 18. Public Figures

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

Item 19. Financial Performance Representations

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

Solely in connection with this Item 19, “Gross Revenue” means all received and accrued revenue, including cash, cash equivalents, and credit, derived directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, from all business conducted with the use of the Marks or System or upon, from, or with, Huntington Services, eTutoring, or Contract Services, whether evidenced by check, cash, credit, charge, exchange, or otherwise (including the proceeds of any business interruption insurance policies)

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and whether for services or products provided or to be provided and whether such services or products are permitted or not permitted under the Franchise Agreement. Gross Revenue includes the fair market value of any goods or services received by you, directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, in the event consideration other than cash is received. Gross Revenue must not be offset by any expense; however, Gross Revenue excludes (a) all sales or similar taxes that, by law, are chargeable to customers (if such taxes are separately stated and charged to the customer, paid by the customer, and paid to the appropriate taxing authority by you) and (b) any documented refund given to customers by you in good faith.

A "mature" HLC is a HLC that is open at least a year. During 2021, there were 248 mature HLCs open all of 2021; we call these the "2021 Open Franchise Centers". During 2022, there were 250 mature HLCs open all of 2022; we call these the "2022 Open Franchise Centers". During 2023, there were 250 mature HLCs open all of 2023; we call these the "2023 Open Franchise Centers". For example, the 2023 Open Franchise Centers were open all of 2022 and 2023.

Of the 250 2023 Open Franchise Centers, 26 achieved Gross Revenue of \$1,000,000 or more. They averaged \$1,319,098 in revenue; and 9 or 35% of them were greater than average. Their median revenue was \$1,147,278 and 13 or 50% of them were greater than the median.

From 2021 to 2023, average Gross Revenue of the mature franchise HLCs reported in these tables increased from \$489,903 to \$561,327, a \$71,423 or 15% increase.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you will earn as much. Table A summarizes our financial performance averages.

Table A summarizes our financial performance representations and presents their averages.

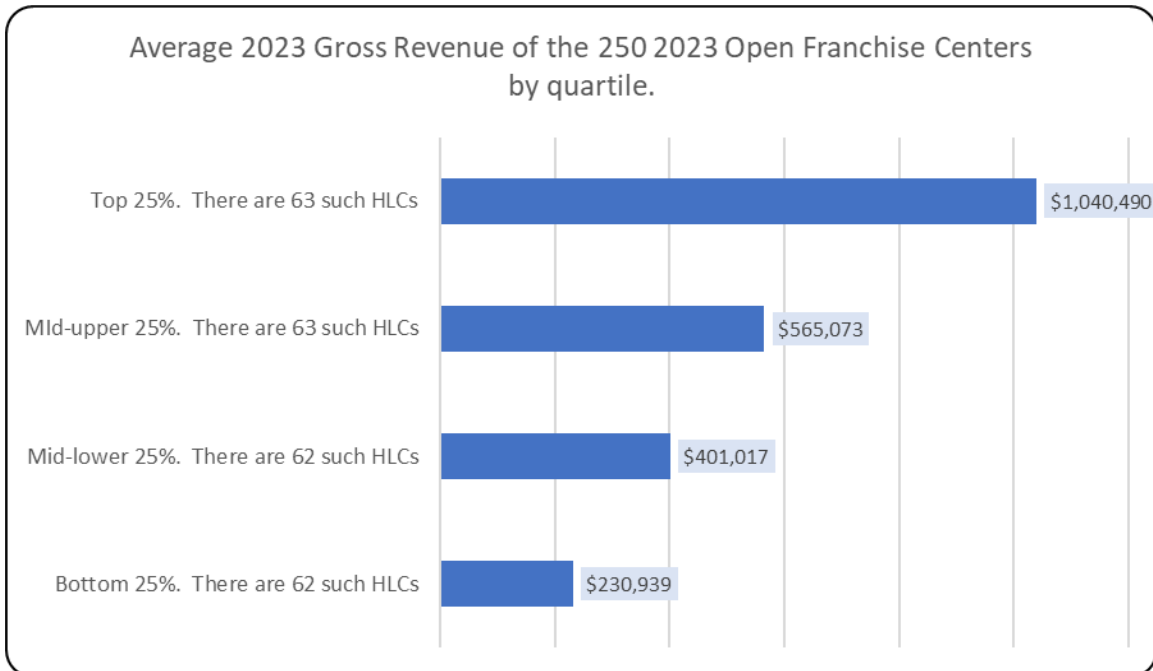
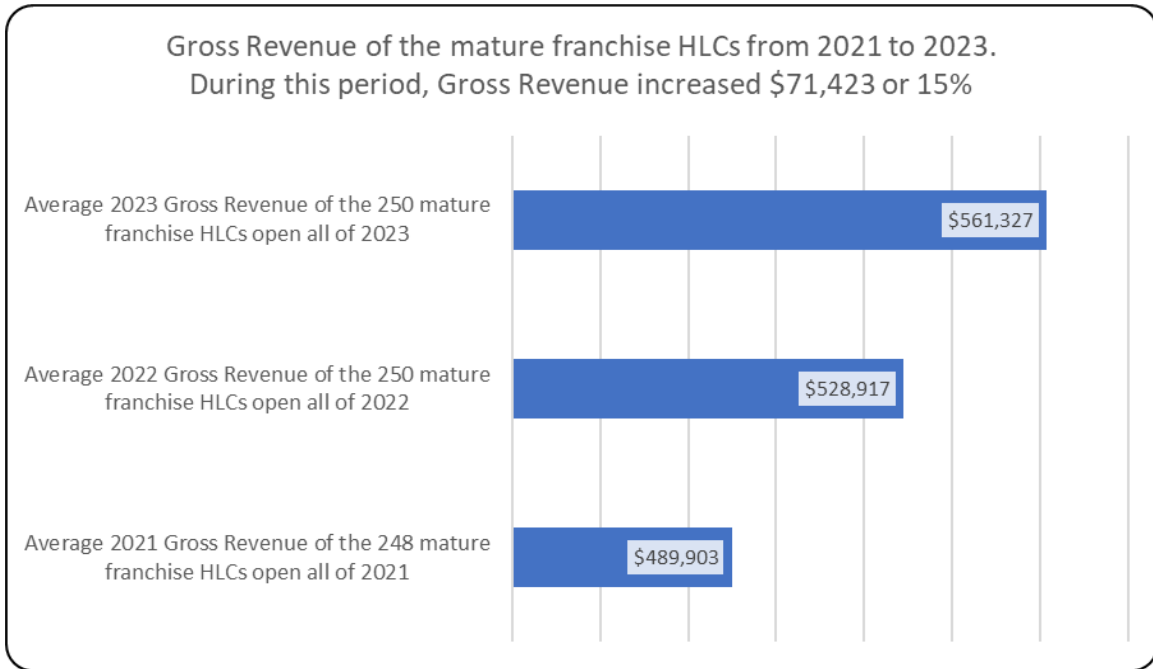
Revenue summary: From 2021 to 2023, average Gross Revenue of the mature franchise HLCs reported in these tables increased from \$489,903 to \$561,327, a \$71,423 or 15% increase.

Table A			
Financial performance averages			
Table	Description	Item	Average
19-1	Average 2021 Gross Revenue of the 248 mature franchise HLCs open all of 2021	All services	\$489,903
19-1	Average 2022 Gross Revenue of the 250 mature franchise HLCs open all of 2022	All services	\$528,917
19-1	Average 2023 Gross Revenue of the 250 mature franchise HLCs open all of 2023	All services	\$561,327
19-2	Average 2023 Gross Revenue of the 250 2023 Open Franchise Centers by quartile	Bottom 25%. There are 62 such HLCs	\$230,939
		Mid-lower 25%. There are 62 such HLCs	\$401,017
		Mid-upper 25%. There are 63 such HLCs	\$565,073
		Top 25%. There are 63 such HLCs	\$1,040,490
19-3	Average 2023 Gross Revenue of the 250 2023 Open Franchise Centers by halves	Bottom half. There are 124 such HLCs	\$315,978
		Top half. There are 126 such HLCs	\$802,782
19-4	Sales by service. Average ratio of sales to Gross Revenue of the 2023 Open Franchise Centers	Learning Center	63%
		Test Prep	23%
		Subject Tutoring	7%
		Other	7%

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Table A			
Financial performance averages			
Table	Description	Item	Average
19-5	AE Rates. Average Academic Evaluation Rates of the 2023 Open Franchise Centers	Learning Center	59%
		Test Prep	72%
19-6	Learning Center Enroll Rates. Average Enroll Rates of the 2023 Open Franchise Centers	System	66%
		Using Coaching	72%
		Using Virtual Conferencing	71%
19-7	Exam Prep Enroll Rates. Average Enroll Rates of the 2023 Open Franchise Centers	System	59%
		Using Coaching	73%
		Using Virtual Conferencing	78%
19-8	Hourly Tuition. Hourly tuition at the 2023 Open Franchise Centers	Learning Center	\$58
		Test Prep	\$79
19-9	Length of Stay. Length of Stay at the 2023 Open Franchise Centers	Learning Center	90 hours
		Test Prep	42 hours
19-10	Average Monthly Fees paid in 2023 at the franchised HLCs that used the Call Center or Conference Services (i.e., Coaching or Virtual Conferencing)	Call Center, 187 HLCs	\$1,151 per month
		Conference Services, 187 HLCs	\$961
19-11	Average premises monthly rent and square footage at the 6 new franchised HLCs that opened during 2022-2023	Rent	\$4,274 per month
		Square footage	1,889 square feet
19-12	2023 average salaries at the Company-Owned Centers open all or part of this year	Teacher pay as a percent of gross revenue	22.0%
		Assistant Director base salary	\$44,559
		Center Director or Center Manager base salary	\$53,600

The following graphs summarize portions of Table A:



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Table 19-1 presents the Gross Revenue of the 2021 Open Franchise Centers, 2022 Open Franchise Centers, and 2023 Open Franchise Centers. For example, the 2023 Open Franchise Centers were open all of 2022 and 2023. The Gross Revenue at these centers during 2021, 2022, and 2023 averaged \$489,903, \$528,917, and \$561,327, respectively.

Table 19-1												
Gross Revenue of franchised Huntington Learning Center® businesses												
Results for the year	Criterion	# centers open the entire year	Average					Median				
			Average Gross Revenue	Number greater than average	Percent greater than average	Lowest Gross Revenue	Highest Gross Revenue	Median Gross Revenue	Number greater than median	Percent greater than median	Lowest Gross Revenue	Highest Gross Revenue
2021	Opened during 2020 or before	248	\$489,903	101	41%	\$145	\$2,897,184	\$419,013	124	50%	\$145	\$2,897,184
2022	Opened during 2021 or before	250	\$528,917	103	41%	\$59,244	\$2,692,251	\$452,010	125	50%	\$59,244	\$2,692,251
2023	Opened during 2022 or before	250	\$561,327	87	35%	\$52,681	\$2,978,837	\$477,596	125	50%	\$52,681	\$2,978,837

Table 19-2 presents the Gross Revenue by quartile for the 2023 Open Franchised Centers. These centers were open all of 2022 and 2023. For example, the Gross Revenue of the 63 centers that comprised the top quartile averaged \$1,040,490.

Table 19-2											
Gross Revenue by quartiles of the 250 2023 Open Franchise Centers											
Quartile	Number of franchised HLCs in this quartile	Average					Median				
		Average Gross Revenue	Number greater than average	Percent greater than average	Lowest Gross Revenue	Highest Gross Revenue	Median Gross Revenue	Number greater than median	Percent greater than median	Lowest Gross Revenue	Highest Gross Revenue
Bottom 25%	62	\$230,939	36	58%	\$52,681	\$316,321	\$242,730	31	50%	\$52,681	\$316,321
Mid-lower 25%	62	\$401,017	33	53%	\$316,604	\$473,357	\$407,358	30	48%	\$316,604	\$473,357
Mid-upper 25%	63	\$565,073	24	38%	\$473,470	\$691,856	\$548,699	31	49%	\$473,470	\$691,856
Top 25%	63	\$1,040,490	20	32%	\$698,433	\$2,978,837	\$926,503	31	49%	\$698,433	\$2,978,837
All	250	\$561,327	87	35%	\$52,681	\$2,978,837	\$481,721	124	50%	\$52,681	\$2,978,837

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Table 19-3 presents the Gross Revenue by half for the 2023 Open Franchised Centers. These centers were open all of 2022 and 2023. For example, the Gross Revenue of the 126 centers that comprised the top half averaged \$802,782.

Table 19-3											
Gross Revenue by halves of the 250 2022 Open Franchise Centers											
Quartile	Number of franchised HLCs in this half	Average					Median				
		Average Gross Revenue	Number greater than average	Percent greater than average	Lowest Gross Revenue	Highest Gross Revenue	Median Gross Revenue	Number greater than median	Percent greater than median	Lowest Gross Revenue	Highest Gross Revenue
Bottom half of the 2023 Open Franchise Centers by Gross Revenue	124	\$315,978	63	51%	\$52,681	\$473,357	\$316,604	61	49%	\$52,681	\$473,357
Top half of the 2023 Open Franchise Centers by Gross Revenue	126	\$802,782	48	38%	\$473,470	\$2,978,837	\$698,433	62	49%	\$473,470	\$2,978,837
All	250	\$561,327	87	35%	\$52,681	\$2,978,837	\$481,721	124	50%	\$52,681	\$2,978,837

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Table 19-4 presents the ratio of sales to Gross Revenue for Learning Center, Test Prep, Subject Tutoring, and Other services at the 2023 Open Franchised Centers. Percents may not total to 100% due to rounding. Other sales consist of Academic Evaluation fees, registration fees, and miscellaneous sales. For example, Learning Center Service averaged 63% of center sales at the 2023 Open Franchise Centers.

Table 19-4						
Sales by service of the 250 2023 Open Franchise Centers						
Service	Average			Median		
	Average ratio of sales to Gross Revenue	Number greater than average	Percent greater than average	Median ratio of sales to Gross Revenue	Number greater than median	Percent greater than median
Learning Center	63%	111	48%	62%	115	50%
Test Prep	23%	108	47%	22%	115	50%
Subject Tutoring	7%	86	37%	6%	115	50%
Other	7%	113	49%	7%	115	50%

Table 19-5 presents the Academic Evaluation ("AE") Rates at the 2023 Open Franchised Centers. The AE Rate is the ratio of the number of AEs to the number of inquiries. For example, the Learning Center AE Rate averaged 59%.

Table 19-5						
Academic Evaluation Rates of the 250 2023 Open Franchise Centers						
Service	Average			Median		
	Average AE Rate	Number greater than average	Percent greater than average	Median AE Rate	Number greater than median	Percent greater than median
Learning Center	59%	118	47%	58%	125	50%
Test Prep	72%	115	46%	71%	124	50%

Table 19-6 presents Learning Center Enroll Rates at the 2023 Open Franchised Centers at centers with at least two conferences during the year. The Enroll Rate is the ratio of the number of enrollments to the number of AEs. For example, the Learning Center Enroll Rate at the System's 250 HLCs averaged 69%, at the 125 HLCs that used Coaching, the rate averaged 72%, and at the 150 HLCs that used Virtual Conferencing, the rate averaged 71%.

Table 19-6							
Learning Center Enroll Rates at the 2023 Open Franchise Centers							
Group	Number of participating HLCs	Average			Median		
		Average Enroll Rate	Number greater than average	Percent greater than average	Median Enroll Rate	Number greater than median	Percent greater than median
System	250	69%	130	52%	69%	125	50%
Using Coaching	125	72%	68	54%	77%	50	40%
Using Virtual Conferencing	150	71%	84	56%	72%	53	35%

Table 19-7 presents the Exam Prep Enroll Rates at the 2023 Open Franchised Centers with at least two conferences during the year. The Enroll Rate is the ratio of the number of enrollees to the number of AEs. For example, the Exam Prep Enroll Rate at the System's 250 HLCs averaged 65%; at the 111 HLCs that used Coaching, the rate averaged 73%; and at the 111 HLCs that used Virtual Conferencing, the rate averaged 78%.

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Table 19-7							
Exam Prep Enroll Rates at the 2023 Open Franchise Centers							
Group	Number of participating HLCs	Average			Median		
		Average Enroll Rate	Number greater than average	Percent greater than average	Median Enroll Rate	Number greater than median	Percent greater than median
System	250	65%	162	65%	69%	125	50%
Using Coaching	111	73%	62	56%	76%	54	49%
Using Virtual Conferencing	111	78%	63	57%	81%	53	48%

Table 19-8 presents the hourly tuition rates from the 2023 Open Franchised Centers. For example, their Learning Center tuition rate averaged \$58 per hour and their Exam Prep tuition rate averaged \$79 per hour.

Table 19-8						
Hourly Tuition by service at the 2023 Open Franchise Centers						
Service	Average			Median		
	Average hourly tuition	Number greater than average	Percent greater than average	Median hourly tuition	Number greater than median	Percent greater than median
Learning Center	\$58	113	49%	\$57	115	50%
Test Prep	\$79	103	45%	\$77	115	50%

Table 19-9 presents the Length of Stay at the 2023 Open Franchised Centers. Length of Stay or "LOS" is the number of hours a student uses before ceasing instruction. For example, Learning Center Length of Stay averaged 90 hours.

Table 19-9						
Length of Stay of the 2023 Open Franchise Centers						
Service	Average			Median		
	Average LOS	Number greater than average	Percent greater than average	Median LOS	Number greater than median	Percent greater than median
Learning Center	90	113	49%	89	115	50%
Test Prep	42	99	44%	40	117	52%

Table 19-10 presents the monthly fees that the 187 franchised Centers that used the Call Center paid for its services and the monthly fees that the 187 franchised Centers that used Conference Services (i.e., Coaching and Virtual Conferencing) paid for its services in 2023. For example, the average Call Center fees were \$1,151 per month; and the average Conference Services fees were \$961 per month.

Table 19-10							
Average Monthly Fees Paid by Franchised HLCs Using Call Center Services, Coaching Services, and Virtual Conferencing Services in 2023							
Service	Number of participating franchised HLCs	Average			Median		
		Average fee per month	Number greater than average	Percent greater than average	Median fee per month	Number greater than median	Percent greater than median
Call Center	187	\$1,151	63	34%	\$978	92	49%
Coaching & Virtual Conferencing	187	\$961	57	30%	\$617	93	50%

Table 19-11 presents the monthly rent and square footage of the 6 new franchised HLCs that opened during 2022 and 2023. Rent is the first year's base rent plus common area maintenance (CAM) charges. Generally, rent increases in subsequent years due to negotiated rent increases. These HLCs are located

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in CT, FL, GA, NC, TX, UT. For example, their base rent and CAM averaged \$4,274 per month and they averaged 1,889 square feet in size.

Table 19-11						
Premises Rent and Square Footage at new franchised HLCs during 2022-2023						
Category	Average			Median		
	Average	Number greater than average	Percent greater than average	Median	Number greater than median	Percent greater than median
Rent	\$4,274	2	33%	\$3,933	3	50%
Square footage	\$1,889	2	33%	\$1,475	3	50%

Table 19-12 presents information about salaries (excluding bonus, taxes, and benefits) for the 400 teachers, 30 Center Directors/Center Managers, and 16 Assistant Directors who Company-Owned Centers employed in 2023. We calculated the number greater than average, percent greater than average, number greater than median, and percent greater than median based on the number of centers in which teachers worked. We calculated these statistics for Assistant Directors and Center Directors/Center Managers based on the number of individuals who worked at these centers. In addition to salaries, Huntington Learning Corporation pays bonuses to its Assistant Directors and Center Directors/Center Managers. Teacher pay as a percent of revenue and teacher, Assistant Director, and Center Director/Center Manager salaries may differ substantially at franchised HLCs.

Table 19-12						
Salaries at the Company-Owned Centers open all or part of 2023						
Category	Average			Median		
	Average	Number greater than average	Percent greater than average	Median	Number greater than median	Percent greater than median
Teacher pay as a percent of gross revenue	22.0%	173	43%	22.0%	183	46%
Assistant Director base salary	\$44,559	10	63%	\$45,006	6	38%
Center Director /Manager base salary	\$53,600	16	53%	\$54,595	15	50%

Gross Margin

This section estimates that the Open Franchise Centers achieved a 2023 Gross Margin of \$176,493 and a Gross Margin Percent of 31%. Gross Margin is Gross Revenue (\$561,327) less Principal Expenses (\$384,834) and Gross Margin Percent is the ratio of Gross Margin to Gross Revenue.

"Principal Fixed Expenses" are rent, advertising, full-time payroll, Call Center fees, Coaching and Virtual Conferencing fees, and Training and Technology fees. You may consider other expenses to be Principal Fixed Expenses. We excluded Virtual Testing, since we did not offer it in 2023. Fixed expenses are the expenses you can forecast with some confidence, because they typically do not change significantly from month to month. (Note that Call Center fees and Coaching and Virtual Conferencing fees vary from month to month. However, over the course of a year, they tend to total to the figures used in this section). From Table A, these annual expenses average \$51,288 (for rent), \$57,000 (for minimum advertising), and \$53,600 (for full-time payroll for one Center Manager - excluding bonus, payroll tax, and benefits). Using the medians from Table A we estimate these annual expenses as \$11,731 (for Call Center fees), \$7,404 (for Coaching and Virtual Conferencing fees). Training and Technology Fees are \$15,600. Using these figures, 2023 Principal Fixed Expenses totaled \$196,624.

"Principal Variable Expenses" are teacher pay, royalty, and Huntington Ad Fund payments. Variable expenses are expenses that vary depending on many factors, including revenue. You may consider other expenses to be Principal Variable Expenses. Using the average 2023 Open Franchise Center revenue of \$561,327 from Table A, these annual expenses averaged \$123,657 (teacher pay at 22.0% times revenue), \$53,326 (royalty at 9.5% times

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revenue), and \$11,227 (Huntington Ad Fund at 2% times revenue). Your revenue may be lower than the average revenue in Table A, especially during your start-up period. Using these figures, 2023 Principal Variable Expenses totaled \$188,210.

"Principal Expenses" is the sum of Principal Fixed Expenses and Principal Variable Expenses. Using the above figures, these were \$196,624 and \$188,210, respectively, and totaled \$384,834. Your results may differ. You may have other or different principal fixed or principal variable expenses, especially during your start-up period. These other expenses include those in the following table, which includes some of the expense items that franchisees present on their end-of-year profit and loss statements; your profit and loss statement may contain additional or different items. Some outlets have earned this amount and had expenses of these amounts. Your individual results may differ. There is no assurance that your results will be similar.

Expenses Listed on the End-of-Year P&L Statement that Franchisees Must Submit to Us	
Gross payroll – Franchisee	Training and Technology Fee
Gross payroll – Teacher Supervisor, Program Administrator	Supplies
Gross payroll – part-time teachers	Professional fees (accounting, legal, etc.)
Gross payroll – any other part-time staff	Telephone & internet service provider
Commissions and bonuses	Accounting & payroll expenses
Payroll taxes (Employer FICA, FUTA, etc.)	Travel and entertainment
Employee benefits	Royalty
Advertising (TV, radio, direct mail, print, internet, etc.)	Huntington Advertising Fund Fee
Payment to CoOp	Contract Services Advertising Fund Fee
Building (rent, utilities, janitor, maintenance, etc.)	Insurance (property, liability, health, workman’s comp, etc.)
Repairs and maintenance	Depreciation and amortization
Utilities (gas, water, electric)	Debt service
Call Center fees	Training (travel, food, lodging, etc.) & convention
Conference Services fees	Taxes, other than payroll
Virtual Testing fees	Other expenses

States in which franchised HLCs operated during 2023					
AL	FL	KY	MS	NY	TX
AZ	GA	LA	MT	OH	UT
AR	IA	MA	NC	OK	VA
CA	ID	MD	NE	OR	WA
CO	IL	MI	NJ	PA	WI
CT	IN	MN	NM	SC	
DE	KS	MO	NV	TN	

How we calculated the financial performance representations in this Item 19

Except for full-time payroll, rent, Call Center fees, Virtual Testing fees, and Coaching Service fees, we calculated the financial performance representations in this item from data franchisees entered into our Software. We calculated rent from reports franchisees submitted to us. We calculated Call Center and Coaching Service fees from amounts franchisees paid us. We believe operational data are accurate, because franchisees use the data they enter into the Software to operate and manage their franchised businesses. We believe the sales data are accurate, because franchisees pay us Royalty and Huntington Advertising Fund Fees calculated as a percentage of sales. We have neither audited nor in any other manner substantiated truthfulness, accuracy, or completeness of any data franchisees supplied to us.

Notes

Many factors influence sales, expenses, and operating results, including economic, social, and demographic factors, like local economic conditions, the local market for your services, the number of nearby school-age children, and average household income. These factors include present and future federal, state, and municipal laws and regulations.

Revenue, Academic Evaluation Rates, Enrollment Rates, Length of Stay, and other key operating statistics vary widely among franchised HLCs and depend on many factors, like quality of customer service, timeliness of the Academic Evaluation and enrollment conference and the quality of these experiences, quality of your instruction and customer service, and other factors. Some outlets were able to obtain the results in this Item 19. Your results may differ. There is no assurance that you will obtain these results.

If you estimate *revenue per inquiry* as the product of Academic Evaluation Rate, Enrollment Rate, Length of Stay, and hourly tuition, then your estimate may differ significantly from the actual *revenue per inquiry* you achieve. If you estimate your *revenue* as the product of *number of inquiries* and *revenue per inquiry*, then your estimate may differ significantly from the actual *revenue* you achieve.

This Item 19 presents information about square footage and rent for a small number of franchised HLCs from a limited geographic area during a limited period of time. Your rent may be higher. Rent typically is higher for retail space than non-retail or professional space. Rent typically is higher in higher density or urban areas or in certain areas of the country.

Franchised HLCs differ from each other in many important ways, including the personnel they employ, the training they provide to their personnel, their management of their personnel, their market area and geographic location, the number of children and population contained thereabout, and the economic and financial circumstances of this population. The economic and demographic factors that exist at and about your HLC likely will not remain constant. Franchised HLCs also differ from each other in their physical, marketing, employee, and Owner's characteristics and in many other factors that may or may not exist or be similar to the factors that exist at your HLC or in any other location or geographic area or market area that you may consider.

You should conduct an independent investigation of the costs and expenses you will incur in operating the Franchised Business. We encourage you to contact our current and former franchisees, who are listed in Exhibit G, and to consult with financial, business, and legal advisors about this Item 19.

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

Other than the preceding financial performance representations, the Franchisor does not make any financial performance representations. We 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 Chairman, Raymond J. Huntington, at 496 Kinderkamack Road, Oradell, New Jersey 07649 and telephone (800) 653-8400, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20. Outlets and Franchisee Information

All numbers in the charts in this Item 20 are as of our fiscal year end, which is December 31.

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
Center Type	Year	Centers at the Start of the Year	Centers at the End of the Year	Net Change
Franchised Businesses	2021	282	277	-5
	2022	277	276	-1
	2023	276	269	-7
Company-Owned Centers	2021	14	13	-1
	2022	13	10	-3
	2023	10	6	-4
Total Centers	2021	296	290	-6
	2022	290	286	-4
	2023	286	275	-11

State	Year	Number of Transfers
Alabama	2021	0
	2022	0
	2023	1
Arkansas	2021	0
	2022	0
	2023	0
California	2021	0
	2022	2
	2023	1
Colorado	2021	0
	2022	0
	2023	0
Connecticut	2021	0
	2022	0
	2023	0
Delaware	2021	1
	2022	0
	2023	0
Florida	2021	2
	2022	1
	2023	3
Georgia	2021	0
	2022	0
	2023	2
Idaho	2021	0
	2022	0

Table 20.2 Transfer of Centers from Franchisees to New Owners (other than the Franchisor) For years 2020 to 2022		
State	Year	Number of Transfers
	2023	0
Illinois	2021	2
	2022	2
	2023	0
Indiana	2021	0
	2022	0
	2023	0
Iowa	2021	0
	2022	1
	2023	0
Kentucky	2021	0
	2022	0
	2023	0
Maryland	2021	0
	2022	0
	2023	0
Massachusetts	2021	0
	2022	1
	2023	0
Michigan	2021	0
	2022	0
	2023	0
Minnesota	2021	0
	2022	0
	2023	1
Mississippi	2021	0
	2022	0
	2023	1
Montana	2021	1
	2022	0
	2023	0
Nebraska	2021	0
	2022	2
	2023	0
Nevada	2021	0
	2022	0
	2023	0
New Hampshire	2021	0
	2022	0
	2023	0
New Jersey	2021	0
	2022	0
	2023	1

Table 20.2 Transfer of Centers from Franchisees to New Owners (other than the Franchisor) For years 2020 to 2022		
State	Year	Number of Transfers
New York	2021	1
	2022	0
	2023	2
North Carolina	2021	3
	2022	1
	2023	0
Ohio	2021	0
	2022	2
	2023	1
Oklahoma	2021	0
	2022	0
	2023	1
Oregon	2021	0
	2022	0
	2023	0
Pennsylvania	2021	0
	2022	3
	2023	0
South Carolina	2021	0
	2022	0
	2023	1
Tennessee	2021	0
	2022	0
	2023	1
Texas	2021	3
	2022	4
	2023	3
Utah	2021	1
	2022	0
	2023	1
Virginia	2021	0
	2022	0
	2023	0
Washington	2021	0
	2022	1
	2023	0
Wisconsin	2021	0
	2022	0
	2023	0
Totals	2021	14
	2022	20
	2023	22

Table 20.3
Status of Franchised Outlets
For years 2021 to 2023

State	Year	Centers at Start of Year	Centers Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operation – Other Reasons	Centers at End of Year
Alabama	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Arizona	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Arkansas	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
California	2021	22	0	1	0	0	0	21
	2022	21	1	1	0	0	0	21
	2023	21	0	1	1	0	0	19
Colorado	2021	5	0	1	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Connecticut	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
Delaware	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
District of Columbia	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Florida	2021	33	0	0	0	0	0	33
	2022	33	2	0	0	0	0	35
	2023	35	0	1	0	0	0	34
Georgia	2021	11	0	0	0	0	0	11
	2022	11	1	0	1	0	0	11
	2023	11	0	0	0	0	0	11
Idaho	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Illinois	2021	25	0	0	0	0	0	25
	2022	25	0	0	0	0	0	25
	2023	25	0	0	0	0	0	25
Indiana	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4

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Table 20.3
Status of Franchised Outlets
For years 2021 to 2023

State	Year	Centers at Start of Year	Centers Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operation – Other Reasons	Centers at End of Year
Iowa	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Kansas	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	1	0	0	0	0
Kentucky	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Louisiana	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Maryland	2021	10	1	0	1	0	0	10
	2022	10	1	0	1	0	0	10
	2023	10	0	0	0	0	0	10
Massachusetts	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Michigan	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Minnesota	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
Mississippi	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Missouri	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Montana	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Nebraska	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Nevada	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	0	0	0	0	0	0	3
New Hampshire	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0

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Table 20.3
Status of Franchised Outlets
For years 2021 to 2023

State	Year	Centers at Start of Year	Centers Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operation – Other Reasons	Centers at End of Year
	2023	0	0	0	0	0	0	0
New Jersey	2021	16	0	1	0	0	0	15
	2022	15	0	0	0	0	0	15
	2023	15	1	0	0	1	0	15
New Mexico	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
New York	2021	14	0	0	0	0	0	14
	2022	14	2	0	0	0	0	16
	2023	16	3	0	0	0	0	19
North Carolina	2021	14	0	0	0	0	0	14
	2022	14	0	1	0	0	0	14
	2023	14	0	1	0	0	0	13
Ohio	2021	13	0	0	0	0	0	13
	2022	13	0	0	0	0	0	13
	2023	13	0	0	0	0	0	13
Oklahoma	2021	2	0	0	1	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Oregon	2021	2	0	0	0	0	0	2
	2022	2	0	1	0	0	0	1
	2023	1	0	0	0	0	0	1
Pennsylvania	2021	16	0	1	0	0	0	15
	2022	15	0	1	2	0	0	12
	2023	12	0	1	0	0	0	11
Rhode Island	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
South Carolina	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Tennessee	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Texas	2021	27	1	0	0	0	0	28
	2022	28	0	2	0	0	0	26
	2023	26	1	2	0	0	0	25
Utah	2021	3	0	1	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
Virginia	2021	12	0	0	0	0	0	12

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Table 20.3 Status of Franchised Outlets For years 2021 to 2023								
State	Year	Centers at Start of Year	Centers Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operation – Other Reasons	Centers at End of Year
	2022	12	0	0	0	0	0	12
	2023	12	0	0	0	0	0	12
Washington	2021	10	0	0	0	0	0	10
	2022	10	0	1	0	0	0	9
	2023	9	0	1	0	0	0	8
Wisconsin	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Totals	2021	282	2	5	2	0	0	277
	2022	277	9	7	3	0	0	276
	2023	276	3	8	1	1	0	269

Table 20.4 Status of Company-Owned Centers For years 2020 to 2023							
State	Year	Centers at the Start of the Year	Centers Opened	Centers Reacquired From Franchisee	Centers Closed	Centers Sold to Franchisees	Centers at End of the Year
Connecticut	2021	1	0	0	1	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
New Jersey	2021	3	0	0	0	0	3
	2022	3	0	0	1	0	2
	2023	2	0	1	0	2	1
New York	2021	10	0	0	0	0	10
	2022	10	0	0	0	2	8
	2023	8	0	0	0	3	5
Totals	2021	14	0	0	1	0	13
	2022	13	0	0	1	2	10
	2023	10	0	1	0	5	6

Table 20.5 Projected Openings as of December 31, 2023			
State	Franchise Agreements Signed but Center Not Open	Projected New Franchised Centers in Next Fiscal Year	Projected New Company-owned Center in Next Fiscal Year
Alabama	1	1	0
Florida	1	1	0

Table 20.5 Projected Openings as of December 31, 2023			
State	Franchise Agreements Signed but Center Not Open	Projected New Franchised Centers in Next Fiscal Year	Projected New Company-owned Center in Next Fiscal Year
Indiana	1	1	0
Total	3	4	0

Current and former franchisees and current Company-Owned Centers

Exhibit G lists the following, current as of the Issuance Date:

- A. Names of all current franchisees and the addresses and phone numbers of all their franchised HLCs. We identify with an asterisk those franchisees who have signed a Development Agreement with us granting rights to franchise a future franchised HLC.
- B. Locations of all Company-Owned Centers
- C. The name, city, and state and business phone number (or, if unknown, the last known home telephone number) of every franchisee who has had a franchised HLC terminated, canceled, not renewed, or who 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 10 weeks of the Issuance Date

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

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with our franchise system. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you. During the last three fiscal years, none of our franchisees signed confidentiality provisions that would restrict their ability to speak openly about their experience with the System.

We formed a Franchisee Advisory Council to provide us with advice and counsel about the operation of the System.

Item 21. Financial Statements

The following financial statements are in Exhibit A: Our audited financial statements as of and for each of the years ended December 31, 2023, 2022, and 2021.

Item 22. Contracts

Copies of contracts and other exhibits are attached to this Disclosure Document as exhibits:

Contract	Exhibit
Franchise Agreement with exhibits	B
Development Agreement with exhibits	C
General Release	D
Royalty Amendment	D
Territory Amendment	D
Asset Purchase Agreement	D
Sublease	D

Contract	Exhibit
State Specific Addenda	H

Item 23. Receipt

Two copies of an acknowledgment of your receipt of this Disclosure Document appear as Exhibit K. Please sign them and return one copy to us and retain the other for your records.

EXHIBIT A
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS



HUNTINGTON LEARNING CENTERS, INC.
Financial Statements
December 31, 2023, 2022 and 2021
With Independent Auditor's Report

Huntington Learning Centers, Inc.
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December 31, 2023, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Huntington Learning Centers, Inc.:

Opinion

We have audited the financial statements of Huntington Learning Centers, Inc. (the "Company"), which comprise the balance sheets as of December 31, 2023, 2022 and 2021, and the related statements of income and retained earnings, and cash flows for each of the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023, 2022 and 2021, and the results of its operations and its cash flows for each of 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 ("US GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US 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.

WithumSmith+Brown, PC 200 Jefferson Park, Suite 400, Whippany, New Jersey 07981-1070 T (973) 898 9494 F (973) 898 0686 withum.com

AN INDEPENDENT MEMBER OF HLB - THE GLOBAL ADVISORY AND ACCOUNTING NETWORK



In performing an audit in accordance with US 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.

Withum Smith + Brown, PC

April 17, 2024

Huntington Learning Centers Inc. Franchise Disclosure Document

Huntington Learning Centers, Inc.
Balance Sheets
December 31, 2023, 2022 and 2021

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Assets			
Current assets			
Cash	\$ 2,373,520	\$ 2,528,149	\$ 2,221,352
Accounts receivable, net	1,823,113	1,446,753	1,444,677
Prepaid expenses and other current assets	1,124,865	663,617	97,880
Current portion of notes receivable, net	98,069	12,337	56,475
Capitalized franchise costs, current	517,603	235,719	234,325
Due from affiliates, current	<u>3,177,297</u>	<u>4,660,552</u>	<u>6,989,626</u>
Total current assets	9,114,467	9,547,127	11,044,335
Due from affiliates, net of current portion	3,883,364	5,696,231	7,613,982
Capitalized franchise costs, net	610,819	1,032,433	1,217,040
Furniture, equipment and software, net	4,424,334	1,370,563	936,531
Notes receivable, net of current portion	<u>46,667</u>	<u>18,033</u>	<u>28,338</u>
Totals	<u>\$ 18,079,651</u>	<u>\$ 17,664,387</u>	<u>\$ 20,840,226</u>
Liabilities and Stockholders' Equity			
Current liabilities			
Accounts payable and accrued expenses	\$ 3,282,762	\$ 2,479,612	\$ 587,089
Deferred revenues - initial fees	233,865	230,196	236,964
Deferred revenue - continuing fees	<u>-</u>	<u>4,703</u>	<u>55,569</u>
Total current liabilities	<u>3,516,627</u>	<u>2,714,511</u>	<u>879,622</u>
Deferred revenues - initial fees, non current	999,562	1,196,573	1,046,844
Stockholders' Equity			
Common stock, stated value \$.50 per share; 200 shares authorized, issued and outstanding	100	100	100
Additional paid-in capital	99,900	99,900	99,900
Retained earnings	<u>13,463,462</u>	<u>13,653,303</u>	<u>18,813,760</u>
Total stockholders' equity	<u>13,563,462</u>	<u>13,753,303</u>	<u>18,913,760</u>
Totals	<u>\$ 18,079,651</u>	<u>\$ 17,664,387</u>	<u>\$ 20,840,226</u>

The Notes to Financial Statements are an integral part of these statements.

**Huntington Learning Centers, Inc.
Statements of Income and Retained Earnings
Years Ended December 31, 2023, 2022 and 2021**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenue			
Initial franchise and option fees	\$ 885,348	\$ 1,015,863	\$ 927,947
Continuing franchise fees	20,866,690	18,834,589	17,929,491
Equipment and materials	<u>1,469,620</u>	<u>1,454,040</u>	<u>1,072,721</u>
Totals	<u>23,221,658</u>	<u>21,304,492</u>	<u>19,930,159</u>
Costs and expenses			
Franchise sales and administrative expenses	19,631,013	17,051,584	7,172,935
Advertising and promotion	1,033,004	1,113,218	907,757
Allocated general and administrative expenses, net	-	-	3,560,257
Depreciation and amortization	<u>871,581</u>	<u>737,421</u>	<u>727,410</u>
Totals	<u>21,535,598</u>	<u>18,902,223</u>	<u>12,368,359</u>
Income from operations	1,686,060	2,402,269	7,561,800
Other interest expense	(7,646)	(11,613)	-
Interest income	<u>5,876</u>	<u>2,727</u>	<u>7,443</u>
Income before income taxes	1,684,290	2,393,383	7,569,243
Provision for state income taxes	<u>(263,858)</u>	<u>(452,781)</u>	<u>-</u>
Net income	1,420,432	1,940,602	7,569,243
Retained earnings, beginning of year	13,653,303	18,813,760	11,624,751
Less: Distributions	<u>(1,610,273)</u>	<u>(7,101,059)</u>	<u>(380,234)</u>
Retained earnings, end of year	<u>\$ 13,463,462</u>	<u>\$ 13,653,303</u>	<u>\$ 18,813,760</u>

The Notes to Financial Statements are an integral part of these statements.

Huntington Learning Centers Inc. Franchise Disclosure Document

Huntington Learning Centers, Inc.
Statements of Cash Flows
Years Ended December 31, 2023, 2022 and 2021

	2023	2022	2021
Cash flows from operating activities			
Net income	\$ 1,420,432	\$ 1,940,602	\$ 7,569,243
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	523,101	427,208	431,818
Provision for expected credit losses	193,744	1,186	(7,981)
Amortization of capitalized franchise costs	348,480	310,213	295,592
Recognition of initial franchise fees	(468,342)	(445,039)	(373,266)
Changes in operating assets and liabilities:			
Accounts receivable	(714,485)	(8,004)	(430,787)
Notes receivable	30,015	59,185	142,717
Prepaid expenses and other current assets	(461,248)	(565,737)	(12,306)
Capitalized franchise costs	(208,750)	(127,000)	(142,500)
Accounts payable and accrued expenses	819,376	1,013,779	221,332
Initial franchisee fees	275,000	588,000	273,000
Deferred revenue - continuing fees	(4,703)	(50,866)	(28,868)
Net cash provided by operating activities	<u>1,752,620</u>	<u>3,143,527</u>	<u>7,937,994</u>
Cash flows from investing activities			
Purchase of furniture, equipment and software	(2,714,354)	(861,240)	(260,676)
Repayments from (advances to) affiliates, net	<u>3,296,122</u>	<u>4,246,825</u>	<u>(6,841,222)</u>
Net cash provided by (used in) investing activities	<u>581,768</u>	<u>3,385,585</u>	<u>(7,101,898)</u>
Cash flows from financing activities			
Distributions to stockholders	<u>(2,489,017)</u>	<u>(6,222,315)</u>	<u>(380,234)</u>
Net cash used in financing activities	<u>(2,489,017)</u>	<u>(6,222,315)</u>	<u>(380,234)</u>
Net increase (decrease) in cash	<u>(154,629)</u>	<u>306,797</u>	<u>455,862</u>
Cash, beginning of year	<u>2,528,149</u>	<u>2,221,352</u>	<u>1,765,490</u>
Cash, end of year	<u>\$ 2,373,520</u>	<u>\$ 2,528,149</u>	<u>\$ 2,221,352</u>
Supplemental disclosure of cash flow information			
Interest paid	<u>\$ 7,646</u>	<u>\$ 11,613</u>	<u>\$ -</u>
State income taxes paid	<u>\$ 263,858</u>	<u>\$ 452,781</u>	<u>\$ -</u>
Supplemental disclosure of non-cash investing and financing activities			
Conversion of accounts receivable to notes receivable	<u>\$ 161,072</u>	<u>\$ 4,742</u>	<u>\$ -</u>
Accrued distributions	<u>\$ -</u>	<u>\$ 878,744</u>	<u>\$ -</u>
Capital expenditures acquired through an accrued liability	<u>\$ 862,518</u>	<u>\$ -</u>	<u>\$ -</u>

The Notes to Financial Statements are an integral part of these statements.

Huntington Learning Centers, Inc.
Notes to Financial Statements
December 31, 2023, 2022 and 2021

1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Huntington Learning Centers, Inc. (the "Company") is an "S" Corporation incorporated in Delaware which is affiliated with companies under common control. The Company franchises remedial and enrichment instruction centers throughout the United States, which offer reading, writing, mathematics, phonics, study skills and other subjects to elementary and secondary school children and, to a limited extent, adults. Franchised centers generally offer one-on-one instruction for standardized college entrance examinations. The initial franchise and renewal periods are principally 10 years, and the franchise fee varies based on the terms of the agreement. The Company also provides franchisees with specific services including, but not limited to, the following: electronic access to the Company's proprietary operating manual, design specifications for a prototypical center, a list of products and services required for use at a center, initial training seminars and access to an online training facility.

Basis of Presentation (also see Note 5)

The Company's accompanying 2023 and 2022 financial statements were prepared to reflect the effects of an internal reorganization as of January 1, 2022 in reporting the prospective results and operations of its (a) franchise business and (b) an affiliate's business of owned educational centers. In previous years, the Company was allocated certain general and administrative costs from its affiliate, using a consistent formula based principally on the relative revenue that the Company and the affiliate each generated. Given the formal plan of this affiliate to divest these owned centers and the resultant decreases in that affiliate's revenue and necessary expenses to support its operations, management believed that continuing the practice of allocating these costs to the Company was not consistent with the operational structure and the oversight of these two entities. Accordingly, the 2023 and 2022 financial statements do not include the aforementioned allocation of expenses to the Company but, rather, beginning in 2022 the Company began to incur and fund these expenses directly. Similarly, amounts related to current state tax provisions and distributions to stockholders related to and funded by the Company are recognized in the accompanying 2023 and 2022 financial statements. For 2023, 2022 and prospective periods, the Company's Management believes that this basis provides a fair presentation of its operations, activities and cash flows and their governance of the two businesses.

Revenue Recognition

The Company records revenue in accordance with Accounting Standards Codification ("ASC") 606, *Revenue Recognition - Revenue from Contracts with Customers*. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, which may involve the use of judgments and estimates. Judgments include identifying performance obligations in the contract, estimating the amount of consideration to include in the transaction price, and allocating the transaction price to each performance obligation. In determining the appropriate amount of revenue to be recognized as it fulfills its obligations under its franchise agreements, the Company performs the following steps: (i) identify contracts with franchisees; (ii) identify performance obligations; (iii) determine the transaction price; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when or as the Company satisfies each performance obligation. The aforementioned guidance also encompassed ASC 340-40, *Other Assets and Deferred Costs-Contracts with Customers* ("ASC 340-40"), which requires the deferral of the incremental, direct costs of obtaining a contract with a customer.

Huntington Learning Centers, Inc.
Notes to Financial Statements
December 31, 2023, 2022 and 2021

The Company also records revenue in accordance with ASC 952-606 *Franchisors—Revenue from Contracts with Customers* that permits the Company to apply a practical expedient for services that are provided to franchisees prior to opening. The Company records pre-opening activities that are provided to the franchisees, as distinct, standalone performance obligations. As a result, the Company is able to recognize a portion of its franchise fee attributed to training services as a distinct performance obligation from the franchise license.

The Company generates revenue primarily from the following sources:

- *Sales of Initial Franchise and Franchise Option Fees*
 Franchise fees are being recognized evenly over the various terms stipulated in the franchise agreement and the aforementioned fees ascribed to training services are recognized as performance obligations are fulfilled. Deposits received for franchise purchases were deferred until the Company had performed all services and obligations related to the sale under the franchise agreement. As of December 31, 2023, 2022 and 2021, the Company has recorded deferred revenues of \$1,233,427, \$1,426,769, and \$1,283,808, respectively, for initial franchise fees received but not earned. Revenues recognized during the years ended December 31, 2023, 2022 and 2021 that were part of the deferred revenues balance as of December 31, 2023, 2022 and 2021 were \$468,342, \$445,039 and \$373,266, respectively.

The distinct performance obligation rendered in connection with pre-opening training revenues provided to franchisees of \$115,500, \$26,250, and \$47,250 are recognized as a component of initial franchise and option fees in the Company's 2023, 2022 and 2021 results of operations, respectively.

Revenue recognized from the sale of franchises and franchise options for the years ended December 31, 2023, 2022 and 2021 is as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Initial franchises	\$ 432,613	\$ 56,038	\$ 259,739
Franchise options fees	<u>452,735</u>	<u>959,825</u>	<u>668,208</u>
Totals	<u>\$ 885,348</u>	<u>\$ 1,015,863</u>	<u>\$ 927,947</u>

- *Continuing Franchise Fees*
 Royalties are recorded as revenue when earned based on a percentage of the franchisee's gross revenue. Royalty amounts are determined based on a franchise agreement between the Company and the franchisee. Royalty revenues total \$13,023,715, \$12,394,641, and \$11,743,132 in 2023, 2022 and 2021, respectively.

Also included in continuing franchise fees are revenues for additional programs and services provided by the Company those franchisees elect to participate in and for which they sign a separate agreement for a specific, published transaction price. Fees for these programs and services are recorded as revenue as earned or when such performance obligations are fulfilled. Revenue recognized for these programs and services totals \$7,842,975, \$6,439,948 and \$6,186,359 in 2023, 2022 and 2021, respectively.

Huntington Learning Centers, Inc.
Notes to Financial Statements
December 31, 2023, 2022 and 2021

As of December 31, 2023, 2022 and 2021, the Company has recorded deferred revenue of \$0, \$4,703 and \$55,569, respectively, for other franchise fees received but not yet earned. Revenues of \$4,703, \$55,569 and \$84,437 were recognized during the years ended December 31, 2023, 2022 and 2021 associated with the corresponding deferred other franchisee fees as of December 31, 2023, 2022 and 2021.

- *Equipment and Materials*

From time to time, the Company sells computer equipment and educational materials to franchisees. Fees from the sale of these items are recorded as revenue when earned, generally when such materials are shipped. The related revenue recognized totals \$1,469,620, \$1,454,040 and \$1,072,721 in 2023, 2022 and 2021, respectively.

The total number of independently owned franchises at December 31, 2023, 2022 and 2021 was 269; 276 and 277, respectively. During the years ended December 31, 2023, 2022 and 2021, the Company executed 11, 6, and 7 new franchise agreements, respectively. At December 31, 2023, 2022 and 2021, there were 6, 10 and 13 affiliate-owned and controlled centers, respectively; the financial condition and results of operations of these affiliate owned centers are not included in the accompanying financial statements (see Note 5). In 2019, this affiliate announced a formal plan to divest these owned and controlled centers. While no assurances can be given, these sales are expected to continue in future years.

Amounts billed and due from the Company's franchisees are classified as accounts receivables, net, on the accompanying balance sheets. At January 1, 2021, such amounts totaled \$1,095,191 and deferred revenue arising from franchise arrangements totaled \$1,468,511.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during this period. The more significant estimates used by management relate to the valuation of accounts and notes receivable (and the related bad debt expense/recovery), the settlement of balances with affiliates, the measurement and useful lives of capitalized franchise costs and deferred franchise fees and the useful lives assigned to furniture, equipment and software (when placed in service). Accordingly, actual results as determined at a later date could differ from these estimates.

Cash

The Company has significant cash balances at financial institutions which throughout the year regularly exceed the Federally insured limit of \$250,000. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the Company's financial condition, results of operations, and cash flows. The amount of uninsured cash balances approximated \$2,176,000 at December 31, 2023.

Huntington Learning Centers, Inc.
Notes to Financial Statements
December 31, 2023, 2022 and 2021

Concentrations of Credit Risks (also see Note 5)

Concentrations of credit risk with respect to trade accounts and notes receivable are limited due to the large number of franchisees who are dispersed throughout the United States. From time to time, the balances of certain notes receivable represent a concentration of credit risk. To reduce such risks, the Company routinely analyzes the financial strength of franchisees and, although collateral is not required, believes that the Company maintains allowances for potential credit losses sufficient to cover its trade accounts and notes receivable credit risk.

As disclosed, the Company has outstanding receivable balances with affiliates. The Company expects to collect a portion from, or offset a portion of amounts due, the affiliates in the succeeding year; accordingly, such amounts are historically classified as a current or non-current asset in the accompanying balance sheets.

Accounts Receivable (also see Note 2)

Accounts receivable are uncollateralized, interest bearing, franchisee obligations due under normal trade terms generally requiring payment within 15 to 30 days from the invoice date. Every franchisee signs a guarantee agreement. Accounts receivable are stated at the amount billed to the franchisee. Payments of accounts receivable are allocated to the specific invoices identified on the franchisee's remittance advice or, if unspecified, are applied to the earliest unpaid invoices. Franchisee account balances with invoices dated past the due date are typically considered delinquent and bear interest at various rates up to 18% per annum. Accrued interest at December 31, 2023, 2022 and 2021 is not considered material to the accompanying financial statements.

Management individually reviews all delinquent accounts and notes receivable balances that exceed their due date and based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Accounts deemed uncollectible are written off against the allowance.

Furniture, Equipment and Software

Furniture and equipment

Furniture and equipment are recorded at cost. Depreciation is recorded over the estimated useful lives of three to five years using the straight-line method. Amortization of leasehold improvements is included as a component of depreciation expense. When property or equipment is sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is reflected in results of operations. Expenditures for maintenance, repairs and improvements which do not significantly extend the useful lives of the assets are charged to expense as incurred.

Capitalized Software

The Company is in the process of implementing and developing an integrated software system and associated costs have been capitalized in accordance with Financial Accounting Standards Board ("FASB") ASC Topic 350 "Intangibles – Goodwill and Other". The Company has capitalized incurred costs through December 31, 2023 and the system has yet to be placed into service. Accordingly, no useful life has been established.

Long-Lived Assets

The Company periodically evaluates the net realizable value of long-lived assets, principally furniture, equipment and software, relying on a number of factors including operating results, business plans, economic projections and anticipated future cash flows. An impairment in the carrying value of an asset is recognized whenever future cash flows (undiscounted) from an asset are estimated to be less than its

Huntington Learning Centers, Inc.
Notes to Financial Statements
December 31, 2023, 2022 and 2021

carrying value. The amount of the impairment recognized is the difference between the carrying value of the asset and its fair value. There were no impairment losses recorded in the years ended December 31, 2023, 2022 and 2021.

Capitalized Franchise Costs

In accordance with ASC 340-40, the Company capitalizes incremental, direct costs that were incurred in securing the underlying franchise agreement. Such costs are principally comprised of broker and sales commissions. Such costs are amortized in the Company's results of operations over the terms of the underlying franchise agreements. The amortization expense in 2023, 2022 and 2021 totaled \$348,480, \$310,213 and \$295,592, respectively.

Income Taxes

The Company elected to be taxed as an "S" corporation under the provisions of the Internal Revenue Code, as well as for all state income tax purposes. In lieu of federal corporate income taxes, the stockholders are taxed individually on their proportionate share of the Company's taxable income. Accordingly, no provision for federal income taxes is provided for in these financial statements.

Under New Jersey State "S" corporation provisions, the majority of income taxes are also the responsibility of the individual stockholders. Corporate state income taxes, which are the Company's responsibility, are provided at statutory rates.

The Company follows authoritative guidance that clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribes a recognition threshold of more-likely-than-not to be sustained upon examination. Measurement of the tax uncertainty occurs if the recognition threshold has been met. This interpretation also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods and disclosures. The Company conducts business domestically and files tax returns in the U.S. federal jurisdiction and various states. At present, there are no examinations by tax authorities, and the Company has no open years prior to 2020. The Company does not believe it has exposures arising from uncertain tax positions. Accordingly, for each of the years ended December 31, 2023, 2022 and 2021, the Company did not recognize any interest or penalties accrued for uncertain tax positions.

In recent years, various states implemented Pass-Through Business Alternative Income Tax ("BAIT") provisions. Under the provisions, pass-through entities may elect to pay a BAIT due on the sum of each of the member's share of distributive proceeds. The stockholders may then claim a tax credit for the amount of tax paid by the pass-through entity on their share of distributive proceeds. The Company elected to adopt these provisions in 2022 and total state income tax expense (including BAIT) was \$263,858 in 2023 and \$452,781 in 2022.

Advertising

The Company expenses the cost of advertising and promotions as incurred. Advertising and promotional costs charged to operations amounted to \$1,033,004; \$1,113,218 and \$907,757 in 2023, 2022 and 2021, respectively.

New Accounting Pronouncements

The FASB had issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"). ASU 2016-13 provides guidance on measurement of credit losses on financial instruments that changes the impairment model for most financial assets and certain other instruments, including accounts and note receivables and requires entities to use a new, forward-looking "expected loss" model that is expected to generally result in earlier recognition of

Huntington Learning Centers, Inc.
Notes to Financial Statements
December 31, 2023, 2022 and 2021

allowances for losses. The Company adopted the new standard effective January 1, 2023, using the modified retrospective approach; accordingly comparative prior periods were not adjusted upon adoption. The Company adopted ASU 2016-13, as required, on January 1, 2023 and such adoption had no effect on the Company's prior or current financial statements, other than presenting the requisite disclosures.

The Company's accounts receivables are uncollateralized obligations due under normal trade terms from franchised learning centers, as previously discussed. The Company also has notes receivable from certain franchisees as discussed in Note 2. The Company's methodology for establishing an allowance beginning in 2023 for expected credit losses is described further in Note 2.

Management is not aware of any other new accounting pronouncements that would have a material effect on the current and prospective periods' financial statements.

2. NOTES & ACCOUNTS RECEIVABLE

The Company carries its notes receivable at the principal amount due and accounts receivable at the value of the underlying transactions, reduced by an allowance for expected credit losses. Management evaluates significant factors that could affect the collectability of its accounts and notes receivable on a periodic basis and establishes an allowance for expected credit losses, if necessary, based on historical experience and any changes in the current and forecasted environment. As previously discussed in Note 1, effective for 2023, assessments of the current and future economic environment and a review of the franchisee operations are performed periodically which include: aging of accounts receivable, analysis of the overall industry outlook, economic performance, timeliness of cash collections, historical analysis of the individual franchisee, and any geographic areas of concern. The Company evaluates this allowance for expected credit losses on its notes receivable also includes an analysis of past payment history, credit worthiness of the borrower, and timeliness of contractual payments of interest and principal on the notes receivable in accordance with terms of the note agreement. The Company will use all resources available to recover the principal and interest on any delinquent notes receivable payments, including seeking legal action. These notes bear interest at rates of 10% per annum, have original maturity terms of 12 to 60 months from the date of issuance and are collateralized by liens on equipment, vehicles or real estate and contain personal guaranties by the borrower.

Information on these notes is as follows as of December 31:

	2023	2022	2021
Notes receivable, gross	\$ 161,427	\$ 46,423	\$ 144,119
Allowance for credit losses	(16,691)	(16,053)	(59,306)
Notes receivable, net of allowance	144,736	30,370	84,813
Less: current maturities	(98,069)	(12,337)	(56,475)
Notes receivable, net of current portion	<u>\$ 46,667</u>	<u>\$ 18,033</u>	<u>\$ 28,338</u>

Estimated maturities of notes receivable, net of loan loss allowance, in future periods are as follows:

<u>Years Ending December 31,</u>	
2024	\$ 98,069
2025	45,620
2026	1,047
	<u>\$ 144,736</u>

Huntington Learning Centers, Inc.
Notes to Financial Statements
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The aggregate provision (reduction of) for credit losses, which include amounts related to notes receivable, net of recoveries, was \$193,744, \$1,186, and \$(7,981) for the years ended December 31, 2023, 2022 and 2021, respectively.

Activity in the allowance for credit losses in the Company's notes receivable for each of the years ended December 31 is as follows:

Beginning Balance, January 1, 2021	\$ 59,306
Recoveries, net of provision	(43,253)
Write-offs	-
Ending Balance, December 31, 2021	<u>16,053</u>
Recoveries, net of provision	-
Write-offs	-
Ending Balance, December 31, 2022	<u>16,053</u>
Provision	16,691
Write-offs	(16,053)
Ending Balance, December 31, 2023	<u>\$ 16,691</u>

As discussed in Note 1, accounts receivable are amounts billed to franchisees under normal trade terms. A summary of the accounts receivable, net, as of each of the years ended December 31, 2023, 2022, and 2021 are as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Accounts receivable	\$ 2,052,455	\$ 1,560,957	\$ 1,557,695
Allowance for credit losses	(229,342)	(114,204)	(113,018)
Accounts receivable, net	<u>\$ 1,823,113</u>	<u>\$ 1,446,753</u>	<u>\$ 1,444,677</u>

Activity in the allowance for credit losses in the Company's accounts receivable for each of the years ended December 31 is as follows:

Beginning Balance, January 1, 2021	\$ 55,750
Provision	35,272
Recoveries, net of write-offs	<u>21,996</u>
Ending Balance, December 31, 2021	113,018
Provision, net of recoveries	1,186
Write-offs	-
Ending Balance, December 31, 2022	<u>114,204</u>
Provision, net of recoveries	177,053
Write-offs	(61,915)
Ending Balance, December 31, 2023	<u>\$ 229,342</u>

Huntington Learning Centers, Inc.
Notes to Financial Statements
December 31, 2023, 2022 and 2021

3. FURNITURE, EQUIPMENT AND SOFTWARE (ALSO SEE NOTE 7)

Furniture and equipment consist of the following as of December 31:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Furniture and fixtures	\$ 77,164	\$ 77,164	\$ 77,164
Computer and software	11,716,243	8,139,371	7,278,133
Leasehold improvements	84,589	84,589	84,588
	<u>11,877,996</u>	<u>8,301,124</u>	<u>7,439,885</u>
Less: accumulated depreciation	(7,453,662)	(6,930,561)	(6,503,354)
Furniture and equipment, net	<u>\$ 4,424,334</u>	<u>\$ 1,370,563</u>	<u>\$ 936,531</u>

Depreciation expense related to furniture and equipment was \$523,101, \$427,208 and \$431,818 in 2023, 2022 and 2021, respectively. The total capital expenditures pertaining to an Enterprise Resource Planning and Customer Resource Management systems that have not been placed into service as of December 31, 2023 total \$1,940,228 and are included within computer and software.

4. LINE OF CREDIT AND FINANCING ARRANGEMENTS (ALSO SEE NOTE 7)

In March of 2021, the Company and affiliates (as co-borrowers, collectively, the "Borrowers") executed, through an amendment, a successor financing arrangement with a bank for a \$3 million revolving line of credit that expires on June 30, 2025. The Borrowers also obtained a Term Note from the same bank that resulted in \$2,500,000 of cash to an affiliate; that is, no cash was funded to the Company and subsequently paid off in full on May 26, 2022. The Company's portion of the interest expense, as a co-borrower, during the years ended December 31, 2023 and 2022 was \$7,646 and \$11,613, respectively. As discussed further in Note 1, the Company did not allocate interest expense on debt arrangements to the Company during the year ended December 31, 2021.

The revolving line of credit has been available, as needed, for general working capital purposes of both the Company and its affiliates. Each entity will record a liability for the direct funding it receives under this financing agreement. Borrowings under this line of credit are collateralized by a security interest in substantially all of the co-borrowers' assets. The interest rate on the revolving line of credit is based on specific indices defined in the agreement.

The Company and the affiliates are subject to certain operational and financial covenants, including, but not limited to: a fixed charge coverage ratio of not less than 1.2. The Company and its affiliates did not comply with the fixed charge coverage ratio covenant for the year ended December 31, 2023, for which the bank granted a waiver on such noncompliance in 2024. As of December 31, 2022 and 2021, the Company and the affiliates were in compliance with the respective financing agreement's covenants. There were no outstanding borrowings under the respective lines of credit at December 31, 2023, 2022 and 2021.

Prior to the March 2021 agreement, the predecessor financing agreement between the Company and the same bank had similar terms and requirements as those contained in the current line of credit facility. In addition, under the predecessor agreement, the affiliates borrowed: (a) \$800,000 under a term loan, which was paid off in 2021 and (b) \$2,400,000 under a mortgage loan which has a maturity date of April 1, 2026 (see Note 7).

Outstanding balances under the line of credit and the term loans are secured by defined assets of both the Company and the affiliates. In addition to the Company serving as a co-borrower in this arrangement, other affiliated companies, as well as the certain Stockholders of the Company, also provide guaranties. The Company does not receive any compensation for serving as co-borrower or guarantor.

Huntington Learning Centers, Inc.
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5. RELATED PARTY TRANSACTIONS

The Company is affiliated with companies under common control and has extensive transactions with affiliates.

In 2021 certain employees of the Company performed duties for related parties and, similarly, the Company received the benefit of certain services performed by employees of related parties. Total costs and expenses, including salaries, payroll taxes, benefits, rent and other expenses, to be recorded and paid by the Company are determined based upon consistent allocations of expenses incurred by related parties. Allocated general and administrative expenses from related parties were \$4,069,128 in 2021 (net of the effects of amounts applied for under the Federal Government's Employee Retention Credit program ("ERC"), in 2021. Of these amounts, rent totaled \$636,447 in 2021. As discussed further in Note 1, the 2023 and 2022 financial statements do not include the aforementioned allocation of expenses to the Company but, rather, the Company now incurs and funds these expenses directly.

As part of an overall cash management program, the Company transfers excess funds to an affiliate and records a receivable from the affiliate. Net amounts receivable from all affiliated companies totaled \$7,060,661, \$10,356,783 and \$14,603,608 at December 31, 2023, 2022 and 2021, respectively. Of these 2023, 2022 and 2021 amounts, a total of \$3,883,364, \$5,696,231 and \$7,613,982 are not expected to be settled by its affiliates until the subsequent year and therefore are presented as non-current assets on the respective December 31, 2023, 2022 and 2021 balance sheets. The Company's management is developing a formal plan to further reduce the aforementioned receivable balance in the year ending December 31, 2024. There were no amounts due to affiliated companies at December 31, 2023, 2022 and 2021.

The Company performs certain management services for the affiliate-owned centers at determined fees. Included in continuing franchise fees are \$321,934; \$409,649; and \$238,073 in 2023, 2022 and 2021, respectively, earned from such services.

During the years ended December 31, 2023, 2022 and 2021, the Company had distributions to stockholders totaling \$1,610,273, \$7,101,059, and \$380,234, respectively. At December 31, 2022, the Company had accrued distributions to stockholders of \$878,744, included as a component of accounts payable and accrued expenses in the accompanying balance sheet. There were no outstanding amounts due as of December 31, 2023 and 2021.

As discussed in Note 1, during the years ended December 31, 2023 and 2022, the Company had total state income tax expense (including BAIT) of \$263,858 and \$452,781, respectively.

6. LITIGATION

The Company is a party to lawsuits and claims arising out of the conduct of its business, some of which relate to the collection of amounts due from specific franchisees. While the ultimate outcome of these proceedings cannot be predicted with any degree of certainty, management believes the overall effect of these lawsuits will not be material to the Company's financial position, results of operations or cash flows. At December 31, 2023, 2022 and 2021, there were no amounts accrued for the disposition of such matters.

7. COMMITMENTS (ALSO SEE NOTE 4)

The Company, along with affiliated companies, has guaranteed the mortgage debt of certain affiliated partnerships, which is due in installments through February 2026. The outstanding balance of the mortgage note approximated \$1,480,000 at December 31, 2023. The Company would be obligated to perform under the guarantees if the affiliated partnerships and other affiliates failed to pay principal and interest payments to the lenders when due. Including accrued interest, the maximum potential amount of future (undiscounted)

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payments under the guarantees would be approximately \$1,553,000 as of December 31, 2023. If the Company was required to honor the guarantees, it would be entitled to assets and property owned by the affiliated partnerships that collateralize the loans. As of December 31, 2023, the affiliated partnerships are current with their debt payments.

The Company estimates that the remaining capital expenditures related to the implementation of its new software systems are \$1.4 million in the year ending December 31, 2024.

8. SUBSEQUENT EVENTS

The Company has evaluated subsequent events after the financial statement date through April 17, 2024, which is the date the financial statements were available to be issued. Based on this evaluation, the Company has determined that no subsequent events have occurred, which require disclosure in, or adjustment to, the financial statements.

EXHIBIT B
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
FRANCHISE AGREEMENT WITH EXHIBITS



**HUNTINGTON LEARNING CENTERS, INC.
FRANCHISE AGREEMENT**

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TABLES

- Table 1 Directions for you to complete this Franchise Agreement and its exhibits and attachments. Table 1 is not part of the Franchise Agreement or its exhibits or attachments.
- Table 2 Identifying information and defined terms

EXHIBITS

- A Guarantee Agreement
- B Confidentiality Agreement
- C Amendment Agreement for Restrictions on Transfers (for Partnership or Limited Liability Company)
- D Confession of Judgement
- E Assignments and Notifications
- F Market Development Plan
- G Site Selection Area Description
- H Exclusive Area Description
- I ACH Automatic Withdrawal Authorization

Unless otherwise indicated, all references to exhibits and attachments are to exhibits attached to this Agreement. All exhibits and attachments to this Agreement are incorporated into this Agreement by reference.

Table 1 Directions for you to complete this Franchise Agreement and its exhibits and attachments. Return all signed copies of the Franchise Agreement, exhibits, and attachments to the Franchisor. The table of contents and this Table 1 are not part of the Franchise Agreement or any of its exhibits or attachments.	
Signing procedure	<ul style="list-style-type: none"> We use DocuSign or a similar service for you and us to sign.
Table 2, "Identifying Information and Defined Terms"	<ul style="list-style-type: none"> Verify entries for Franchisee, including name, legal entity, state, address, and address for notices. If you have a Premises, verify its address. Verify names of Site Selection Area, Exclusive Area, and fees. Please do not enter the Agreement Date or Expiration Date; we enter them when we sign.
Franchise Agreement signatures on page 120	<ul style="list-style-type: none"> Verify the name of the Franchisee. All Owners must sign.
Exhibit A, Guarantee Agreement	<ul style="list-style-type: none"> In the table at the beginning of the Guarantee, verify name of the Franchisee and Exclusive Area. Enter the address to which you want notices sent in the Guarantee Agreement's Paragraph 17. All Guarantors must sign and date the Guarantee Agreement. Complete Attachment A by entering your Guarantors' names, addresses, etc.
Exhibit B, Confidentiality Agreement	<ul style="list-style-type: none"> Each of your employees must sign a Confidentiality Agreement. You keep these Confidentiality Agreements in your files.
Exhibit C, Amendment Agreement for Restrictions on Transfers (For Partnership or Limited Liability Company)	<p>If the Franchisee is a partnership or limited liability company, then:</p> <ul style="list-style-type: none"> Enter the name of the Franchisee. Enter the date you sign the Amendment. All partners or members must sign. Keep this amendment in your files.
Exhibit D, Confession of Judgement	<ul style="list-style-type: none"> In the table at the beginning of the Confession, verify names of the Franchisee and Exclusive Area. All Owners and Guarantors must sign.
Exhibit E: Assignments, notifications (phones, email, internet, employees, etc.)	<p>These directions apply to each of these exhibits:</p> <ul style="list-style-type: none"> In the table at the beginning of each exhibit, verify names of the Franchisee and Exclusive Area. All Owners must sign each exhibit.
Exhibit F, Market Development Plan	<ul style="list-style-type: none"> Verify its contents. All Owners must sign.
Exhibit G, Site Selection Area Description	<ul style="list-style-type: none"> In the table at the beginning of the exhibit, verify its contents. All Owners must sign.
Exhibit H, Exclusive Area Description	<ul style="list-style-type: none"> In the table at the beginning of the exhibit, verify its contents. All Owners must sign.
Exhibit I, ACH Automatic Withdrawal Authorization	<ul style="list-style-type: none"> Verify and initial the name of the Franchisee. Do not enter a date at the top of the page. We will enter it. Enter all requested bank account information. Attach a voided business account check. All Owners must sign.

Table 2. Identifying Information and Defined Terms

Name of the franchisor (“we”, “us”, “our”, and “Franchisor”)	Huntington Learning Centers, Inc.			
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.				
The Franchisee is (circle one)	Individual(s)	Corporation	Partnership	Limited liability company
Franchisee’s state. If the Franchisee is an individual(s), enter the state(s) in which the individual(s) reside. If the Franchisee is a legal entity, enter the state in which the entity is organized.				
Franchisee address. Enter a physical address. Do not enter a post office box.				
Franchisee address for notices. Enter a physical address. Do not enter a post office box.				
Premises address for your franchised Huntington Learning Center® business (If you have not secured a Premises as of the Agreement Date, enter “NA”.)				
Site Selection Area name. “Site Selection Area” means that geographic area identified in Exhibit G within which you must locate the Premises, if, as of the Agreement Date, you and the Premises Landlord have not executed a lease for the Premises. You may open outside the Site Selection Area solely with our written permission. If you and the Premises Landlord have executed a Premises lease as of the Agreement Date, enter “NA”.				
Exclusive Area’s name. “Exclusive Area” means that geographic area, if any, about or around the Premises as you and we determine and that is set forth in Exhibit H.				
Franchise ID. We assign this code after we sign this Agreement.				
Initial Franchise Fee	\$36,000			
Training and Technology Initial Fee	\$8,000			
Effective date (“Agreement Date”) of this Agreement. We enter this date when we sign this Agreement.				
The date (“Expiration Date”) upon which this Agreement expires. If blank, it is 10 consecutive years after the Agreement Date. We enter this date when we sign this Agreement.				

This FRANCHISE AGREEMENT (“Agreement”) is made, entered into, and effective on the Agreement Date between Huntington Learning Centers, Inc., a corporation incorporated in Delaware, and you, the Franchisee.

RECITALS

- A. We or our affiliates, over a period of time and as a result of the expenditure of time, skill, effort, and money have developed and own a distinctive, valuable instructional format and operating system relating to the establishment, development, and operation of brick and mortar facilities to deliver uniform, high quality tutoring at these facilities, online, and in schools in a personal and professional manner in reading, phonics, study skills, mathematics, and related subjects principally to students in grades kindergarten through grade 12; and tutoring to prepare students for standardized and state entrance examinations, principally the SAT and ACT; all of which we may change, improve, and further develop at any time and from time to time; and
- B. Our distinct instructional format and operating system (“System”) consists of uniform standards and procedures for the marketing and operation of, and procedures, business practices, and management methods for, a franchised HLC, which include the mandatory offer and sale of Huntington Services and eTutoring and the optional offer and sale of Contract Services (we define selected capitalized terms in Paragraph 1 below); preparation of customer, school, doctor, psychologist, and Public Entity contact lists; procedures for student administration; sales and marketing materials; testing and instructional materials and curricula, including certain testing and instructional materials and curricula we own or license; computer software, including certain software we own or license; selective personnel policies; training procedures for your Owners and staff; standards and specifications for inventory, supplies, equipment, furniture, and fixtures for a franchised HLC; standards and specifications for the construction and decoration of a franchised HLC; promotional materials; marketing and advertising techniques and materials; design specifications; and accounting, business, and administrative systems (including accounting, bookkeeping, cash control, and finance procedures and systems); all of which we may change, improve, and further develop at any time and from time to time; and
- C. The System’s distinguishing characteristics include distinctive exterior and interior design, décor, layout, and color scheme; specialized equipment, furnishings, materials, curricula, testing, programs, and materials; Huntington Manuals; uniform operating methods, procedures, and techniques; other confidential operations procedures; and methods and procedures for record keeping and reporting, purchasing, marketing, and advertising, all of which we may change, improve, and further develop at any time and from time to time; and
- D. The System is identified by means of certain trade names, service marks, trademarks, trade dress, logos, logotypes, emblems, and indicia of origin, including marks “Huntington Learning Center®” and “Huntington Learning Center® (with design)” and such other trade names, service marks, and trademarks that we currently designate (and which we may designate at any time and from time to time by written notice) for use in connection with the System (collectively, the “Marks”); and
- E. We or our affiliates have developed and license certain works and materials for which we have secured common law or registered copyright protection and that we allow franchisees to use, sell, or display in connection with the marketing or operation of a HLC, whether such works and materials are now in existence or may be created after the Agreement Date; and
- F. We offer qualified persons who meet our minimum standards for character, skill, aptitude, attitude, business ability, and financial capacity the right to own and operate a franchised HLC using the System and Marks (a “Franchised Business”) offering the products and services that we authorize (and only the products and services that we authorize) and using our business system, business formats, methods, procedures, signs, designs, layouts, standards, specifications, retail products, all of which we may improve, further develop and otherwise modify at any time and from time to time; and
- G. You understand the importance of our high standards of quality, service, appearance, safety, and service and the requirement of operating the Franchised Business in accordance with this Agreement, all other written agreements between you and us, and our standards, specifications, and procedures, including our Huntington Manuals; and

- H. You understand each HLC must provide a highly personalized approach to tutor students, interact with them and their parents or guardians, communicate with their schools and professionals, and support and manage part- and full-time staff. To implement this personalized approach, you or your Primary Owner must work full-time, year-round in the Franchised Business during all hours we require it to be open; and
- I. All this Agreement's exhibits and attachments are incorporated into this Agreement by reference. Unless otherwise indicated, all references to exhibits are to exhibits attached to this Agreement. You carefully and thoroughly have read all this Agreement and all its exhibits and attachments. You understand fully this Agreement and all its exhibits and attachments in their entirety. You carefully and thoroughly read all the Franchise Disclosure Document and all its exhibits and attachments. You understand fully the Franchise Disclosure Document and all its exhibits and attachments in their entirety. You have had full and adequate opportunity to consult with, and be advised by, counsel and other professionals of your own choosing regarding the Franchise Disclosure Document and this Agreement and the transaction governed by this Agreement; and
- J. You desire that we award you franchise rights for the purpose of operating a Franchised Business and provide you initial training in connection with establishing a Franchised Business; and
- K. You have applied for a franchise to own and operate a Franchised Business; and
- L. We have approved your application to become our franchisee relying on your Owners' skills, qualifications, and representations and the trust and confidence we place in you and your Owners; and on all your representations, warranties, and acknowledgements contained in such application and this Agreement.

NOW, THEREFORE, you and we acknowledge and agree that Table 2 and each of the Recitals set forth above are true and accurate; and Table 2 and each of the Recitals are incorporated into this Agreement by reference and are made part of this Agreement. In consideration of the undertakings and commitments of each party to the other party set forth in this Agreement and all of the above representations and acknowledgements, including the above Recitals and the identifying information and defined terms in the Recitals and Table 2 above, the parties, who each intend to be legally bound by this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, agree as follows:

1 DEFINED TERMS

As used in this Agreement, the terms in this Paragraph 1 have the following meanings:

- 1.1 **Accrediting Body.** "Accrediting Body" means Middle States Association of Colleges and Schools (MSA) or any other or successor organization(s), as we determine.
- 1.2 **ACT.** "ACT" means the ACT Assessment, a standardized college admissions test created by ACT, Inc. ACT is a registered trademark of ACT, Inc.
- 1.3 **Added Software.** "Added Software" means any software we may own or license from third parties now or after the Agreement Date that we may, in our sole discretion, introduce into the System. Added Software may include Customer Relationship Management Software, Scheduling Software, and Text Messaging Software. We have the right to require you use such software. We have the right to require you pay us and vendors initial and on-going fees for its use.
- 1.4 **Additional MCP.** "Additional MCP" consists of Marketing Communication Programs that are in addition to Basic MCP. At your option, you may add additional Solicitation and Referral campaigns; and you may increase the number of educators in the Educator Program; and you may elect the outbound calling program for those in the Solicitation Program.
- 1.5 **AE Fee.** "AE Fee" is a fee you pay us for each of your academic evaluations from whatever source and for whatever reason or service. An academic evaluation occurs when you administer any initial test and, if you enroll a student without an initial test, upon such student's enrollment.
- 1.6 **Agreement Date.** "Agreement Date" is defined in Table 2, above.

- 1.7 **Agreement.** “Agreement” means this Franchise Agreement.
- 1.8 **Applicable Data Privacy Laws.** “Applicable Data Privacy Laws” means those applicable federal, state and local laws, rules, and regulations related to the security and privacy of Personal Data, including but not limited to as applicable to such Personal Data: (a) the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g; 34 C.F.R. Part 99, as amended (“FERPA”), as well as any applicable local or state laws for the handling of such information, (b) Children’s Online Privacy Protection Act (“COPPA”), (c) Telephone Consumer Privacy Act (“TCPA”), (d) the data security breach notification laws and data security laws of the various states of the United States and other privacy, security, labor, and consumer protection laws, as they may be adopted, implemented, or amended from time to time; (e) the California Consumer Privacy Act of 2018 and its implementing regulations as modified by the California Privacy Rights Act of 2020 (“CCPA”); (f) the Colorado Privacy Act of 2021 (“CPA”); (g) the Virginia Consumer Data Protection Act of 2021 (“VCDPA”); (h) the Utah Consumer Privacy Act of 2022 (“UCPA”); and (i) the Connecticut Data Privacy Act of 2022 (“CDPA”).
- 1.9 **Approved Public Entity.** An “Approved Public Entity” is a Public Entity we approve for you to provide Contract Services.
- 1.10 **Audit.** “Audit” means any examination, evaluation, inspection, or audit conducted by us or our employees or agents in any manner, including in-person or remotely.
- 1.11 **Basic MCP.** “Basic MCP” consists of Marketing Communication Programs that we conduct on your behalf as part of Training and Technology Services for no additional fee. These programs consist of the Weekly Client Email Program and a certain number of Solicitation, Referral, and Educator campaigns.
- 1.12 **Brand Standards Manual.** “Brand Standards Manual” means the electronic and non-electronic documents containing our Brand Standards.
- 1.13 **Brand Standards.** “Brand Standards” means the description of the System, including both mandatory and elective standards, specifications, policies, and procedures relating to the Marks and System, all of which we may change from time to time.
- 1.14 **Call Center License.** “Call Center License” means the non-exclusive, limited right and obligation to use the Call Center in connection with the Franchised Business.
- 1.15 **Call Center Monthly Use Fee.** “Call Center Monthly Use Fee” means the nonrefundable fee you pay to us each month during the term of the Call Center License.
- 1.16 **Call Center Standards.** “Call Center Standards” means the written description of the Call Center, including its mandatory and elective standards, specifications, policies, and procedures relating to it.
- 1.17 **Call Center.** “Call Center” means a call center we or our affiliate operates. It responds to inquiries to HLCs’ advertised phone numbers and the Phone Number during designated hours. We or our affiliate may change, improve, and further develop the Call Center at any time and from time to time.
- 1.18 **Coaching Hourly Connection Fee.** “Coaching Hourly Connection Fee” is the hourly fee you pay us for your use of Coaching Services.
- 1.19 **Coaching Services.** “Coaching Services” and “Coaching” mean a department we or our affiliate operates to help prepare you and your full-time staff for initial conferences for Learning Center Services and Test Prep Services during designated hours. We or our affiliate may change, improve, and further develop Coaching at any time and from time to time.
- 1.20 **Conference Services License.** “Conference Services License” means the non-exclusive, limited right and obligation to use Coaching and Virtual Conferencing in connection with the Franchised Business.
- 1.21 **Conference Services Monthly Use Fee.** “Conference Services Monthly Use Fee” means the nonrefundable fee you pay to us each month during the term of the Conference Services License.
- 1.22 **Conference Services Standards.** “Conference Services Standards” means the written description of

Coaching and Virtual Conferencing, including mandatory and elective standards, specifications, policies, and procedures relating to them.

- 1.23 **Conference Services.** “Conference Services” means Coaching and Virtual Conferencing.
- 1.24 **Confidential Information.** “Confidential Information” means certain proprietary and non-public information, data, materials, and know how relating to the development, marketing, and operation of HLCs, whether contained in the Huntington Manuals or otherwise; and, without limiting the foregoing, includes all intangible assets including (a) patents (design, utility, or otherwise), patent disclosures, applications and inventions (whether ultimately deemed patentable or not), (b) trademarks, service marks, trade dress, trade names, logos, corporate names and domain names, together with all of the goodwill associated therewith, (c) all original expressions in any medium, including registered and unregistered copyrights and copyrightable works, and rights in data and databases, (d) trade secrets, know-how and other confidential information, and (e) all other intangible assets related to any other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection in any part of the world.
- 1.25 **Contract Services Advertising Fund Fee.** “Contract Services Advertising Fund Fee” means the nonrefundable monthly contribution you pay into the Contract Services Advertising Fund.
- 1.26 **Contract Services Advertising Fund.** “Contract Services Advertising Fund” means a fund we created and manage to pay the expenses of promoting and enhancing the value, general public recognition, and acceptance of the Marks in connection with Contract Services.
- 1.27 **Contract Services License.** “Contract Services License” means the non-exclusive, limited right and obligation to provide Contract Services in connection with the Franchised Business.
- 1.28 **Contract Services Revenue.** “Contract Services Revenue” means Gross Revenue for Contract Services.
- 1.29 **Contract Services.** “Contract Services” means Tutoring or Test Prep provided in-person at the Premises or at a Public Entity’s premises or online using eTutoring in connection with Group Testing Marketing, In-school Exam Prep, or Public-Private Partnership and paid fully or partially by any Public Entity. Such payment may be through the federal No Child Left Behind Act (NCLB), the Every Student Succeeds Act (ESSA), as amended, the Individuals with Disabilities Education Act (IDEA), as amended, or any other local, city, state, and federal law or regulation.
- 1.30 **CoOp Advertising Fee.** “CoOp Advertising Fee” means a contribution payable to a CoOp.
- 1.31 **CoOp.** “CoOp” means a group of HLCs we designate that we formed to promote the value, general public recognition, and acceptance of the Marks.
- 1.32 **Copyrighted Works.** “Copyrighted Works” means any copyrighted or copyrightable name, item, material, book, test, curriculum item, electronic book, software, or other thing that we or our affiliates own or may develop from time to time in any language and that we authorize you to use in the Franchised Business. Copyrighted Works include the Huntington Manuals, Testing Materials and Curricula, forms, reports, advertising and promotional materials, books, electronic books, posters, signs, computer software, and any translation, paraphrasing, or summarization of any of these items.
- 1.33 **Customer Relationship Management Software.** “Customer Relationship Management Software” means any customer relationship management software we may own or license now or after the Agreement Date from third parties that we may, in our sole discretion, introduce into the System.
- 1.34 **Customer Service Call Fee.** “Customer Service Call Fee” is defined in Paragraph 6 below.
- 1.35 **Domain.** “Domain” means any website, domain name, blog, URL, electronic mail address, Internet presence, Networking Media Site, or other electronic communications portal.
- 1.36 **eCenter.** “eCenter” means a portal to a collection of web-based software tools and services.
- 1.37 **eCurricula.** “eCurricula” means electronic-based or electronic-delivered curricula and testing

material and programs that we may own or third parties may license to us now or after the Agreement Date. If we make any eCurricula available to you, we have the right to require you pay us and vendors initial and on-going fees for its use.

- 1.38 **Email Address.** "Email Address" means a @HLCMail.com email address that we establish.
- 1.39 **eProblem.** "eProblem" means any problem, malfunction, failure of operation or transmission, or inappropriate operation or transmission of any kind that may occur at any time or from time to time in (a) any software or technology, including Franchisor Technology, we permit or require you to use; and (b) any computer system or program you use or any computer with which such software or technology is, or may be, operating at any location, including at, or in connection with, the Franchised Business. Such problem, malfunction, failure of operation or transmission, or inappropriate operation or transmission may be of any duration and may be of any severity. Such problem, malfunction, failure to operate, or inappropriate operation or transmission may be due to any reason or no reason, including our or third-party errors or omissions; any mix of computing capacity or resources; insufficient computing capacity or resources; security threats or breaches; spyware; malware; ransomware; scams; identity theft; developer, user, or administrator error; malicious activity by any third-party; failure of our or any third-party hardware; power disruptions and failures by us or any third party; internal or external network access disruptions and failures; authentication or authorization failures; inaccurate, corrupted, or missing data; date- or time-related problems; and inappropriate or erroneous transmission of your or Franchised Business attributes (like phone number, address, hours of operation and sensitive information, such as passwords) to or from, or in connection with, any Website, Networking Media Site. In connection with eProblem, the term "computer" includes any computer, personal computer, desktop computer, Chromebook, workstation, server, networked computer, notebook, laptop, tablet, personal digital assistant, phone, mobile phone, smart phone, information appliance, and similar device.
- 1.40 **ePromotion Fee.** "ePromotion Fee" is defined in Paragraph 6 below.
- 1.41 **eTutoring License.** "eTutoring License" means the non-exclusive, limited right and obligation to use eTutoring in connection with the Franchised Business.
- 1.42 **eTutoring Revenue.** "eTutoring Revenue" means Gross Revenue for eTutoring.
- 1.43 **eTutoring Service.** "eTutoring Service" or "eTutoring" means Tutoring and Test Prep provided online.
- 1.44 **Exclusive Area.** "Exclusive Area" is defined in Table 2, above.
- 1.45 **Expiration Date.** "Expiration Date" is defined in Table 2, above.
- 1.46 **Franchised Business.** "Franchised Business" means a franchised HLC.
- 1.47 **Franchisee Description Form.** "Franchisee Description Form" means the document in which you provide us information about the Franchisee and its Owners.
- 1.48 **Franchisee Entities.** "Franchisee Entities" means you and your past, present, and future affiliates and your and their successors and assigns and your and their respective past, present, and future board members, directors, officers, shareholders, employees, and agents.
- 1.49 **Franchisee.** "Franchisee" and "you" are defined in Table 2, above.
- 1.50 **Franchisor Entities.** "Franchisor Entities" means us and our past, present, and future affiliates and our and their successors and assigns and our and their respective past, present, and future board members, directors, officers, shareholders, employees, and agents.
- 1.51 **Franchisor Technology.** "Franchisor Technology" means any present and future software, hardware, networking, and technology and their related utilities, documentation, training, and assistance that we use, or, by written notice, require or permit you to use, in connection with the Franchised Business. Franchisor Technology includes Training and Technology Services, Franchisor extranet, Websites, our Networking Media Sites, Supporting Services, Online Training Facility, Software, and

any Added Software. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

- 1.52 **Franchisor.** “Franchisor”, “we”, “us”, and “our” mean Huntington Learning Centers, Inc.
- 1.53 **Gross Revenue.** “Gross Revenue” means all received and accrued revenue, including cash, cash equivalents, and credit, derived directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, from all business conducted with the use of the Marks or System or upon, from, or with, Huntington Services, eTutoring, or Contract Services, whether evidenced by check, cash, credit, charge, exchange, or otherwise (including the proceeds of any business interruption insurance policies) and whether for services or products provided or to be provided and whether such services or products are permitted or not permitted under this Agreement. Gross Revenue includes the fair market value of any goods or services received by you, directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, in the event consideration other than cash is received. If you and we cannot agree on the fair market value of these goods and services, then we have the right to designate an independent appraiser, and the appraiser’s determination of the fair market value will be binding. You and we will bear the cost of the appraisal equally. You will pay us all Third Party Costs (except the cost of the appraisal) we incur in connection with such appraisal. Gross Revenue must not be offset by any expense; however, Gross Revenue excludes (a) all sales or similar taxes that, by law, are chargeable to customers (if such taxes are separately stated and charged to the customer, paid by the customer, and paid to the appropriate taxing authority by you) and (b) any documented refund given to customers by you in good faith.
- 1.54 **Group Testing Marketing.** “Group Testing”, “Group Testing Marketing”, or “GTM” means group testing and conferences for the SAT or ACT.
- 1.55 **Guarantor.** “Guarantor” means each person who signs our Guarantee Agreement. The current version of the Guarantee Agreement is attached as Exhibit A.
- 1.56 **HLC.** “HLC” means a Huntington Learning Center® business.
- 1.57 **Home Tutoring.** “Home Tutoring” means Tutoring, Test Prep, and any testing, tutoring, homework help, test preparation, or other academic assistance that (a) is conducted in person in any manner at any location outside the Premises, including a student’s, tutor’s, or other individual’s home or at a public place, such as a library or coffee shop; and (b) is in any academic or other subject, including reading, phonics, study skills, mathematics, science, or other subjects; or consists of preparation for any state or standardized entrance examination, including the SAT and ACT. Home Tutoring is not part of Huntington Services, eTutoring, Contract Services, or the franchise rights granted hereunder.
- 1.58 **Huntington Advertising Fund Fee.** “Huntington Advertising Fund Fee” means the nonrefundable monthly contribution you pay into the Huntington Advertising Fund.
- 1.59 **Huntington Advertising Fund, Inc.** “Huntington Advertising Fund, Inc.” is the legal entity that administers the Huntington Advertising Fund.
- 1.60 **Huntington Advertising Fund.** “Huntington Advertising Fund” means a fund we created to pay the expenses of promoting and enhancing the value, general public recognition, and acceptance of the Marks in connection with Huntington Services and eTutoring.
- 1.61 **Huntington Learning Center®.** “Huntington Learning Center®” is a Mark under which the Franchised Business must operate.
- 1.62 **Huntington Manuals.** “Huntington Manuals” means the Brand Standards Manual, Call Center Standards, Virtual Testing Standards, Conference Services Standards.
- 1.63 **Huntington Services License.** “Huntington Services License” means the non-exclusive, limited right and obligation to use Huntington Services in connection with the Franchised Business.
- 1.64 **Huntington Services Revenue.** “Huntington Services Revenue” means Gross Revenue for Huntington

Services.

- 1.65 **Huntington Services.** “Huntington Services” means Tutoring and Test Prep provided in person at the Premises to students while those students and their tutors are physically located at the Premises.
- 1.66 **Initial Franchise Fee.** “Initial Franchise Fee” means the nonrefundable fee you pay us upon execution of this Agreement in the amount set forth in Table 2, above.
- 1.67 **In-school Test Prep.** “In-school Test Prep”, “In-school Exam Prep”, or “ISEP” means courses to
- 1.68 **Kick Start Marketing Program.** “Kick Start Marketing Program” is a mandatory marketing support program to help new and transfer HLCs kick start their marketing effort. Program duration is approximately three months. When you sign the Franchise Agreement, you pay us \$14,250, which we spend on your behalf on the following: (a) developing, launching, and, during the duration of this program, monitoring your Pay Per Click (PPC) advertising campaign, (b) conducting up to six direct mail campaigns, (c) creating and placing an organic Facebook post, and (d) providing a public relations announcement to local news outlets. We may change the Kick Start Marketing Program and its components from time to time. If we do not spend the full amount within three months, then, at our option, we may continue the program until we spend the full amount on your marketing or credit any unused balance to any amounts you owe us. We will not, and you may not, use the Kick Start Marketing Program to pay any fees your CoOp may impose. For New Franchisees, the Kick Start Marketing Program begins after the Premises receives a Certificate of Occupancy. For Transfer Franchisees, the program begins after the franchisee signs the franchise agreement. Franchisees who are renewing their franchise (i.e. Subsequent Franchisees) and franchisees who are opening a subsequent franchised business do not participate in the Kick Start Marketing Program. We control fully the manner and means by which we implement this program. You must cooperate fully with us and all relevant vendors to accomplish the goals of this program. We have no further obligation to you in connection with this program once we have expended all the funds you gave us to conduct this program or credited any unused balance to any amounts you owe us.
- 1.69 **LCOS.** “LCOS” or “Learning Center Operations System” is software you use at your Franchised Business.
- 1.70 **Lead Form Fee.** “Lead Form Fee” is defined in Paragraph 6 below.
- 1.71 **Learning Center Service.** “Learning Center Service” or “LC” means tutoring in reading, phonics, study skills, mathematics, and related areas provided in person to students by teachers.
- 1.72 **Loan Company.** “Loan Company” means a company that lends, or is capable of lending, money to your customers to pay for the services you provide.
- 1.73 **Local Media.** “Local Media” mean advertising media that claim circulation in a certain geographic area and includes direct mail, newspapers, magazines, the Internet, blogs, webinars, and television, radio, and cable stations, as we authorize in Brand Standards or by written notice from time to time. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 1.74 **Marketing Communication Program.** The “Marketing Communication Program” or “MCP” has four components: The Solicitation Program is a series of campaigns to encourage former clients to enroll or re-enroll; the Referral Program is a series of campaigns to encourage current clients to refer a friend; the Weekly Client Email Program is a weekly communication to current enrollees; and the Educator Program is a series of communications to educators for which you must deposit with us \$2,000. In conjunction with the Solicitation Program we offer an optional outbound calling program by which the Call Center conducts follow-up phone calls. Each Solicitation and Referral campaign consists of direct mail, email, Facebook ad, and text message (depending on the data you enter in the Software) that we send 2 to 4 times per month. In connection with the Referral Program, you give each referring party a gift card at your cost for each referral. On your behalf as part of Training and Technology Services and for no additional fee, we conduct the Basic MCP. At your option, you may

add Additional MCP.

- 1.75 **Marks.** "Marks" are defined in the Recitals, above.
- 1.76 **Material Item.** A "Material Item" is any interest in the Franchisee, the franchise agreement, any asset of your Franchised Business, any share of stock in a corporate Franchisee, any membership interest in a limited liability company Franchisee, any partnership interest in a partnership Franchisee, or any other material change in the Franchisee or the Franchised Business.
- 1.77 **Networking Media Site.** "Networking Media Site" means any account, page, or other presence that you, we, or others establish on a social, education, business, or other networking website or electronic communications portal, including Facebook, Twitter, LinkedIn, Google+, Myspace, YouTube, Pinterest, Instagram, Patch, Yelp, Glassdoor, and online blogs, webinars, and forums.
- 1.78 **New Franchisee.** "New Franchisee" means a Franchisee who is neither a Transfer Franchisee nor a Subsequent Franchisee.
- 1.79 **Non-Inquiry Transfer Fee.** "Non-Inquiry Transfer Fee" is defined in Paragraph 6 below.
- 1.80 **Non-monetary Default Fee.** "Non-monetary Default Fee" means a nonrefundable fee you must pay us in connection with a non-monetary default. The current amount of this fee is \$100 per day per default. This fee is subject to change.
- 1.81 **Offering.** "Offering" means (a) any exempt offering, or (b) any offering of partnership interests, membership interests, securities, or (c) any Transfer of any or all the Franchisee, this Agreement, any rights or obligations under this Agreement, or any assets of the Franchised Business to a public company, private equity firm, venture capital firm, or similar entity.
- 1.82 **Online Training Facility.** "Online Training Facility" means a web-based portal through which we offer online courses.
- 1.83 **Opening Date.** "Opening Date" means the date you begin operating the Franchised Business.
- 1.84 **Outbound Calling Fee.** "Outbound Calling Fee" is defined in Paragraph 6 below.
- 1.85 **Owner.** "Owner" means an owner of any direct or indirect interest in the Franchisee.
- 1.86 **Personal Data.** "Personal Data" is any information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual, consumer, or household, or is otherwise the type of information that is regulated by Applicable Data Privacy Laws.
- 1.87 **Phone Number.** "Phone Number" means the telephone number, 800.226.5327, or such other telephone number(s) we authorize in Brand Standards or by written notice from time to time. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 1.88 **Premises Landlord.** "Premises Landlord" means the landlord of the Premises.
- 1.89 **Premises Lease.** "Premises Lease" means the lease you and the Premises Landlord execute.
- 1.90 **Premises.** "Premises" means the real property you lease or own (as legally described in your lease or deed) at a location approved by us and in which you establish and operate the Franchised Business.
- 1.91 **Pre-opening Obligations.** "Pre-opening Obligations" means those obligations to you we are required to fulfill under this Agreement before you begin operating the Franchised Business.
- 1.92 **Primary Owner.** "Primary Owner" means a natural person, not a legal entity. You must designate an Owner to serve as the Primary Owner. The Primary Owner must (a) hold an ownership interest in the Franchisee; and (b) complete Franchisee Initial Training; and (c) be fluent in English; and (d) be responsible for managing the Franchised Business; and (e) throughout the term of the Franchise Agreement work full-time, year-round in the business during all hours it is open, which, at a

minimum, are those hours listed in the Huntington Manuals; and (f) not work in any other full- or part-time job or occupation throughout the term of the Franchise Agreement; and (g) be the individual who we can contact about the Franchised Business.

- 1.93 **Processor.** "Processor" is defined in Paragraph 18.1.2.
- 1.94 **Public Entity.** "Public Entity" means a school, school district, governmental and non-governmental organization, corporate entity, and any other non-profit and for-profit organization.
- 1.95 **Public Standards.** "Public Standards" mean all present and future laws and regulations governing Contract Services; and all present and future Public Entities' standards and procedures, including their present and future standards and procedures relating to Contract Services.
- 1.96 **Public-Private Partnership.** "Public-Private Partnership" or "PPP" means Tutoring or Test Prep provided at a Public Entity or the Premises in connection with any local, city, state, or federal government program, including the federal No Child Left Behind Act (NCLB), the Every Student Succeeds Act (ESSA), as amended, the Individuals with Disabilities Education Act (IDEA), as amended, and any similar local, city, state, and federal law or regulation.
- 1.97 **Release.** "Release" means our then-current general release in our favor in a form we prescribe. The Release is a document that is separate and distinct from this Agreement.
- 1.98 **Relocation Policy.** "Relocation Policy" is defined in Paragraph 4 below.
- 1.99 **Royalty.** "Royalty" means the nonrefundable amount of Gross Revenue you pay us each month in exchange for us granting you the limited, non-exclusive right to use the Marks and System.
- 1.100 **SAT.** "SAT" means the Scholastic Aptitude Test, a standardized college admissions test created by the College Board, Inc. SAT is a registered trademark of the College Board, Inc.
- 1.101 **Scheduling Software.** "Scheduling Software" means scheduling software we may own or license now or after the Agreement Date that we may, in our sole discretion, introduce into the System.
- 1.102 **Security Breach.** "Security Breach" means any known or suspected unauthorized or unlawful use, exfiltration, theft, access, disclosure, loss, or acquisition of any Personal Data, Confidential Information, or any Franchisor Technology or other software you use in the Franchised Business.
- 1.103 **Site Selection Area.** "Site Selection Area" is defined in Table 2, above.
- 1.104 **Software Data.** "Software Data" means all data recorded using the Software and any Added Software and includes customer, school, school staff, phone, email, vendor, testing, instructional, scheduling, marketing, financial, and operational information.
- 1.105 **Software.** "Software" means LCOS and eCenter.
- 1.106 **Subject Tutoring Fee.** "Subject Tutoring Fee" is defined in Paragraph 6 below.
- 1.107 **Subject Tutoring Services.** "Subject Tutoring Services", "Subject Tutoring", or "ST" means in-person tutoring in the subjects of junior high school, high school, and college math, science, and such other subjects as we determine from time to time.
- 1.108 **Subsequent Default Fee.** "Subsequent Default Fee" means a fee you must pay us in connection with your fourth and each subsequent default during the Term. The current amount of this fee is \$1,000. This fee is nonrefundable and subject to change.
- 1.109 **Subsequent Franchise Agreement.** "Subsequent Franchise Agreement" means the franchise agreement and all additional agreements and exhibits we then require when you exercise your option under Paragraph 3 below.
- 1.110 **Subsequent Franchise Fee.** "Subsequent Franchise Fee" means the fee you pay to us to execute a Subsequent Franchise Agreement.
- 1.111 **Subsequent Franchisee.** "Subsequent Franchisee" means a Franchisee for whom this Franchise

Agreement is a Subsequent Franchise Agreement.

- 1.112 **Supporting Services.** “Supporting Services” mean the Call Center, Virtual Testing, and Conference Services.
- 1.113 **System.** “System” is defined in the Recitals above.
- 1.114 **Term.** “Term” means the period of time beginning on the Agreement Date and ending on the Expiration Date, unless this Agreement is terminated before the Expiration Date, in which case the Term is the period of time beginning on the Agreement Date and ending on the date of termination.
- 1.115 **Test Prep Service.** “Test Prep Service”, “Test Prep”, “Exam Prep Service”, or “EP” means in-person tutoring to prepare for state examinations or high school or college standardized entrance examinations, including the SAT and ACT, or such other standardized examinations, as we determine from time to time.
- 1.116 **Testing Materials and Curricula.** “Testing Materials and Curricula” means any testing materials or curricula (including electronically-based, non-electronically-based, electronically-delivered, and non-electronically-delivered) that we require or permit you to use in the Franchised Business, including any testing materials or curricula we own or license from third parties and including any related documentation, instructional procedures, material, training, and assistance; and includes our eCurricula, math programs, study skills program, writing program, and Test Prep program. We may change Testing Materials and Curricula from time to time.
- 1.117 **Text Messaging Software.** “Text Messaging Software” means text messaging software we may own or license now or after the Agreement Date that we may, in our sole discretion, introduce into the System.
- 1.118 **Third Party Costs.** “Third Party Costs” means all costs, expenses, and losses we incur in connection with the matters involved; will not be limited by any present or future federal, state, or municipal statute or rule of any court; and includes those costs, expenses, and losses we incur for, and in connection with, attorneys, accountants, consultants (including architects, brokers, accrediting bodies, investment bankers, investigating agencies, agents, and other consultants), expert witness fees, costs of investigation and proof of facts, travel and living expenses, escrow costs, court costs, litigation costs, arbitration costs, mediation costs, and costs of alternative dispute resolution, regardless of whether litigation, arbitration, mediation, or alternative dispute resolution is commenced; and includes all costs, expenses, and losses we incur in connection with any damages associated with the matters involved. If “Third Party Costs” include any attorneys’, accountants’, or consultants’ fees or costs, then attorneys’, accountants’, and consultants’ fees or costs means the full and actual amounts of any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to “reasonable attorneys’ fees and costs”, “reasonable accountants’ fees and costs”, or “reasonable consultants’ fees and costs” as defined by any present or future federal, state, municipal statute, rule of court, or court or arbitrator decisions. No Third Party Cost you pay to us is refundable.
- 1.119 **Total Purchase Price.** “Total Purchase Price” is all consideration of any kind paid, payable, or credited, directly or indirectly, to the Franchisee, any Owner, any Guarantor, any other individual or entity in connection with a Transfer, whether money, property, or other thing or service of value. Without limiting the foregoing, “Total Purchase Price” includes all unearned revenue and refunds paid, payable, or credited to the Franchisee, any Owner, any Guarantor, and any other individual or entity in connection with the Transfer; and any payment the transferee makes, directly or indirectly to you, any Owner, any Guarantor, and any other individual or entity in connection with such individual’s employment with, or work you or they perform in connection with, the Transfer.
- 1.120 **Training and Technology Fee.** “Training and Technology Fee” means the monthly fee you must pay to us to use Training and Technology Services.
- 1.121 **Training and Technology Initial Fee.** “Training and Technology Initial Fee” means the initial fee you

must pay to us to access Training and Technology Services.

- 1.122 **Training and Technology Services.** “Training and Technology Services” means the following, all of which we may change, improve, remove, and further develop at any time and from time to time: (a) Use of the Phone Number, (b) Use of the Software, (c) Use of our Email Addresses (@HLCMail.com), (d) Use of our proprietary math, study skills, writing, phonics, and Test Prep programs, (e) Use of licensed digital testing material and curricula, (f) Use of online scheduled initial training, (g) Use of two seat licenses in our Online Training Facility; we charge for additional licenses, (h) Use of Video Chat Software licenses, (i) Use of a page on our Website for your Franchised Business’s information, (j) Attendance for up to four individuals at our convention. We charge for additional attendees, (k) Accreditation fees to the Accrediting Body, excluding out-of-pocket costs incurred by us and accreditors in accrediting your Franchised Business, (l) Use of our Help Desk, (m) LCOS restoration support, (n) Basic MCP.
- 1.123 **Transfer Franchisee.** “Transfer Franchisee” means a Franchisee who is acquiring this Franchise Agreement through Transfer.
- 1.124 **Transfer.** “Transfer” means the direct, indirect, or contingent sale, assignment, transfer, conveyance, gift, pledge, mortgage, or other encumbrance (whether by or among any of your Owners or others and whether by agreement or by law) of any Material Item to a buyer who may include you, your Owners, or third parties.
- 1.125 **Tutoring Service.** “Tutoring Services” means Learning Center Services and Subject Tutoring.
- 1.126 **Video Chat Software.** “Video Chat Software” means the software you use in connection with eTutoring.
- 1.127 **Virtual Conference.** “Virtual Conference”, “Virtual Conferencing”, “Video Conference”, and “Video Conferencing” mean procedures for us to conduct conferences virtually.
- 1.128 **Virtual Conferencing Use Fee.** “Virtual Conferencing Use Fee” means the fee you pay us for each use of Virtual Conferencing.
- 1.129 **Virtual Testing License.** “Virtual Testing License” means the non-exclusive, limited right and obligation to use Virtual Testing in connection with the Franchised Business.
- 1.130 **Virtual Testing Monthly Use Fee.** “Virtual Testing Monthly Use Fee” or “Virtual Testing Monthly Fee” means the nonrefundable fee you pay to us each month during the term of the Virtual Testing License. You must begin paying the Virtual Testing Monthly Use Fee when we introduce Virtual Testing.
- 1.131 **Virtual Testing per AE Fee.** “Virtual Testing per AE Fee” means the fee you pay us for each use of Virtual Testing.
- 1.132 **Virtual Testing Standards.** “Virtual Testing Standards” means the written description of the Virtual Testing, including mandatory and elective standards, specifications, policies, and procedures relating to it.
- 1.133 **Virtual Testing.** “Virtual Testing” mean we conduct testings remotely.
- 1.134 **Web Registration Fee.** “Web Registration Fee” is defined in Paragraph 6 below.
- 1.135 **Website.** “Website” means one or more World Wide Web sites we have the right, but not the obligation, to establish and maintain.
- 1.136 **Weekly Client Email Program.** “Weekly Client Email Program” consists of weekly emails to current enrollees to provide helpful information and build brand awareness and customer loyalty.
- 1.137 **You.** The terms “you” and “Franchisee” are defined in Table 2, above.
- 1.138 **Your Acts.** “Your Acts” means any acts, omissions, or failures to act of you, your Owners, or your employees or agents in connection with, or arising from, the Franchised Business, Premises, or

Premises Lease; any acts, omissions, failures to act, transmission of information, or failures to transmit information to, for, or on behalf of, your students, customers, employees, agents, vendors, or others by you, your Owners, or your employees or agents in connection with, or arising from, the Franchised Business, Premises, and Premises Lease; any acts, omissions, or failures to act of you, your Owners, or your employees or agents arising out of your possession, ownership, or operation of the Franchised Business or its furniture, fixtures, or equipment; or the sale or rendition of services, materials, goods, or products used or sold at, or from, the Franchised Business.

- 1.139 **Your Improvements.** “Your Improvements” means any ideas, concepts, methods, techniques, or improvements relating to the Franchised Business, Huntington Services, eTutoring, Contract Services, or the System that you or your Owners, employees, or agents may develop or license or acquire from others, including any curricula, instructional procedures, Domains, copyrights, software code, or materials you develop or license or acquire from others.

2 GRANT

- 2.1 **Franchise.** Subject to the terms of this Agreement and solely during its Term, we grant to you, and you accept, the limited right and obligation to establish and operate a Franchised Business solely at the Premises and to use the System and Marks solely as described in this Agreement. Subject to the terms of this Agreement, and solely during the Term, and providing you comply with all your obligations under this Agreement, we will not establish or operate, or license any other party to establish or operate, a HLC within the Exclusive Area during the Term.
- 2.2 **Licenses.** Subject to the terms of this Agreement and solely during its Term, we grant you, and you accept, the non-exclusive, limited right and obligation to use solely in connection with the Franchised Business the Huntington Services License, eTutoring License, Call Center License, Virtual Testing License, Conference Services License, and Training and Technology Services. Subject to the terms of this Agreement and solely during its Term, we grant to you, and you accept, the non-exclusive, limited right, but not the obligation, to use solely in connection with the Franchised Business the Contract Services License. If you have not provided any eTutoring during any twelve-month period, we have the right to terminate the eTutoring License. If you have not provided any Contract Services during any twelve-month period, we have the right to terminate the Contract Services License. We have the right to use, and to license others to use, at any location, including within and outside the Exclusive Area, Huntington Services, eTutoring, Contract Services, Call Center, Virtual Testing, Conference Services, and Training and Technology Services.

3 SUBSEQUENT FRANCHISE AGREEMENT

- 3.1 **Your option.** Subject to the terms of this Agreement, we grant to you the option to request to execute successive Subsequent Franchise Agreements, each for a term of ten consecutive years commencing immediately upon expiration of this Agreement. If you exercise this option and comply with each of the conditions in this Paragraph 3.1, we will execute the Subsequent Franchise Agreement and, after the Expiration Date, deliver a fully-executed Subsequent Franchise Agreement to you. You agree to each of the following:
- 3.1.1 **Terms and obligations.** The Subsequent Franchise Agreement will be our then-current franchise agreement and may contain terms, obligations, royalty, advertising fees, and other fees, costs, and expenses that are significantly different from, in addition to, and less favorable to you than, those in this Agreement, including no or a smaller exclusive area; and
- 3.1.2 **Due date for notice.** No later than 180 days, but no more than 240 days, before the Expiration Date, you will give us written notice in the manner described in Paragraph 21 below of your intent to exercise of your option under this Paragraph 3.1; and

- 3.1.3 Obligations. You must have satisfied each of the following conditions timely and fully at all times during the Term:
- A. You must have satisfied fully all monetary and all other obligations to us and our affiliates within the required time periods; and
 - B. You must have submitted to us all required reports within the required time periods; and
 - C. You must not have received a written default notice under this Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates in the twelve full months immediately preceding the Expiration Date; and
 - D. You must not have received three or more defaults within any 12-month period (whether or not these are the same or similar defaults and whether or not these defaults are cured) under this Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates; and
 - E. You must not have received four or more written default notices (whether or not these are the same or similar defaults and whether or not these defaults are cured) under this Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates; and
- 3.1.4 Requirements. Before the Expiration Date:
- A. Your Primary Owner must have completed initial and ongoing training to our full satisfaction; and
 - B. You must have trained all your employees to comply with our Brand Standards in the manner we then are requiring for our franchisees. We have the right to require your employees complete such training within the time period we require; and
 - C. Your Premises must comply with the standards we then require for our franchisees. We have the right to require you upgrade the Franchised Business to our then-current standards; and, if we do, you must complete the upgrade within the time period we require; and
 - D. You must present to us evidence satisfactory to us that you have the right to remain in possession of the Premises for at least the first 36 months of the term of the Subsequent Franchise Agreement or seek our approval of a new location for the Franchised Business; and
- 3.1.5 Profit and loss report. Concurrently with your delivery to us of your notice of your intent to exercise of your option, you must submit to us your profit and loss statement for the preceding year and balance sheet as of the end of such year; and
- 3.1.6 Gross Revenue requirement. You must have complied with the requirements of Paragraph 6.23 below regarding Gross Revenue during the full 12 months immediately preceding the date you give us notice of your exercise of your option under this Paragraph 3.1 and during the full 12 months immediately preceding the date you sign the Subsequent Franchise Agreement; and
- 3.1.7 Right to Audit. In connection with your request to execute a Subsequent Franchise Agreement and in connection with your execution of a Subsequent Franchise Agreement, we have the right, but not the obligation, to conduct an Audit at your sole cost; and
- 3.1.8 Your delivery to us of the Subsequent Franchise Agreement. No later than the Expiration Date, but no earlier than 90 days before the Expiration Date, you will deliver to us the Subsequent Franchise Agreement signed by you and each of your Owners, and, to the extent not prohibited by applicable law, you will deliver to us a Release signed by you and each of your Owners and Guarantors; and
- 3.1.9 Fees. Concurrently with your delivery to us of a signed Subsequent Franchise Agreement, you will pay us a Subsequent Franchise Fee of \$6,000 plus all Third Party Costs we incur in connection with your Subsequent Franchise Agreement. The Subsequent Franchise Fee will be

fully earned by us upon our execution of the Subsequent Franchise Agreement for administrative and other expenses we incur and for development opportunities lost or curtailed because of our execution of the Subsequent Franchise Agreement. Upon our execution of the Subsequent Franchise Agreement, we waive none of our rights under this Agreement. If you comply fully with this Paragraph 3.1, we will waive the Subsequent Franchise Agreement's Initial Franchise Fee and Training and Technology Initial Fee; and

- 3.1.10 Supersedes this Agreement. Upon our delivery to you of a fully executed Subsequent Franchise Agreement, the Subsequent Franchise Agreement will supersede completely this Agreement, providing, however, we waive none of our rights under this Franchise Agreement and you continue to be bound by the provisions of this Franchise Agreement that survive its expiration or termination; and
- 3.1.11 Materiality. Each of the conditions in this Paragraph 3.1 is material to your exercise of the option granted under this Paragraph 3.1. If you do not comply fully and timely with the terms of this Paragraph 3.1, then you have no right to a Subsequent Franchise Agreement; and we have no obligation to offer you a Subsequent Franchise Agreement; and we have no obligation to execute a Subsequent Franchise Agreement with you.
- 3.2 Termination of your option. If, for any reason, this Agreement expires or is terminated or you do not timely fulfill all the terms and conditions under Paragraph 3.1 above, your option to execute a Subsequent Franchise Agreement will terminate immediately as of the date of expiration or termination of this Agreement; and we have no obligation to offer you a Subsequent Franchise Agreement; and we have no obligation to execute a Subsequent Franchise Agreement with you.

4 PREMISES

- 4.1 You agree to locate, lease, or acquire the Premises and construct it at your sole cost and expense solely at the location we have accepted in accordance with this Paragraph 4. You agree to operate the Franchised Business solely at the Premises. If we have accepted a location for the Premises as of the Agreement Date, you represent it is located at the address set forth in Table 2, above. If we have not accepted a location for the Premises as of the Agreement Date, you agree to locate the Premises within the Site Selection Area set forth in Table 2 above. You agree time is of the essence in your leasing or acquiring a Premises. Except as provided in this Agreement, you and we agree we have no control over, or any responsibility for, your Premises, Premises Lease, and Premises Landlord. You agree to perform each of the following at your sole cost:
 - 4.2 **Lease**
 - 4.2.1 New Franchisees. If you are a New Franchisee, you agree to the following: You must execute a lease for a Premises or you must acquire a Premises no later than 90 days after the Agreement Date. You may request in writing a one-time extension of this 90-day period, which extension will be at most 30 days. You must provide such request in the manner described in Paragraph 21 below. In connection with such request, you must deliver to us a Release signed by you and each of your Owners and Guarantors, to the extent not prohibited by applicable law. If you and the Premises Landlord do not sign a Premises Lease within 90 days after the Agreement Date (plus any extension we may have provided), then, beginning on the expiration of the 90 days and any extension, you must pay us the Non-monetary Default Fee per day immediately upon our written notice for each day you and your Premises Landlord have not signed a Premises Lease.
 - 4.2.2 Transfer and Subsequent Franchisees. If you are a Transfer Franchisee or Subsequent Franchisee, you must acquire the Premises or execute a lease for the Premises with your Premises Landlord no later than the Agreement Date.
 - 4.2.3 Premises Lease requirements. You agree to each of the following:

- A. You will own or lease the Premises continually throughout the Term; and you will use your best efforts to maintain a good and positive working relationship with your Premises Landlord.
 - B. No Premises Lease will be on a month-to-month basis.
 - C. Within 10 days after you and the Premises Landlord execute any Premises Lease or make any changes to it, you will deliver a copy of it to us.
 - D. You will comply with all terms of your Premises Lease, including timely payment of all rent and other amounts required under the Premises Lease; and with all terms of all other agreements affecting the Premises and the Premises Lease.
 - E. You will refrain from any activity that may jeopardize your right to remain in possession of the Premises or to renew the Premises Lease
 - F. You will pay all your expenses in connection with the Premises, Premises Landlord, and Premises Lease.
 - G. You will not transfer or sell the Premises if it is owned by you. You will not renew, amend, modify, terminate, or assign the Premises Lease or sublet the Premises, without first obtaining our written approval, which we may refuse for any business reason.
 - H. Within 10 days after you receive any written notice in connection with any violation of the Premises or Premises Lease, including any notice you receive from the Premises Landlord or from the municipality or state within which the Premises is located, you will deliver a copy of such notice to us.
- 4.2.4 Lease review. We do not draft, review, or comment on your Premises Lease for your benefit. Any review or comment we provide to you about your Premises Lease is solely for our benefit. We recommend you use an attorney at your cost to draft or review the Premises Lease.
- 4.3 **Termination of Site Selection Area.** After you acquire the Premises or you and the Premises Landlord sign the Premises Lease, the Site Selection Area is null and of no effect.
- 4.4 **Premises location and construction.** Once you find a proposed location for the Premises, you must provide us with all the information about it that we require. We will approve the proposed location for the Premises if it meets our standards, you are not in default of the Agreement, and you owe us no past-due amount.
- 4.4.1 Construction. Before you begin any Premises construction, renovation, or modification, you agree to employ an architect or engineer at your sole cost to prepare architectural drawings and specifications for the Premises in accordance with our standard plans; and submit all such drawings and specifications to us for our prior, written approval. We have 30 days to approve them. If we do not approve them by written notice within such 30 days, they are deemed disapproved. Upon our approval, such drawings and specifications will not thereafter be changed or modified without our prior written approval. You agree to construct the Premises in strict accord with the drawings and specifications we have approved.
- 4.4.2 Report construction expenses. You must provide us information about your construction and related costs on our then-current form, Your Initial Investment, within 60 days after you open the Franchised Business. The current version of this form is in Exhibit E.
- 4.5 **Opening.** You agree time is of the essence in opening and beginning to operate the Franchised Business. You agree:
- 4.5.1 New Franchisees. If you are a New Franchisee, you agree to each of the following:
- A. Approval. You must obtain our written approval before you open and begin operating the Franchised Business. We have the right to withhold our approval, if you or any of your affiliates owe us or any of our affiliates any past-due amount or if you or any of your affiliates are in default of this Agreement or any other agreement with us or our affiliates; and

- B. Begin operating; extension. You must open and begin operating the Franchised Business within 270 days after the Agreement Date. You may request in writing a one-time extension of this 270-day period, which extension will be at most 90 days. In connection with any request for an extension, you agree to deliver to us a Release signed by you and each of your Owners and Guarantors, to the extent not prohibited by applicable law; and
 - C. Fail to begin operating. If you do not open and begin operating the Franchised Business within 270 days after the Agreement Date (plus any extension we may have provided), then, beginning on the expiration of the 270 days and any extension, you must pay us the Non-monetary Default Fee per day immediately upon written notice for each day you have not opened and begun operating the Franchised Business.
 - D. Your responsibility. You are responsible for each of the following: (a) to comply with the obligations in this Paragraph 4.5; and (b) to locate and construct the Premises; and (c) to evaluate, negotiate, and enter into a lease or purchase agreement for the Premises; and (d) to open the Franchised Business; and (e) for all your pre-opening obligations, losses, and expenses, including all obligations, losses, or expenses you incur or might incur in connection with your Premises Lease and Premises.
- 4.5.2 Transfer and Subsequent Franchisees. If you are a Transfer Franchisee or Subsequent Franchisee, you must open and begin operating the Franchised Business upon the effective date of the Subsequent Franchise Agreement.
- 4.5.3 We have the right to resolve any dispute about the Opening Date, including any dispute about definition or interpretation, in our sole discretion.
- 4.6 **Your confirmation of Pre-Opening Obligations.** If you open or commence operation of your Franchised Business and have not informed us by written notice within 30 days after such opening or commencement of operations in the manner required under Paragraph 21 below that you believe we have not fulfilled all our Pre-Opening Obligations, then you will have confirmed we have fulfilled all our Pre-opening Obligations to you. If you provide us with such notice within 30 days after such opening or commencement of operations, we have the right to dispute your allegation that we have not fulfilled all our Pre-Opening Obligations; and such notice will not be, or construed to be, a notice that we have defaulted under this Agreement or any other agreement with you; and you have no right to terminate, or attempt to terminate, this Agreement based on the Pre-Opening Obligations you allege in the notice have not been fulfilled by us. Our sole obligation upon receiving any such notice will be to provide the Pre-Opening Obligations that we determine, in our sole discretion, have not been provided in the manner and within the time period we determine.
- 4.7 **Premises requirements.** Continually during the Term and in connection with (a) any construction, renovation, relocation, or modification of the Premises, and (b) any Transfer, and (c) your execution of any Subsequent Franchise Agreement, you agree to comply at your sole cost with each of the following material requirements, each of which may require you to make substantial expenditures:
- 4.7.1 Standards. You agree to conform the Premises to Brand Standards and our written notice from time to time, including standards for insurance, location, lease, décor, signs, emblems, designs, artwork, lettering, logos, graphics, curricula, eCurricula, supplies, suppliers, furniture, furnishings, fixtures, equipment (including Internet, primary and standby-backup Internet connections, Internet bandwidth, telecommunications and other communications equipment, computer equipment, audio and video equipment, and related software), computer and other software, leasehold improvements, utilities (including air conditioning, heat, power, phone, and internet) telecommunications, and phone and internet lines and wiring. You agree to obtain, use, and maintain at your sole cost and expense the systems and equipment required to use Huntington Services, eTutoring, Contract Services, Supporting Services, and Training and Technology Services. You agree to refrain from installing on or about the Premises any item not previously approved by us by written notice. We have the right, from time to time, to modify, add to, or delete from, these requirements for any reason, including to conform to

the building design, trade dress, color schemes, and presentation of the Marks in a manner consistent with our then-current Premises image.

- 4.7.2 Upgrade. You agree to maintain the Premises, its contents, and the items in Paragraph 4.7 in good condition and excellent repair continually during the Term. You agree to upgrade, refurbish, improve, remove, or discontinue the items we require at your sole cost within the time period we require in the Brand Standards or by written notice from time to time, including the following as needed or as we require: (a) thoroughly clean, repaint, and redecorate the interior and exterior of the Premises; and (b) repair the Premises interior and exterior; and (c) repair or replace damaged, worn-out or obsolete furniture, equipment, curricula, and all other items in and about the Premises.
- 4.7.3 Minimum square footage
- A. You agree to operate the Franchised Business in a minimum Premises size of 1,200 contiguous usable square feet on one floor, provided, however, if you operate a Franchised Business under a franchise agreement with a Royalty rate of 8%, the minimum Premises size is 1,600 contiguous usable square feet on one floor. Measurement of Premises square footage will be from inside of exterior wall to inside of exterior wall and will exclude any supporting or other columns.
- B. If you operate a Franchised Business under a franchise agreement with a Royalty rate of 8% and reduce the Premises size for any reason, including renovation, relocation, or reduction in size, to less than 1,600 contiguous usable square feet on one floor, whether temporarily or permanently, then, immediately upon such reduction in Premises size and without further notice to you, the Royalty rate will be 9.5%. In connection with any dispute about Premises size or the effective date of such reduction, we have the right to retain an architect, engineer, or other professional of our choice to resolve such dispute. The determination of such architect, engineer, or other professional will be final and conclusive with respect to such dispute. You must pay us all our Third Party Costs in connection with such dispute. You must pay the cost of such architect, engineer, or other professional, providing, however, if the architect, engineer, or other professional determines the Premises size is 1,600 contiguous usable square feet or more on one floor, we will pay the cost of such architect, engineer, or other professional.
- 4.7.4 Use. You agree (a) to use the Premises solely for the operation of the Franchised Business; and (b) not to use the Premises for any business other than that of a HLC; and (c) not to operate any business other than that of a HLC from or at the Premises.
- 4.8 **Damage to Premises.** If, for any reason, the Premises is damaged or destroyed or needs repair or reconstruction, you must promptly repair or reconstruct it at your sole cost in full compliance with this Paragraph 4.
- 4.9 **Renovation, Relocation**
- 4.9.1 Requirements. In connection with any relocation, renovation, or modification of the Premises, you agree to each of the following:
- A. You must not owe us any past-due amounts and you must not be in default under this Agreement or any other agreement between you or your affiliates and us or our affiliates; and
- B. You must relocate, renovate, or modify solely with our prior written permission; and
- C. You must deliver to us a Release signed by you and each of your Owners and Guarantors before such relocation, renovation, or modification, to the extent not prohibited by applicable law; and
- D. You must conform the Premises to our then-current Brand Standards; and

- E. You must pay us \$500 plus our Third Party Costs in connection with your request to renovate, relocate, or modify the Premises. We have the right to change this amount from time to time; and
- F. If you renovate the Premises or modify the Premises size without complying fully with this Paragraph 4.9, then such renovation or modification is a material default under this Agreement and, in addition to all other rights and remedies provided under law and this Agreement, we have the right to require you renovate or modify the changed Premises to conform to its original condition or to our then-current Brand Standards, at our discretion; and, in addition to all other rights and remedies provided under law and this Agreement, you must pay us immediately upon written notice our then-current Non-monetary Default Fee for each day the Premises does not comply fully with our then-current requirements; and
- G. At all times during any relocation, renovation, or modification of the Premises, you must continue to operate the Franchised Business.

4.9.2 Relocation. In connection with any Premises relocation, you agree to each of the following:

- A. Relocation Policy: You agree to comply fully and timely with our Relocation Policy, which is: (a) You must not be in default of the Franchise Agreement or any other agreement between you and us and you must not owe us any past-due amount; and (b) You must notify us in writing at least 60 days before any proposed relocation. You must provide such notice in the manner described in Paragraph 21 below; and (c) You must relocate the Premises within the Exclusive Area; and you may not relocate the Premises to within two miles of any portion of the Exclusive Area's boundary. Upon any relocation of the Premises, the new facility will be deemed to be the Premises and will be subject to all the terms and conditions of this Agreement. We have the right to modify this Relocation Policy from time to time. We have the sole and absolute right to resolve any dispute about this Relocation Policy, including any dispute about its definition or interpretation.
- B. Non-approved relocation. If you relocate the Premises without complying fully with this Paragraph 4.9, such relocation is a material default under this Agreement and, in addition to all other rights and remedies provided under law and this Agreement, we have the right to require you relocate the Premises to its original location or a location we approve; and you must pay us immediately upon written notice our then-current, Non-monetary Default Fee for each day the Premises location does not comply fully with our then-current requirements.
- C. Modification of Exclusive Area. Upon any relocation of the Premises, we have the right to modify or reduce the size and shape of the Exclusive Area, in our sole discretion.
- D. Withdrawal of approval. If you do not relocate the Premises to the new location within 180 days after the date we granted you our written approval, our approval will be withdrawn upon the 181st day after such date, without further notice to you.
- E. Requirements. We have the absolute right to refuse to approve any relocation for any reasonable business reason, including the following: (a) your relocation does not comply with our then-current Relocation Policy; or (b) you wish to relocate the Premises within three years of a previous relocation; or (c) you owe us or any of our affiliates any past due amounts or reports; or (d) you are in default of the Franchise Agreement.

4.9.3 Change in name of Exclusive Area. You and we determine the name of the Exclusive Area as of the Agreement Date. If you request to change the name of the Exclusive Area for any reason after the Agreement Date, including in connection with relocation of the Premises, we have the right to decline your request for any business reason. We may change the name of the Exclusive Area from time to time for any reason.

4.10 **Right to Audit.** In connection with any relocation, renovation, modification of the Premises, and upon

termination of this Agreement, we have the right, but not the obligation, to conduct an Audit at your sole cost.

- 4.11 **Your representations.** You agree you are solely responsible for the Premises, Premises location, Premises acquisition, Premises Lease, Premises architectural drawings and specifications, Premises construction, your relationship with the Premises Landlord, any Premises renovation, and any Premises relocation and that we are not responsible for any of the foregoing. We make no representation or warranty of any kind about any of the foregoing, including that any of the foregoing (a) complies with any governmental laws or regulations, including those in Paragraph 18 below; and (b) are suitable for any franchise business or purpose. You agree to pay us our Third Party Costs in connection with your Premises, including in connection with the Premises Lease, Premises Landlord, and its construction, operation, renovation, and relocation.
- 4.12 **Our notices to you.** We may provide all notices under this Paragraph 4 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

5 FRANCHISOR'S DUTIES

- 5.1 **Huntington Manuals.** Before you open the Franchised Business, we will lend you one copy of the Huntington Manuals or provide you with access to them in the manner we determine, including via electronic and non-electronic means. We may provide the Huntington Manuals in one or more handbooks, manuals, or other documents in electronic or non-electronic format. You must use the Huntington Manuals solely in connection with the Franchised Business. You must use the Brand Standards Manual solely during the Term. During the Term, we will provide you with modifications, additions, and deletions to the Brand Standards Manual from time to time, as, and in the manner and with the frequency, we determine. You must use the Call Center Standards solely during the term of the Call Center License. During the term of the Call Center License, we will provide you with modifications, additions, and deletions to the Call Center Standards in the manner from time to time and with the frequency we determine. You must use the Virtual Testing Standards solely during the term of the Virtual Testing License. During the term of the Virtual Testing License, we will provide you with modifications, additions, and deletions to the Virtual Testing Standards in the manner from time to time and with the frequency we determine. You must use the Conference Services Standards solely in connection with Conference Services. During the term of the Conference Services License, we will provide you with modifications, additions, and deletions to the Conference Services Standards in the manner from time to time and with the frequency we determine.
- 5.2 **Design specifications.** Before you open the Franchised Business, we will provide you with standard design specifications for a prototypical franchised HLC for your adaptation to the Premises.
- 5.3 **Advice.** We will provide you, in our sole and absolute discretion, with such advice about the Franchised Business as we determine, during hours we determine, and in the manner and with the frequency we determine.
- 5.4 **Training.** We will offer your Primary Owner an initial training program.
- 5.5 **Supplies.** We will provide you with a list of products and services you must use in the Franchised Business. We or our affiliates will offer to sell you certain products and services that we or our affiliates own or license on terms and prices contained in the Brand Standards. We may modify these terms and prices from time to time.
- 5.6 **Proprietary instructional programs.** We will provide you access to our proprietary math, study skills, writing, phonics, and Test Prep programs. We have the right to add to, delete from, discontinue, and modify these programs from time to time.
- 5.7 **Advertising materials.** We will furnish you with advertising and promotional materials in the quantity, manner, and with the frequency we determine for your use at the Franchised Business.

- 5.8 **Delegation of performance.** We have the right, but not the obligation, to delegate the performance of any portion or all our obligations under this Agreement to third party designees, including affiliates, agents, or independent contractors.
- 5.9 **Rights, representations.** Except as otherwise specifically provided herein, whenever this Agreement provides that we have a certain right, that right is absolute and you and we intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement. We make no representation or warranty of any kind about the Franchised Business' success, earnings, revenue, expense, profit, cash flow, or marketing or operational results. We make no representation or warranty of any kind about any services or products we or others provide to you or that you provide to your customers, whether such services or products are required or permitted under this Agreement or otherwise.

6 FEES

- 6.1 **Initial Franchise Fee.** In consideration of the rights granted to you in this Agreement, you must pay us when you execute this Agreement the nonrefundable Initial Franchise Fee in the amount set forth in Table 2 above, receipt of which is hereby acknowledged. The entire Initial Franchise Fee is fully earned by us upon our execution of this Agreement for administrative and other expenses we incurred and for development opportunities lost or curtailed as a result of the rights granted to you.
- 6.2 **Royalty.** Each month you must pay us a nonrefundable Royalty amount that is 9.5% of your preceding month's Gross Revenue for each month in which you receive any Gross Revenue, providing, however, the minimum Royalty is the amount identified, and will begin as of the date, in Paragraph 6.3 below. Royalty is in consideration of your limited, non-exclusive right to use the Marks and System in accordance with this Agreement and is not in exchange for any services we render.
- 6.3 **Minimum Royalty and minimum advertising fees.** The minimum Royalty is \$2,000 per month and the minimum Huntington Advertising Fund Fee is \$500 per month, each of which is nonrefundable. You must pay these minimums each month during the Term. If you are a New Franchisee, you must pay these minimums beginning as of the first day of the earlier of (a) the 6th full calendar month after the Opening Date and (b) the 12th full calendar month after the Agreement Date. If you are a Transfer Franchisee or Subsequent Franchisee, you must pay these minimums beginning as of the Agreement Date.
- 6.4 **Training and Technology Initial Fee.** In consideration of the right to use Training and Technology Services, you must pay us when you execute this Agreement the nonrefundable Training and Technology Initial Fee in the amount set forth in Table 2 above, receipt of which is hereby acknowledged. The entire Training and Technology Initial Fee is fully earned by us upon our execution of this Agreement for administrative and other expenses we incurred.
- 6.5 **Training and Technology Fee.** By the 10th of each month during the Term, you must pay us each month a nonrefundable Training and Technology Fee beginning as of the first full month after the Agreement Date. The current amount of this fee is \$1,300 per month. We have the right to change the amount of this fee from time to time.
- 6.6 **Convention.** As part of our Training and Technology Services, you may send up to four individuals to our convention. The current fee for additional attendees is \$495 per individual and is payable in advance of attending the convention. This fee is subject to change.
- 6.7 **Accreditation.** As part of our Training and Technology Services, we pay all fees imposed by the Accrediting Body in connection with applying for and maintaining your membership. You agree to pay the Accrediting Body or us upon written notice all its and our out-of-pocket costs related to accreditation and our related Third Party Costs. Such out-of-pocket costs include those expenses

incurred by accreditors during their accreditation of your Franchised Business, such as travel, lodging, and food.

- 6.8 **Kick Start Marketing Program.** The Kick Start Marketing Program is a mandatory marketing support program we provide to help new and transfer HLCs kick start their marketing effort. When you sign the Franchise Agreement, you pay us \$14,250, which we spend on this program.
- 6.9 **Marketing Communication Program (MCP).** As part of our Training and Technology Services, we provide you with Basic MCP. You may elect Additional MCP for the fees described in the Marketing Start-up Package in Exhibit E. Concurrently with signing this Agreement, you must deposit \$2,000 with us to pay for any Additional MCP. We do not refund this deposit unless we terminate MCP. We may change this deposit amount from time to time. You must maintain a minimum balance, which we may change from time to time. We may modify Basic MCP and Additional MCP from time to time.
- 6.10 **Online Training Facility.** As part of our Training and Technology Services, we provide you with two seat licenses in our Online Training Facility. You may request additional seat licenses and, if we agree, for each month or portion of a month we provide them, you must pay us in advance a nonrefundable fee for each such seat license. The fee currently is \$45 per month per seat license. We can change this fee from time to time.
- 6.11 **eCurricula.** If we make eCurricula available to you, we have the right to require you pay us and third parties initial and on-going fees for your use of any such eCurricula. We have the right to change these fees from time to time. eCurricula fees you pay us are nonrefundable. eCurricula fees you pay third parties may be nonrefundable.
- 6.12 **Added Software.** We have the right to require you pay us and third parties initial and on-going fees for Added Software, if we make any Added Software available to you or if we require you use any Added Software. We have the right to change these fees from time to time. Added Software fees you pay us are nonrefundable. Added Software fees you pay third parties may be nonrefundable.
- 6.13 **Call Center fees; requirement to use.** You must use the Call Center as described herein and the Call Center Standards.
- 6.13.1 **Requirement to use.** You must use the Call Center if you are a New Franchisee, Transfer Franchisee, or if you are a Subsequent Franchisee who used the Call Center immediately before the Agreement Date. If you are a Subsequent Franchisee who did not use the Call Center immediately before the Agreement Date, we do not require you use the Call Center; however, if you request to use the Call Center after the Agreement Date and we agree to your request, you must sign our then-current Call Center Amendment, which will include a set-up fee. You must use the Call Center as described in the Call Center Standards.
- 6.13.2 **Monthly Fees**
- A. **Call Center Monthly Use Fee.** By the 15th of each month during the term of the Call Center License you must pay us a nonrefundable Call Center Monthly Use Fee, which currently is \$390 per month. We have the right to change this fee from time to time. You must begin paying this fee as of the earlier of (a) the Opening Date; and (b) the first full month in which you use any Call Center services.
- B. **Call Center monthly variable fees.** Each month during the term of the Call Center License you must pay us the nonrefundable fees in this Paragraph 6.13.2.B. We have the right to change all these Call Center monthly fees from time to time.
1. **AE Fee.** Each month, you must pay us an AE Fee that is the product of the number of all academic evaluations in that month and a per academic evaluation fee, which currently is:

Number of academic evaluations in a month	Per academic evaluation fee
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Number of academic evaluations in a month	Per academic evaluation fee
1-4	\$74.00
5-8	\$64.60
9-14	\$57.40
15-22	\$50.20
23-49	\$44.00
50 or more	\$32.70

2. Subject Tutoring Fee. Each month, you must pay us a fee (the "Subject Tutoring Fee") for each Subject Tutoring student you enroll from whatever source and for whatever reason. We earn a Subject Tutoring Fee upon enrollment. The current Subject Tutoring Fee \$35.75.
 3. ePromotion Fee. Each month, you must pay us a fee (the "ePromotion Fee") for each AE from offers made by any promotional website (such as Groupon). We earn an ePromotion Fee upon any evaluation or enrollment in any service. The current ePromotion Fee \$35.75.
 4. Web Registration Fee. "Web Registration Fee" means the monthly fee we charge for an inquiry derived directly from our Website's electronic commerce functionality, providing the inquiry does not contact the Call Center in any manner. As of the Agreement Date we do not charge any Web Registration Fee but have the right to do so.
 5. Customer Service Call Fee. Each month, you must pay us a fee (the "Customer Service Call Fee") for each inquiry to our Website's electronic commerce functionality who contacts the Call Center. We earn a Customer Service Call fee for each contact to the Call Center made by such inquiry. The current Customer Service Call Fee is \$36.00 per contact.
 6. Lead Form Fee. Each month, you must pay us a fee (the "Lead Form Fee") in connection with each lead form directed to the Call Center from whatever source and for whatever reason. We earn a Lead Form Fee for each lead form the Call Center receives. The current Lead Form Fee is \$5.00 per lead form.
 7. Outbound Calling Fee. You must pay us a fee (the "Outbound Calling Fee") in connection with various outbound calling services we conduct on your behalf. Currently, we offer outbound calling in connection with marketing campaigns. The current fee is \$4.50 per student in the campaign. In addition, if we generate an AE for such a student or if you enroll such a student, then for that student we charge the lesser of the applicable per academic evaluation fee (identified in this Paragraph 6.13) or \$43.00.
 8. Non-inquiry Transfer Fee. "Non-Inquiry Transfer Fee" means the fee we charge for a non-inquiry the Call Center receives and transfers to you. As of the Agreement Date we do not charge any Non-Inquiry Transfer Fee but have the right to do so.
- 6.13.3 Start date to begin using services. New Franchisees must begin using Call Center services beginning on or after, at our discretion, the later of (a) the effective date of your Premises Lease; and (b) the date you have a functioning phone installed in the Premises; and (c) after the Primary Owner completes our initial training to our satisfaction. Transfer Franchisees must begin using Call Center services beginning on the Agreement Date. If you are a Subsequent Franchisee who has used the Call Center immediately before the Agreement Date, you must begin using Call Center services beginning on the Agreement Date.
- 6.13.4 Disputes. We have the right to resolve any dispute about your use of the Call Center, including

any dispute about definition or interpretation, in our sole discretion. Our decision is final in connection with each of the activities and fees in this Paragraph 6.13, the number of AEs, enrollments, whether an inquiry is derived directly or otherwise from our Website's electronic commerce functionality, and whether an inquirer contacted you or the Call Center for customer service or otherwise.

- 6.14 **Conference Services fees; requirement to use.** You must use Conference Services as described herein and the Conference Services Standards.
- 6.14.1 **Requirement to use.** You must use Conference Services if you are a New Franchisee, Transfer Franchisee, or if you are a Subsequent Franchisee who used Conference Services immediately before the Agreement Date. If you are a Subsequent Franchisee who has not used Conference Services immediately before the Agreement Date, we do not require you use Conference Services; however, if you request to use Conference Services after the Agreement Date and we agree to your request, you must sign our then-current Conference Services Amendment, which will include a set-up fee.
- 6.14.2 **Conference Services Monthly Use Fee.** By the 15th of each month during the term of the Conference Services License you must pay us a nonrefundable Conference Services Monthly Use Fee. The current fee is \$300 per month. We have the right to change this fee from time to time. You must begin paying the Conference Services Monthly Use Fee as of the earlier of (a) the Opening Date; and (b) the first full month in which you use any Conference Services.
- 6.14.3 **Virtual Conferencing Use Fee.** Each month during the term of the Conference Services License you must pay us a nonrefundable fee computed as the product of (a) the number of Virtual Conferences you used in the preceding month and (b) the Virtual Conferencing Use Fee. The current Virtual Conferencing Use Fee is \$215 per Virtual Conference. We have the right to change the amount of this fee from time to time.
- 6.14.4 **Coaching Service fee.** Each month during the term of the Conference Services License you must pay us a nonrefundable fee computed as the product of (a) the number of Coaching Services hours you used in the preceding month and (b) the Coaching Hourly Connection Fee. The current Coaching Hourly Connection Fee is \$93.50 per hour. We have the right to change the amount of this fee from time to time.
- 6.14.5 **Credit.** We credit a month's Conference Services Monthly Use Fee against any charges you incur for that month for Virtual Conferencing under Paragraph 6.14.3 and Coaching under Paragraph 6.14.4 above. If the sum of the charges you incur under Paragraphs 6.14.3 and 6.14.4 above for a month exceeds the Conference Services Monthly Use Fee for that month, then, by the 15th of the following month, you must pay us the amount by which the sum of those charges exceed the Conference Services Monthly Use Fee. If the Conference Services Monthly Use Fee for a month exceeds the sum the charges you incur under Paragraphs 6.14.3 and 6.14.4 above for that month, we do not credit any such excess to any amount you owe us, including any amount you owe, or will owe, for past or future use of Virtual Conferencing or Coaching Services by you.
- 6.15 **Virtual Testing fees; requirement to use.** You must use Virtual Testing as described herein and the Virtual Testing Standards beginning immediately upon our introduction of Virtual Testing into the System.
- 6.15.1 **Requirement to use.** You must use Virtual Testing, if you are a New Franchisee, Transfer Franchisee, or if you are a Subsequent Franchisee who used Virtual Testing immediately before the Agreement Date. If you are a Subsequent Franchisee who has not used Virtual Testing immediately before the Agreement Date, we do not require you use Virtual Testing; however, if you request to use Virtual Testing after the Agreement Date and we agree to your request, you must sign our then-current Virtual Testing Amendment, which will include a set-up fee.

- 6.15.2 **Virtual Testing Monthly Use Fee.** By the 15th of each month during the term of the Virtual Testing License you must pay us a nonrefundable Virtual Testing Monthly Use Fee in an amount to be determined. We have the right to change this fee from time to time. You must begin using Virtual Testing and begin paying the Virtual Testing Monthly Use Fee in the month following our introduction of Virtual Testing into the System.
- 6.15.3 **Virtual Testing per AE Fee; credit.** Each month during the term of the Virtual Testing License you must pay us a nonrefundable fee computed as the product of (a) the number of Virtual Testings you used in the preceding month and (b) the Virtual Testing per AE Fee in an amount to be determined. We have the right to change the amount of this fee from time to time. We credit a month's Virtual Testing Monthly Use Fee against any charges you pay us for that month for Virtual Testing under this paragraph. If the sum of the charges you incur under this paragraph for a month exceeds the Virtual Testing Monthly Use Fee for that month, then, by the 15th of the following month, you must pay us the amount by which the sum of those fees exceeds the Virtual Testing Monthly Use Fee. If the Virtual Testing Monthly Use Fee for a month exceeds the sum the charges you incur under this paragraph for that month, we do not credit any such excess to any amount you owe us, including any amount you owe, or will owe, for past or future use of Virtual Testing by you.
- 6.16 **Start-up package.** Concurrently with your execution of this Agreement, you must purchase from us or our approved suppliers the items in our start-up package. We can change the start-up package and its contents from time to time.
- 6.17 **Non-monetary defaults.** If you breach any of your non-monetary obligations under this Agreement and fail to cure the breach within the applicable cure period, then, in addition to all other rights and remedies provided under law and this Agreement, you must pay us immediately upon written notice our then-current Non-monetary Default Fee for each day you are in breach in order to offset the costs we incur to address the default. Non-monetary obligations include the following illustrative events: You fail to lease a Premises, open, or complete initial training within the required time period; or you fail to submit profit and loss data or a required report within the required time period; or you miss a scheduled training or meeting without notice. Fees are to offset our costs in addressing the default and are subject to change. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 6.18 **Subsequent default.** If, during the Term, you receive three default notices for any reason, then, upon the occurrence of any subsequent default for any reason, in addition to all other rights and remedies provided under law and this Agreement, you must pay us immediately upon written notice the Subsequent Default Fee for each subsequent default to offset our costs addressing the multiple defaults. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 6.19 **Absences.** If you, your Primary Owner, or your employee does not attend a scheduled meeting, whether scheduled by us, you, your Primary Owner, your employee, or other person, we have the right to require you, your Primary Owner, or your employee, as applicable, make up that missed meeting at a mutually-acceptable date and time; and, if you do not notify us at least 48 business hours before the meeting start time, you must pay us a fee per missed meeting to reimburse us for our related time and administrative expense; the current fee is \$100; we have the right to change this fee from time to time. Such meetings include those with our Franchise Business Consultant, any online initial training, and any member of any of our departments.
- 6.20 **Third-party processing fees.** You agree to reimburse us for any fees imposed on us or our affiliates by any third party to process any payment you make to us or our affiliates under this Agreement. Such third-party fees include any transaction or other fees imposed by a bank, loan company, or credit card company to process any credit card or other payment you make to us or our affiliates.
- 6.21 **Third Party Costs.** Whenever you are obligated under this Agreement to pay our Third Party Costs, you must do so within the time period and in the manner we require in writing. We may provide such

notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. No Third Party Cost you pay us is refundable.

6.22 Payment terms

- 6.22.1 Prompt payment. You agree to pay promptly when due and without prior demand or notice all fees and amounts due and payable to us, our affiliates, the Huntington Advertising Fund, and the Contract Services Advertising Fund under this Agreement and for products or services you purchase from us or our affiliates; and any monies we or our affiliates advance to you, or that we or our affiliates have paid, or become obligated to pay, on your behalf under this Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates.
- 6.22.2 Method of Payment. You must make all payments to us by the method or methods we require. We have the right to change these methods from time to time. You must make all payments required under this Agreement directly to us, our affiliates, or to a bank or such other financial institution account we specify, at the times and with the frequency we designate, by electronic funds transfer, on-line banking, pre-authorized auto-draft arrangement, or such other means as we may specify from time to time. For each bank, financial institution, or similar account in which you conduct business at any time during the Term, you agree to execute an ACH Automatic Withdrawal Authorization and to keep it effective throughout the Term. You authorize us to withdraw monies without notice from each such account in the amounts and at the times provided in this Agreement and any other agreement between you and us. The current version of the ACH Automatic Withdrawal Authorization is in Exhibit I. You consent to our transacting business directly with each bank, financial institution, and similar organizations with which you have an account to effectuate fully the terms of each ACH Automatic Withdrawal Authorization. You agree to furnish us, our bank, other financial institution, and any other recipient of payment with such information and authorizations as may be necessary to permit such persons to make withdrawals by electronic funds transfer, on-line banking, or auto-draft arrangement. Your failure to execute and keep effective throughout the Term an ACH Automatic Withdrawal Authorization for any account in which you conduct business is a material default under this Agreement. You hereby indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below in connection with each ACH automatic withdrawal. You agree to bear all expenses in connection with all authorizations and payments required or permitted under this Paragraph 6.22. You agree to pay us all Third Party Costs we incur in connection with all authorizations and payments required or permitted under this Paragraph 6.22.
- 6.22.3 When due; nonrefundable. All fees in this Agreement are due by the 15th of the month unless we specifically identify a different due date. If we do not receive a fee by its due date, then it is deemed overdue. No fee or other amount you pay us is refundable unless we specifically identify it as refundable in writing.
- 6.22.4 Delinquent payment. If you are delinquent in any payment to us, our affiliates, the Huntington Advertising Fund, or the Contract Services Advertising Fund, we have the right to apply any of your payments to any late fee, interest charge, or past due indebtedness.
- 6.22.5 No right to withhold payment. Neither you nor any of your affiliates have any right to withhold any payment of any monies due to us, our affiliates, the Huntington Advertising Fund, or the Contract Services Advertising Fund on any grounds, including any claim or counter-claim by you under this Agreement or by you or any of your affiliates under any agreement between you or your affiliates and us or any of our affiliates, or otherwise. Neither you nor any of your affiliates have any right to set off any amount due to us, our affiliates, the Huntington Advertising Fund, or the Contract Services Advertising Fund by you or any of your affiliates against any monetary claim by you or any of your affiliates against us or our affiliates.

- 6.22.6 .,Interest; late fee. If (a) any amount due to us, any of our affiliates, the Huntington Advertising Fund, or the Contract Services Advertising Fund is not paid when due; or (b) there are insufficient funds in any account for any payment by you to us, any of our affiliates, the Huntington Advertising Fund, or the Contract Services Advertising Fund by electronic funds transfer, on-line banking, pre-authorized auto-draft arrangement, or similar or other means, then each such amount will be subject to the then-current, nonrefundable late fee; and will bear daily nonrefundable interest payable to us immediately upon written notice at the greater of the rate of 18% per annum or the highest rate permitted by applicable law. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. The current late fee is \$100 per occurrence. We have the right to change this fee from time to time. Entitlement to such late fee and interest will be in addition to any other remedies we may have under this Agreement or at law or in equity. This Paragraph 6.22.6 does not bind us to accept any payment after its due date.
- 6.22.7 No interest. You agree we have no obligation to pay you any interest on any amount we may owe you or on any amount you deposit with us.
- 6.23 **Gross Revenue requirement.** You agree the sum of your Huntington Revenue and your eTutoring Revenue must equal or exceed \$350,000 for each 12 full-month period following the first anniversary of the Agreement Date. The sum of Huntington Revenue and eTutoring Revenue excludes any revenue derived in connection with Public-Private Partnership. If the sum of your Huntington Revenue and your eTutoring Revenue is less than \$350,000 during any 12 full-month period following the first anniversary of the Agreement Date, we have the right for all time and from time to time to: (a) reduce the size of your Exclusive Area, or (b) terminate this Agreement, or (c) establish or operate, or license any other party to establish or operate, a HLC within the Exclusive Area, or (d) terminate your eTutoring License, or (e) terminate your Contract Services License.

7 TRAINING

- 7.1 **Purpose; disclaimer.** Any training we offer or conduct is to protect our brand. Any training or guidance we or our affiliates provide to your employees will be limited to training or guidance about delivery of approved services to customers in a manner that reflects the System's service standards. You are (a) the employer of all your employees in connection with the Franchised Business, including during all training programs; and (b) solely responsible for all employment decisions and actions related to your employees in connection with the Franchised Business; and (c) solely responsible to ensure your employees receive adequate training in connection with the Franchised Business.
- 7.2 **Your Primary Owner's Initial training**
- 7.2.1 Your Primary Owner must complete our initial training to our satisfaction in the manner and at the location we determine. If you are a New Franchisee, then your Primary Owner must complete initial training before the Opening Date. If you are a Transfer Franchisee, your Primary Owner must complete initial training no later than 90 days after the Agreement Date.
- 7.2.2 Change in Primary Owner. If you change the Primary Owner, the new Primary Owner must complete our initial training program in the manner, at the location, and to our satisfaction within 90 days after the change. You may request in writing a one-time extension of this 90-day period for your Primary Owner, which extension will be at most 30 days. You must provide such request in the manner described in Paragraph 21 below. In connection with such request, you must deliver to us a Release signed by you and each of your Owners and Guarantors, to the extent not prohibited by applicable law. If any Owner completes our initial training program to our satisfaction and you do not inform us by written notice in the manner required under Paragraph 21 below within 10 days of such Owner's completion of it that you believe such Owner has not been adequately trained, then such Owner will be deemed to have been trained sufficiently to operate the Franchised Business.

- 7.3 **Your employees' training.** You agree to train your employees in the manner and at the location we require or permit in the Brand Standards or by written notice from time to time. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. You determine if each of your employees, except your Owners, completes their initial training program successfully. All your employees must attend and complete our initial training program within 90 days after you hire them. You must train your teachers using our teacher training program before the earlier of (a) 90 days immediately after you hire them or (b) before they perform any activity related to Huntington Services, eTutoring, or Contract Services.
- 7.4 **Failure to attend or complete initial training.** If the Primary Owner or any of your employees do not attend or complete our required initial training to our satisfaction within the time period required in this Agreement (including any extension we may have granted), then, in addition to all our rights under law and this Agreement, beginning on the first day after expiration of such time period, you must pay us a Non-monetary Default Fee per day per person immediately upon our written notice to you for each day the Primary Owner or employee has not attended our initial training or completed our initial training to our satisfaction. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 7.5 **Online Training Facility.** Training and Technology Services include the limited and non-exclusive right for you to use two seat licenses in our Online Training Facility. If you request additional seat licenses and we agree, you may acquire them for a fee; see Paragraph 6.10 above for this fee. We have the right to add to, delete from, discontinue, and modify the Online Training Facility and its instruction from time to time. We have the right to use, and to grant others, including our franchisees and their employees, the right to use our Online Training Facility from time to time in any manner at any location, including within the Exclusive Area.
- 7.6 **Requirements.** You are responsible for all costs and expenses related to training your Owners and employees in connection with the Franchised Business, including salaries and travel, food, and lodging expenses. We have the right, in our sole discretion to require your Primary Owner and each of your employees attend or re-attend any initial training; and to require they attend any periodic or occasional training, meetings, Regional Meetings, Local Area Meetings, workshops, and convention; and to determine all aspects of all our training, meetings, workshops, and conventions, including curricula, standards, location, direction, class size, and manner of instruction, including in-person, audio-conference, videoconference, computer-based, and online training.
- 7.7 **Your training programs.** You agree not to use any training we have not approved in advance by written notice. If you wish to offer, use, or participate in any training we have not developed or made available to you, you must submit such training to us, together with such related information as we require for our written approval. We have 30 days to approve such training by written notice. If we do not approve such training by written notice within such 30 days, it is deemed disapproved. We have the right to disapprove such training by written notice for any business reason, if you owe us any past-due amount, or if you are in receipt of an uncured default notice under this Agreement. We may provide such notices in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

8 FRANCHISEE'S DUTIES

- 8.1 **Manner of operation.** You understand, acknowledge, and agree that every detail of the System, Franchised Business, Huntington Services, eTutoring, and Contract Services is important to you, us, our affiliates, and our franchisees to develop and maintain high operating standards, to increase demand for Huntington Services, eTutoring, and Contract Services and to protect our reputation and goodwill. You agree to comply with each of the following at your sole cost and expense:
- 8.1.1 **Best efforts.** You agree to use your best and continuing efforts to cooperate with us in achieving the goals of this Agreement; and to promote, develop, and deliver Huntington

Services, eTutoring, and Contract Services in a manner that complies with this Agreement and Brand Standards.

- 8.1.2 Standards. You agree to operate the Franchised Business from the Premises continually during the Term. You agree to operate the Franchised Business for the business franchised under this Agreement and for no other reason or purpose.
- 8.1.3 Services. You agree to offer and provide Huntington Services and eTutoring in strict and timely compliance with all the standards, specifications, procedures, and policies in this Agreement, Brand Standards, and by written notice from time to time. If you offer Contract Services, you agree to offer and provide it in strict and timely compliance with all the standards, specifications, procedures, and policies in this Agreement, Brand Standards, and by written notice from time to time. You agree to refrain from deviating from any such standard, specification, procedure, and policy without our prior, written consent, which we may refuse for any reason or no reason. You agree you will not offer any services or products other than Huntington Services, eTutoring, and Contract Services in connection with the Franchised Business or otherwise. You agree (a) to provide Huntington Services to your customers solely while they and their teachers are located at the Premises and at no other location or in any other manner; and (b) not to provide any Huntington Services through any computer service, the Internet, or any computer, television, or other electronic device, except as we require or permit by written notice; and (c) to provide eTutoring to your customers solely while they are located in the United States by teachers who are located solely in the United States; and (d) to provide Contract Services solely under an oral or written agreement with a Public Entity and solely to customers who are located in the United States by teachers who are located solely in the United States. We may provide notices under this paragraph in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 8.1.4 Responsibility. You, and not we, are responsible for all aspects of the Franchised Business and for all financial, operational, and other results you obtain. In connection with the Franchised Business, you, and not we, are responsible for your employees, students, customers, advertising, marketing, sales, employees, operations, finances, student outcomes, revenue, expenses, profit, and administration.
- 8.1.5 Your conduct. You agree not to make any publicly available oral or written statement, communication, or posting about us, the System, or the Marks that (a) is untrue; or (b) is derogatory or disparaging; or (c) is offensive, inflammatory, or indecent; or (d) harms the goodwill or public image of us, the System, or the Marks. You agree not to make any publicly-available oral or written statement, communication, or posting that (1) violates our policies relating to the use of websites or Networking Media Sites; or (2) includes any Confidential Information or Copyrighted Works; or (3) violates our Electronic Communication and Social Media Policy, as amended from time to time.
- 8.1.6 Days and Hours. You agree to operate the Franchised Business for such minimum days and hours as we require in this Agreement, Brand Standards, or by written notice from time to time. You agree to make the Franchised Business available for academic evaluations during such minimum days and hours as we require in this Agreement, Brand Standards, or written notice from time to time. You may close the Franchised Business only on those days we permit or require in this Agreement, Brand Standards, or written notice from time to time. We may provide such notices in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. We have the right to modify these days and hours from time to time.
- 8.1.7 Prices. To the extent permitted by applicable law, from time to time we have the right to specify in writing a retail price or to establish in writing minimum or maximum prices for the goods and services that you sell. You must sell any products and services at the specified retail price or, if applicable, in accordance with the minimum or maximum retail prices we establish from time to

time. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

- 8.1.8 Transportation. You must not transport, or provide or arrange for transport of, any customer to or from any location, including the Premises. You agree not to permit any customer to transport you or any of your employees to or from any location, including the Premises.
- 8.1.9 Primary Owner. The Franchised Business is a challenging business and requires the Primary Owner's personal and full-time attention. You must designate an Owner to serve as the Primary Owner. The Primary Owner must (a) hold an ownership interest in the Franchisee; and (b) complete Franchisee Initial Training; and (c) be fluent in English; and (d) be responsible for managing the Franchised Business; and (e) throughout the term of the Franchise Agreement work full-time, year-round in the business during all hours it is open, which, at a minimum, are those hours listed in the Huntington Manuals; and (f) not work in any other full- or part-time job or occupation throughout the term of the Franchise Agreement; and (g) be the individual who we can contact about the Franchised Business.

8.2 Technology

8.2.1 Training and Technology Services

- A. Standards. You agree to use the Training and Technology Services as we authorize in the Brand Standards or by written notice from time to time and in no other way. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. We have the right to implement Training and Technology Services in any manner, including over the Internet and with any web-based or other types of software platform.
- B. Modification. We have the right, but not the obligation, to add to, remove from, and modify Training and Technology Services from time to time; and, if we do, you will do the following at your sole expense within 14 days (or the time period we require) after our notice to you: you will implement and begin using such modified Training and Technology Services; cease using any previous versions of the Training and Technology Services; and remove all copies of any previous versions of the Training and Technology Services from your HLC and all of your computers, advertising, and other materials. Any subsequent version of the Training and Technology Services may include material changes from the previous version. We have the right, but not the obligation, to limit Training and Technology Services functions available to you to be consistent with the services we permit you to provide.
- C. Prohibited activities. You agree not to copy, reproduce, or translate any of the Training and Technology Services; or change, reverse engineer, decompile, disassemble, or create derivative works of any of the Training and Technology Services; or incorporate any Training and Technology Services into any software or any other software into the Training and Technology Services; remove or obscure our copyright, trademark, privacy, or similar notices; or use or change the data used by the Training and Technology Services using any software not provided by us.

8.2.2 Systems; security

- A. Systems. You agree to obtain, install, upgrade, and maintain continually at your sole cost and expense throughout the Term all items and systems we require in this Agreement, Brand Standards, or that we require or permit you to use in connection with the Franchised Business by written notice from time to time, including the following: (a) computer and related systems (including telecommunications, audio, video, camera, television, radio, security, hardware, software, and firmware products and services); and (b) accounting and payroll software; and (c) telephone software and local and remote access lines; and (d) credit card provider; and (e) fax machine, eFax, and document

scanner; and (f) high-speed primary and backup internet access; and (g) all items you obtain or use in connection with any training we permit or require; and (i) all items you obtain or use in connection with all services we permit or require, including Training and Technology Services, Supporting Services, eTutoring, and Contract Services; and (n) all items in Paragraph 4.7 above. You agree to connect your computer equipment and internet services as we require in this Agreement, Brand Standards, or by written notice from time to time. We may provide such notices in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

- B. Security. You agree to do the following at your sole cost and expense:
1. Security improvements. You agree it is your sole responsibility to be knowledgeable of all present and future measures to update your computer, network equipment, and software as security improvements become available from the related vendors; and to timely update your computer, network equipment, and software as security improvements become available from the related vendors.
 2. Security Breach. You agree to notify us immediately if you suspect or become aware of a Security Breach. We have the right to take any action or no action at our sole discretion in connection with your notification and in connection with any actual or alleged Security Breach. We have the right to notify any affected persons and legal and regulatory authorities of any actual or alleged Security Breaches. You agree that, upon your discovery of a Security Breach, you will promptly investigate and remediate at your sole expense the source of such Security Breach and, if directed by us or a legal or regulatory authority, you will provide credit monitoring to any affected persons.
 3. Identity theft. You are responsible to be knowledgeable of all measures to protect, and will timely protect, us, the Franchised Business, your operations, your employees, and your customers (including students and their parents and guardians) against identity theft and theft and misuse of personal information.
 4. Third Party Costs. You agree to pay us all Third Party Costs we incur in connection with this paragraph and Security Breaches and in connection with any related investigation or remediation we or third parties undertake.

8.2.3 Data

- A. Ownership. Except for your financial, accounting, employee, human resource, and payroll data, we own all electronic and non-electronic data developed or derived in connection with the Franchised Business, whether you develop or derive such data using software we require or permit you to use in connection with the Franchised Business or you develop or derive such data using unauthorized software. Such data include all Software Data and all data developed and used in connection with Franchisor Technology, Phone Number, and Email Address.
- B. Right to use. We have the right to access, record, and use for our purpose and benefit all data referenced in Paragraph A above, plus your financial and accounting data and all Personal Data relating to your customers and students. You agree to provide us, at your sole cost, with access to such data in the manner and as we require, including via the internet, to such data and must ensure that any privacy policies you adopt as required by Applicable Data Privacy Laws contemplates and permits such access, recording, and use of Personal Data by Huntington as contemplated by the Huntington Privacy Policies as updated from time to time at <https://www.huntington.com/Privacy-Security/privacy-policies>.
- C. Disclaimer. Notwithstanding any other provision in this Agreement, we disclaim any and all ownership of your financial, accounting, employee, human resource, and payroll data. We disclaim any and all right to access, record, and use for any purpose your employee, human resource, and payroll data.

- D. Third-party data. We have the right to require your vendors submit to us the electronic and non-electronic reports and data we specify in our Brand Standards and by written notice from time to time in the manner and with the frequency we require. Such vendors include landlords (including the Premises Landlord), phone companies, electric companies, utility companies and Loan Companies. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. We have the right to receive such reports and data. We have the right to use for our purpose and benefit such reports and data. We have the right to share such reports and data with any government and non-government person or entity. You agree to cooperate fully with us in connection with our requiring, receiving, and using such reports and data.

8.2.4 Email Addresses

- A. Requirements. You agree (a) to use each Email Address we provide to you in the manner we require in this Agreement, Brand Standards, or by written notice from time to time; and (b) you and each of your employees and agents must use an Email Address for all email communication in connection with us and the Franchised Business; and (c) all messages you email in connection with the Franchised Business must display the signature we require. Such language must display prominently that you, and not we, own the Franchised Business; and (d) we or our affiliate owns each Email Address and its emails and their attachments and content, as well as all data, notes, calendars, and appointments you use or develop in connection with each Email Address. Notwithstanding the preceding text in this Paragraph 8.2.4.A, subsection (d), we disclaim all ownership of all emails (and their attachments, content, data, notes, calendars, and appointments) used in connection with employee, human resource, or payroll data; and (e) we and our affiliate have no obligation to monitor any Email Address; and (f) any access we or our affiliate has to, search we or our affiliate conducts of, or monitoring we or our affiliate conducts of, any Email Address (or their emails, attachments, or content) is for our, and not your, benefit; and (g) we and our affiliate have the right to delete at any time and from time to time any email in any of your Email Address accounts and, if we or our affiliate does so, you will have no access to such deleted emails and you hereby waive for all time all claims you have or may have had against us in connection with deleting any emails.
- B. Modification. We have the right from time to time to modify, amend, discontinue, or substitute (a) the Email Addresses; and (b) the software applications offered in connection with the Email Addresses; and (c) the vendor that provides the Email Addresses; and (d) the level of service offered in connection with Email Addresses. We have the right from time to time to substitute different email addresses for the Email Addresses. Any change that we make or that any vendor (including Microsoft) makes in connection with Email Addresses may change substantially the services and the software that Email Addresses make available to you. You agree to comply fully and timely with such modification, amendment, discontinuance, or substitution when notified by us to do so at your sole cost and expense, and you hereby waive for all time all claims you may have had against us in connection with such modification, amendment, discontinuance, or substitution.
- C. Read emails. You agree that each day you will read the emails we and others send to you at your Email Address.
- D. Notices. We may provide notice under this Paragraph 8.2.4 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

8.2.5 Video Chat Software

- A. Requirements. You agree (a) to use each Video Chat Software license we provide to you in the manner we require in this Agreement, Brand Standards, or by written notice from time to time; and (b) we or our affiliate owns all recordings made using such software; and (c) we and our affiliate have no obligation to monitor any Video Chat Software; and

- (d) any access we or our affiliate has to, search we or our affiliate conducts of, or monitoring we or our affiliate conducts of any Video Chat Software is for our, and not your, benefit; and (e) you will ensure collection of all Personal Data via the Video Chat Software complies with Applicable Data Privacy Laws.
- B. **Modification.** We have the right from time to time to modify, amend, discontinue, or substitute (a) the Video Chat Software; and (b) the vendor that provides the Video Chat Software; and (c) the level of service offered in connection with Video Chat Software. Any change that we make or that any vendor makes in connection with Video Chat Software may change substantially the services and the software that Video Chat Software makes available to you. You agree to comply fully and timely with such modification, amendment, discontinuance, or substitution when notified by us to do so, at your sole cost and expense, and you hereby waive for all time any claim you may have had against us in connection with such modification, amendment, discontinuance, or substitution.
- C. We may provide notice under this Paragraph 8.2.5 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 8.2.6 **Limitation of services:** We have the right to restrict or prevent access to activities or suspected activities that involve any actual or suspected Security Breach, hacking, distributed denial of service attacks, or uploading a virus, Trojan horse, time bomb, unauthorized application, or any other harmful form of programming or vandalism.
- 8.2.7 **Representations.** We make no representation or warranty of any kind, whether such warranty be express or implied, including any warranty of merchantability or fitness for a particular purpose or any warranty from course of dealing or usage of trade with respect to any of the following: (a) Franchisor Technology, (b) Supporting Services, and (c) any software or technology you use in the Franchised Business, including (1) any software or technology we provide to you, and (2) any software or technology we require or permit you to you acquire, license, or use, and (3) any software or technology you acquire, license, or use in violation of this Agreement. Each of the foregoing is provided "as is". We make no representation or warranty that any of the foregoing will be error free or free of any problem or eProblem. In no event will we be liable for any indirect, special, incidental, consequential, or punitive damages or for any losses or expenses, including loss of use, loss of profits, loss of data, or loss of goodwill relating to your licensing or use of any of the foregoing, even if we or our suppliers have been advised of the possibility of such damages, losses, or expenses. In no event will we be liable for any damages caused by any delay in furnishing, or failure to furnish, any franchisor technology for any reason.
- 8.3 **Owners.** Upon our request, you will identify all your Owners and their percentage ownership of you using our then-current Franchisee Description Form. We may provide such request in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 8.3.1 **Restrictions on ownership.** You agree each Owner is as of the Agreement Date, and will be at all times during the Term, a natural person. You agree that as of the Agreement Date and at all times during the Term (a) you are not and never will be a legal entity, trust, 401(k) plan, retirement plan, or non-profit; and (b) no Owner is or will be a legal entity, trust, 401(k) plan, retirement plan, or non-profit or owned, in whole or in part, directly or indirectly, by a legal entity, trust, 401(k) plan, retirement plan, or non-profit; and (c) we have the right to resolve any dispute about whether you or any Owner is a natural person, legal entity, trust, 401(k) plan, retirement plan, or non-profit, including any dispute about definition or interpretation, in our sole discretion.
- 8.3.2 **Communication with an Owner.** From time to time, we may contact any Owner to discuss this Agreement and the Franchised Business. We have the right at any time to decline to discuss this Agreement or the Franchised Business with any individual who is not the Primary Owner.

- 8.3.3 Change in Owners. You agree to notify us of any changes to the Owners using our then-current Franchisee Description Form. You agree that any change in the identity or ownership percentage of any Owner constitutes a Transfer and is governed by Paragraph 14 below.
- 8.3.4 Replacement of the Primary Owner. You may replace the Primary Owner with another Owner solely with our permission, which will not be unreasonably withheld.

8.4 Employees

- 8.4.1 Disclaimers. You and we agree to each of the following for all time in connection with the Franchised Business: (a) We expressly disclaim any implicit, reserved, indirect, and direct authority to control (whether directly, indirectly, or both) or to exercise any power to control (whether directly, indirectly, or both) any of your employees' terms and conditions of employment; and (b) We expressly disclaim any implicit, reserved, indirect, and direct authority for any communication (by means of mail, email, phone, or otherwise) between you and your employees; and (c) We expressly disclaim any implicit, reserved, indirect, and direct authority for any staffing of the Franchised Business and for any issue related to your employees; and (d) You are solely responsible for all present and future federal, state, municipal, and other laws and regulations relating to your employees; and (e) We expressly disclaim any actual or apparent authority or responsibility for all present and future federal, state, municipal, and other laws and regulations relating to your employees; and (f) We do not, and will not be involved in, and have no right of control over, any of your employees, any communication related to your employees, any issue related to your employees, and any data related to your employees; and (g) Solely you are responsible for all your employee-related compensation, management, decisions, terms, conditions, communications, and data; and (h) We expressly disclaim each of the following: (1) Any right to share or codetermine any terms or conditions of your employees; and (2) any right to possess or exercise direct or indirect control over any terms or conditions of your employees, including any aspect such as compensation, scheduling, supervision, and discharge; and (3) any actual or apparent authority or responsibility for any of your employee-related compensation, management, decisions, terms, conditions, communications, and data. In connection with the Franchised Business, we do not, and will not be involved in, and have no right of control over, any of your employee-related compensation, management, decisions, terms, conditions, communication, and data. Such employee-related compensation, management, decisions, terms, conditions, communications, and data include those about recruiting, hiring, wages, bonuses, commissions, payroll taxes, benefits, the manner or frequency with which you pay your employees, staffing, staffing levels, staffing schedules, supervising, disciplining, terminating, workman's compensation, unemployment insurance, safety rules and requirements, compliance with non-discrimination statutes, and record keeping. Without limiting the foregoing in this Paragraph 8.4, you and we agree to each of the following in connection with the Franchised Business for all time:
- A. Authority. You and we agree we have no authority, and we expressly disclaim any actual or apparent authority to (a) hire or fire any of your employees; and (b) supervise or control any of your employees' work schedules or conditions; and (c) determine pay rate or method of payment for any of your employees; and (c) maintain any of your employee's employment records; and (d) communicate with any of your employees.
 - B. Control. You and we agree that we have no control over, and have no right to direct you in connection with, the performance of any of your employees' work.
 - C. Operation of HLCs. You and we agree that, because we do not operate any HLCs, all your employees perform work that is outside our usual course of business.
 - D. Training, advice. Any training, advice, or information we provide to you that is related to your employees is strictly optional and implementation of any them is within your sole discretion, unless otherwise required by this Agreement.

- E. Communication. Any staffing-, human resource-, or payroll-related form or other communication or document we provide to you is strictly optional and implementation of them is within your sole discretion, unless otherwise required by this Agreement.
- F. You agree to place the Franchisee's name on all your staffing, human resource, and payroll-related forms, reports, and other documents. You agree that none of your staffing, human resource, or payroll-related forms, reports, and other documents will bear any of the Marks, including the mark, Huntington Learning Center® and Huntington Learning Center® with design.
- G. Data. You have no obligation to provide us with any staffing-, human resource-, or payroll-related data.
- H. Implementation is optional. Any staffing-, human resource-, or payroll-related advice, procedure, data, or process we provide to you is strictly optional and implementation of any of them is within your sole discretion, unless otherwise required by this Agreement.

8.4.2 Acknowledgements

- A. Your acknowledgement. You agree to execute the form, Franchisee Acknowledgement Regarding Employees, concurrently with your execution of the Franchise Agreement.
- B. Employee notification. When you hire an employee and thereafter at least once a quarter, you must give each of your employees our form, Notification to Franchisee Employees, they must sign it, and, after they sign it, you must sign it.
- C. Your use of these forms or your failure to use these forms will not reduce or waive any of your obligations under this Paragraph 8.4. The current versions of these forms are in Exhibit E. We have the right to modify these forms from time to time.

8.4.3 Representations. In connection with the Franchised Business, you agree you are solely responsible for your employees, for staffing the Franchised Business, for all communication with and between your employees, and for all issues related to your employees. You agree we make no representation about your ability to recruit any full- or part-time employees, including teachers, or about the compensation you may pay, or may have to pay, your employees.

8.4.4 You agree to the following in connection with each of your employees:

- A. Background check. You must conduct a background check of each of your employees before you hire them.
- B. Reference checks. You must conduct at least two reference checks of each of your employees before you hire them.
- C. You determine whether to hire. You determine how to interpret background checks and reference checks. You determine whether to hire an individual.
- D. Your standards for your employees. You agree to establish and maintain standards for your prospective employees. You agree to establish and maintain standards for your employees and to require your employees comply with your standards.

8.4.5 Employee requirements. You agree we have the right to require your employees meet our requirements as described in this Agreement, Brand Standards, and by written notice from time to time. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. Your compliance with these requirements will not reduce in any way your sole responsibilities for your employees, including those under this Paragraph 8.4. You agree to require each of the following of each of your employees:

- A. Location. All your employees must be located in the United States; and
- B. English. All your employees must be fluent in reading, writing, and speaking the English language; and
- C. Training. All your employees must complete our teacher training program within the time period required in Paragraph 7 above, Brand Standards, or as we require by written notice

- from time to time. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you; and
- D. Technology. All your teachers must be competent to use Training and Technology Services. All your other employees must be competent to use Training and Technology Services and typical business software applications, including Internet Explorer, QuickBooks, ProfitKeeper, and Microsoft's Word, Excel, Outlook, Project Server, and SharePoint; and
 - E. College degree. All your teachers must have been awarded a bachelor's degree from an accredited four-year college; and
 - F. Certification. All your teachers must be currently or formerly certified as a teacher by any state; however, if they do not hold, or never have held, state teacher certification from any state, then they must complete our teacher certification program in the manner, and within the time period, we require; and
- 8.4.6 Indemnification. In connection with the Franchised Business, you agree to indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19.3 below from and against all Third Party Costs, claims, demands, obligations, liabilities, debts, and damages of every kind and nature resulting or arising, directly or indirectly, from claims made by, on behalf of, or in connection with your employees, including those made by the National Labor Relations Board and any other present and future governmental agencies and regulators, whether occasioned by your or your employees' neglect, omission, willful act, or otherwise. This Paragraph 8.4.6 survives termination or expiration of this Agreement for any reason.
- 8.4.7 Third Party Costs. You agree to pay us all Third Party Costs we incur in connection with (a) this Paragraph 8.4; (b) any related investigation or remediation we, governmental authorities (including the National Labor Relations Board), or third parties undertake in connection with your employees; and (c) any payment, penalty, and interest imposed on us by any government authority (including the National Labor Relations Board) in connection with your employees.
- 8.5 **Students and customers.** You and we agree that none of your prospective, enrolled, or former students or customers are, or will be deemed, our students or customers; and, except as described in this Agreement, we have no control over, or any responsibility for, any such students and customers. You agree (a) you, not we, are responsible for your students and customers; and (b) nothing in our Brand Standards, no advice we give you, and no training we conduct or approve will reduce in any way your sole responsibility to your students and customers, including your responsibilities under this Paragraph 8.5 and applicable Data Privacy Laws; and (c) each of the following:
- 8.5.1 Outcomes. You, and not we, are responsible for all education and other outcomes for your students and customers in connection with any services you provide to them; and
 - 8.5.2 Ethics. You agree to treat all your students and customers fairly; provide Huntington Services, eTutoring, and Contract Services in an honest, ethical, and non-discriminatory manner; use your best efforts to preserve good student and customer relations; and render competent, prompt, courteous, and knowledgeable service to your students and customers; and
 - 8.5.3 Do not withhold information. You agree you will not withhold any information from your students and customers that you believe, in your good faith estimation, to be material to the services you provide to them; and
 - 8.5.4 No unauthorized promises. You agree not to make any promises or representations to your students or customers that we do not authorize in Brand Standards or by written notice from time to time; and
 - 8.5.5 Services. You agree not to sell, or attempt to sell, any product or service to your students or customers that you believe, in your good faith estimation, is not needed by them; and

- 8.5.6 Complaints. You agree to handle all student and customer complaints, refund requests, returns, and other adjustments in a manner that will not detract from the Marks and our goodwill; and
- 8.5.7 Refunds. You agree to pay all refunds to your students and customers as required by all present and future laws and regulations and Brand Standards. You agree:
- A. Confession of Judgement. Concurrently with your execution of this Agreement, you agree to execute the Confession of Judgement, the current version of which is in Exhibit D. If you do not pay any customer any refund as required by this Agreement, any current or future law or regulation, or Brand Standards, we have the right, but not the obligation, to have judgement by confession entered against you in favor of us or our assigns in any court of competent jurisdiction for all such refunds. We have the right to refund to such customers all monies recovered from you through such judgement by confession. We have no obligation to pay any such monies to you; and
 - B. Our right to pay your refunds. If you do not pay a refund as required by this Agreement, any present or future law or regulation, or Brand Standards, we have the right, but not the obligation, to pay such refund. You must pay us the amount of such refund immediately upon written notice; and
 - C. No reduction in your liability. No act or omission by us under this Agreement or amount we may owe you will reduce in any way your responsibility to refund all monies paid to you by your students and customers in advance for services that have not been rendered or for any other reason; and
 - D. Our costs. You agree to pay us all amounts we pay, and Third Party Costs we incur, in connection with this Paragraph 8.5.7, your refunds, and your Confession of Judgement. Any refund we pay on your behalf and all Third Party Costs we incur in connection with this Paragraph 8.5.7, your refunds, and your Confession of Judgement will be a lien in our favor against you, the assets owned by you (including the personal property, furniture, fixtures, furnishings, equipment, signs, fixtures, curricula, and inventory you own), and the Premises at the time of this default. Such payment and lien will be in addition to any other relief available under this Agreement or at law or in equity; and
 - E. Survival. You agree this Paragraph 8.5.7 will survive expiration or termination of this Agreement for any reason; and
- 8.5.8 Our communication with your customers. We and our agents have the right, but not the obligation, to communicate in any manner with and survey, from time to time, your prospective, current, and former students and customers. We and our agents have the right, but not the obligation, from time to time, to receive data, documents, and reports from, and to deliver data, documents, and reports to, your prospective, current, and former students and customers. We have the right to use such data, documents, and reports in any manner not prohibited by this Agreement or law. We have the right, but not the obligation, to publish any such survey results in any manner and in any media, including our Website and Networking Media Sites, and you must ensure that any privacy policy you adopt in compliance with Applicable Data Privacy Laws permits such use of Personal Data by us for the purposes set forth in this Paragraph 8.5; and
- 8.5.9 Your use of student and customer information. You may use student and customer information only for the purpose of operating the Franchised Business to the extent permitted by Applicable Data Privacy Laws, this Agreement, and Brand Standards. You may not sell any student or customer information to any other party, including any third-party and any our other franchisees, even if such selling may be otherwise permitted pursuant to Applicable Data Privacy Laws; and
- 8.5.10 No unauthorized products or services. You may not sell or attempt to sell any product or service to any of your students or customers that we have not authorized in writing; and

- 8.5.11 **Indemnification.** You agree to indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below from and against all claims; demands; obligations; liabilities; debts; and damages of every kind and nature (including those by any present or future governmental agency or regulator, including the National Labor Relations Board, Federal Trade Commission, California Privacy Protection Agency, and similar agencies) resulting or arising, directly or indirectly, from (a) claims made by, on behalf of, or in connection with your students and customers, or (b) any misuse of any Personal Data, or (c) actual or alleged violation of Applicable Data Privacy Laws, or (d) any Security Breach that is allegedly the result of your act or omission or that of your employees or contractors, whether occasioned by your neglect, omission, willful act, or otherwise or whether occasioned by your students' or customers' neglect, omission, willful act, or otherwise. This Paragraph 8.5.11 survives termination or expiration of this Agreement for any reason; and
- 8.5.12 **Third Party Costs.** You agree to pay us all Third Party Costs we incur in connection with this Paragraph 8.5 and in connection with any related investigation or remediation we, governmental authorities, or third parties undertake; and
- 8.5.13 **Our notices to you.** We may provide all notices under this Paragraph 8.5 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 8.6 **Student results, modification of lesson plans, instructional hours, and curricula.** You agree the results your students obtain, the duration of their attendance, and the revenue they generate depend on you and the services you provide to them and their parents or guardians, the number of teachers you employ, the quality of your instruction, your management of your teachers and their instruction, conduct of initial and other conferences, and your in-person and virtual visits to schools and conversations with teachers, counselors, and other professionals. You and we agree to the following: (a) You develop lesson plans and instructional hours and select curricula and implement lesson plans, instructional hours, and curricula; and (b) you have the right to modify any of our recommended lesson plans and any of our recommended instructional hours and to use approved or non-approved curricula; and you have the right to implement lesson plans, instructional hours, and curricula in any manner of your choosing. If you wish to use non-approved curricula, you agree to comply with the approval procedures in Paragraph 26.1.17 below.
- 8.7 **Public Entities.** You and we agree that none of your prospective, former, current, or future Public Entities are, or will be deemed, our Public Entities; and we have no control over, or any responsibility for, any such Public Entities. You agree we make no representation about your ability to submit any application to, or enter into any contract or lease with, any Public Entity to provide Contract Services or any other services or products. You agree you are solely responsible for all efforts in submitting applications and obtaining contracts and leases with Public Entities to provide Contract Services and for any services or products you provide thereunder; and any assistance we provide in connection with applications, contracts, and leases is solely for our benefit. You agree you, not we, are responsible for your Public Entities. You agree that nothing in our Brand Standards, no advice we give you, and no training we conduct or approve will reduce in any way your sole responsibilities to your Public Entities, including your responsibilities under this Paragraph 8.7. You agree to each of the following:
- 8.7.1 **Outcomes.** You are solely responsible for all education and other outcomes for your Public Entities in connection with any Contract Services you provide to them or their students; and
- 8.7.2 **Ethics.** You agree to treat all your Public Entities fairly; provide Contract Services in an honest, ethical, and non-discriminatory manner; use your best efforts to preserve good relations; and render competent, prompt, courteous, and knowledgeable service to them; and
- 8.7.3 **Do not withhold information.** You agree you will not withhold any information from your Public Entities that you believe, in your good faith estimation, to be material to the services you provide to them or their students; and

- 8.7.4 No unauthorized promises. You agree not to make any promises or representations to your Public Entities that we do not authorize in Brand Standards or by written notice from time to time; and
- 8.7.5 Services. You agree not to sell, or attempt to sell, any product or service to your Public Entities or their students that you believe, in your good faith estimation, is not needed by them; and
- 8.7.6 Complaints. You agree to handle all Public Entity complaints, refund requests, returns, and other adjustments in a manner that will not detract from the Marks and our goodwill; and
- 8.7.7 Refunds. You agree to pay all refunds to your Public Entities and their students as required by Public Entity Standards, all present and future laws and regulations, and Brand Standards; and
- 8.7.8 Our communication with your Public Entities. We and our agents have the right, but not the obligation, to communicate with and survey, from time to time, your prospective, current, and former Public Entities and their students. We and our agents have the right, but not the obligation, from time to time, to receive data, documents, and reports from, and to deliver data, documents, and reports to, your prospective, current, and former Public Entities and their students. We have the right to use such data, documents, and reports in any manner not prohibited by this Agreement or law. We have the right, but not the obligation, to publish any such survey results in any manner and in any media, including our Website and Networking Media Sites; and
- 8.7.9 No unauthorized products or services. You may not sell or attempt to sell any product or service to any Public Entity or to any of its students that we have not authorized in writing; and
- 8.7.10 Rights. You acknowledge and agree that, in connection with any tutorial, educational, instructional, professional development, or other services or products, including any services that are the same as, or similar to, Huntington Services, eTutoring, and Contract Services, we and our affiliates have the right, but not the obligation, to market, apply to provide, enter into a contract to provide, and provide any services (including Huntington Services, eTutoring, and Contract Services) in connection with any program offered or funded by any private, public, or other organization, including governmental and quasi-governmental organizations, Public Entities, cities, counties, states, and the federal government, including under the No Child Left Behind Act, the Every Student Succeeds Act, as amended, the Individuals with Disabilities Education Act, as amended, and any similar present or future city, county, state, or federal law or regulation to any individual, company, school, college, Public Entity, organization, public or private entity, quasi-governmental agency, and governmental agency, at any location, including at any location within the Exclusive Area, and to grant such rights to others, including our franchisees; and
- 8.7.11 Indemnification. You agree to indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below from and against all claims; demands; obligations; liabilities; debts; and damages of every kind and nature (including those by any present or future governmental agency or regulator, including the National Labor Relations Board) resulting or arising, directly or indirectly, from claims made by, on behalf of, or in connection with your Public Entities and their students, whether occasioned by your neglect, omission, willful act, or otherwise or whether occasioned by your Public Entities' or their students' neglect, omission, willful act, or otherwise. This Paragraph 8.7.11 survives termination or expiration of this Agreement for any reason; and
- 8.7.12 Third Party Costs. You agree to pay us all Third Party Costs we incur in connection with this Paragraph 8.7 and in connection with any related investigation or remediation we, governmental authorities, or third parties undertake; and
- 8.7.13 Our notices to you. We may provide all notices under this Paragraph 8.7 in the manner

described in Paragraph 21 below or by email to any Email Address we provide to you.

- 8.8 **Referral.** For all time, we have the right to communicate with and to direct and refer in any manner to us, any HLC, and any Public Entity any of your prospective, current, and former customers and any of your Public Entities and their prospective, current, and former students. Such communication, direction, and referral include any communication, direction, and referral by our Call Center, Conference Services, Virtual Testing, eTutoring, Contract Services, and any of our personnel and agents, including franchise business consultants and trainers. You must ensure that any privacy policy you adopt in compliance with Applicable Data Privacy Laws permits use of any Personal Data of your prospective, current, and former students and customers.
- 8.9 **Your agents, vendors, landlords.** You and we agree that none of your prospective, current, or former agents, vendors, or landlords (including the Premises Landlord) are, or will be deemed, our agents, vendors, or landlords; and we have no control over, or any responsibility for, your agents, vendors, and landlords (including your Premises Landlord). You agree to each of the following:
- 8.9.1 **Purchases.** We have the right to require (a) you purchase all products, supplies, and services you use or sell in connection with the Franchised Business from vendors we specify in Brand Standards or by written notice from time to time; and (b) to designate a vendor, who may include or be limited to us or an affiliate, of any products, supplies, and services that you purchase for use or sale in connection with the Franchised Business. You acknowledge and agree that certain approved products and supplies may be available from only one approved supplier source, and we or our affiliates may be that source. We and our affiliates have the right to earn and retain profits and all other forms of consideration, including rebates and volume discounts, from all such purchases you or we make from any vendor. You agree to pay each of your vendors timely and in full according to each such vendor's terms.
- 8.9.2 **Communication.** We and our agents have the right, but not the obligation, to communicate with and survey your former, current, and future agents, vendors, and landlords (including the Premises Landlord) for any reason from time to time. We and our agents have the right, but not the obligation, from time to time, to require and to receive data, documents, and reports from, and to deliver data, documents, and reports to, your former, current, and future agents, vendors, and landlords (including the Premises Landlord). We have the right to use such data, documents, and reports in any manner not prohibited by this Agreement or law. We have the right, but not the obligation, to publish any such survey results, data, documents, and reports in any manner and in any media, including our Website and Networking Media Sites. If we communicate with or survey any of your agents, vendors, or landlords (including the Premises Landlord), you agree to cooperate with us.
- 8.9.3 **No unauthorized promises.** You agree not to make any promises or representations to your agents, vendors, and landlords (including the Premises Landlord) that we do not authorize in Brand Standards or by written notice from time to time.
- 8.9.4 **No warranty.** You, not we, are responsible for your agents, vendors, and landlords (including the Premises Landlord). Nothing in this Agreement or our Brand Standards, no advice we give you, and no training we conduct or approve will reduce in any way your sole responsibilities to your agents, vendors, and landlords (including the Premises Landlord), including your responsibilities under this Paragraph 8.9. We and our affiliates make no warranty with respect to any product or service you purchase from us or any vendor. Such products and services include equipment, supplies, computer equipment, computer software, and any items we recommend or approve. We expressly disclaim all representations and warranties, express and implied, including implied warranties of merchantability and fitness for a particular purpose, with respect to any such product or service.
- 8.9.5 **Indemnification.** You agree to indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below from and against all claims, demands, obligations, liabilities, debts, and damages of every kind and nature (including those by any present or

future governmental agency or regulator) resulting or arising, directly or indirectly, from all claims made by, on behalf of, or in connection with your agents, vendors, and landlords (including the Premises Landlord), whether occasioned by your neglect, omission, willful act, or otherwise or whether occasioned by your or our agents', vendors', or landlords' neglect, omission, willful act, or otherwise. This Paragraph 8.9.5 survives termination or expiration of this Agreement for any reason.

- 8.9.6 **Third Party Costs.** You agree to pay us all Third Party Costs we incur in connection with this Paragraph 8.9 and in connection with any related investigation or remediation we or third parties undertake.
- 8.9.7 **Our notices to you.** We may provide all notices under this Paragraph 8.9 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 8.10 **Loan Companies.** You and we agree that none of your prospective, current, or former Loan Companies are, or will be deemed, our Loan Company; and we have no control over, or any responsibility for, any of your prospective, current, or former Loan Companies. You agree to each of the following:
- 8.10.1 **Application and approval.** You agree to use your best efforts to apply to, and become approved by, each Loan Company we require; and to maintain each such Loan Company's approval continually throughout the Term. Such Loan Companies currently include Your Tuition Solution. We have the right to add and remove Loan Companies (including removal of all Loan Companies), from time to time.
- 8.10.2 **Data.** You agree (a) we may request data, documents, and reports in electronic and non-electronic form from all Loan Companies for all their activity in connection with your Franchised Business in the manner and with the frequency we require; and (b) each Loan Company may provide us with all data, documents, and reports we request in writing; and (c) you will cooperate fully with us and each such Loan Company in providing us with all data, documents, and reports we request; and (d) upon our request, you agree to direct each of your Loan Companies to provide us with the data, documents, and reports we request in writing. We may provide all requests in this Paragraph 8.10.2 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 8.10.3 **Franchisee Data Reporting Request.** You agree to execute the form, Franchisee Data Reporting Request, concurrently with your execution of this Agreement; the current version is in Exhibit E. You agree (a) to execute and return to us our then-current Franchisee Data Reporting Request within five days of our request us; and (b) you will not void, attempt to void, terminate, or attempt to terminate any Franchisee Data Reporting Request at any time.
- 8.10.4 **Payments.** You agree to bear all your initial and on-going costs in connection with each Loan Company; and to pay all fees associated with all Loan Companies and all loans they provide to you and your students and customers.
- 8.10.5 **No warranty.** You understand and agree that we make no warranty or representation of any kind related to any Loan Company, whether or not we approved or recommended any Loan Company for use by you.
- 8.10.6 **Indemnification.** You agree to indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below from and against all claims; demands; obligations; liabilities; debts; and damages of every kind and nature (including those by any present or future governmental agency or regulator) resulting or arising, directly or indirectly, from claims made by, on behalf of, or in connection with your Loan Companies, whether occasioned by your or your Loan Company's neglect, omission, willful act, or otherwise. This Paragraph 8.10.6 survives termination or expiration of this Agreement for any reason.
- 8.10.7 **Third Party Costs.** You agree to pay us all Third Party Costs we incur in connection with this Paragraph 8.10 and in connection with any related investigation or remediation we or third

parties undertake.

8.10.8 Our notices to you. We may provide all notices under this Paragraph 8.10 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

8.11 Accreditation

8.11.1 Membership. We have the right to require you become a member of an Accrediting Body. We have the right to require you cease being a member of an Accrediting Body. You must not apply for accreditation or become accredited without our prior written approval, which we have the right to withhold for any business reason. We have the right to change the Accrediting Body from time to time and, if we change the Accrediting Body, we have the right to require you become a member of a changed Accrediting Body and we have the right to require you cease being a member of a changed Accrediting Body.

8.11.2 Requirement. To the extent permitted by the Accrediting Body, you must use your best efforts to be accredited by it in the manner and within the time period we require. If the Accrediting Body accredits you, you must comply with our and its requirements to maintain such accreditation in full force and effect continually during the Term in the manner we authorize in Brand Standards and by written notice from time to time. If you apply to the Accrediting Body and it does not accredit you, then you agree to do all those things required by the Accrediting Body and us in the manner and within the time period required by the Accrediting Body and us to attempt to obtain its accreditation.

8.11.3 Indemnification. You agree to indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below from and against all claims; demands; obligations; liabilities; debts; and damages of every kind and nature (including those by any present or future governmental agency or regulator) resulting or arising, directly or indirectly, from claims made by, on behalf of, or in connection with each Accrediting Body, whether occasioned by your or the Accrediting Body's neglect, omission, willful act, or otherwise. This Paragraph 8.11.3 survives termination or expiration of this Agreement for any reason.

8.11.4 Third Party Costs. You agree to pay us all Third Party Costs we incur in connection with this Paragraph 8.11 and in connection with any related investigation or remediation we or third parties undertake.

8.11.5 Our notices to you. We may provide all notices under this Paragraph 8.11 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

8.12 **Supporting Services.** During the term of the Call Center License, you agree (a) will comply fully with the Call Center Standards; and (b) will use solely the Phone Number or the Franchised Business's advertised phone number in all marketing and advertising you conduct in connection with the Franchised Business; and (c) will direct all calls received over your Franchised Business's advertised phone number to the Call Center. During the term of the Conference Services License, you agree you (a) will comply fully with the Conference Services Standards; and (b) we may authorize Loan Companies to make loans available on your behalf to your customers and students in connection with Virtual Conferences. During the term of the Virtual Testing License, you agree to comply fully with the Virtual Testing Standards. You agree we or our affiliate have the right, but not the obligation, to change, modify, and further develop the Supporting Services at any time and from time to time. You agree:

8.12.1 Recording. You must not record in any manner, whether directly, indirectly, or through any third party, and whether using audio, video, or any electronic or non-electronic means, any audio or video calls or conversations received or transmitted in connection with any Supporting Services. You agree we have the right to the fullest extent permitted by law, but not the obligation, to record in any manner, whether directly, indirectly, or through any third party and whether using audio, video, or other electronic or non-electronic means any audio or video calls or conversations received or transmitted in connection with Supporting Services and to collect from all participants biometric data in connection with all of the foregoing. You

agree (a) such permissions cannot be revoked at any time by you during the Term; and (b) we own all such recordings and biometric data and all rights to such recordings and biometric data; and (c) we have no obligation to give you any copy of any such recording or biometric data or to make any such recording or biometric data available to you.

- 8.12.2 Disputes. You agree we have the right to resolve any dispute about (a) any phone number you use in connection with the Franchised Business, including any dispute about definition or interpretation; and (b) any testing, initial conference, interim conference, other conference, conversation, or event conducted in connection with any Supporting Services; and about any decision we or any customer makes in connection with any Supporting Services, including any dispute about definition or interpretation. We have the right to resolve any dispute about any call made to, or by, the Call Center; and any testing conducted by Virtual Testing; and any initial and interim conference conducted by Virtual Conferencing. Such calls, testings, and conferences include those made by prospective, current, and former vendors, students, customers, and employees.
- 8.12.3 No representations. You agree we make no representation about any results you or we may obtain using the Supporting Services, including results for their conversion rates, enrollment rate, payment (including any up-front payment), scheduled hours per week, and length of stay.
- 8.12.4 Our notices to you. We may provide all notices under this Paragraph 8.12 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 8.13 **eTutoring.** Previously, we made online tutoring available temporarily to those of our franchisees who executed an amendment to their franchise agreement. You agree that, if you executed any such amendment, then all such amendments are terminated and of no effect as of the Agreement Date. You agree to each of the following:
- 8.13.1 Limitations
- A. Provide. You may provide eTutoring to any student who is solely located in the United States. You may not provide any eTutoring to any student who is located at any time outside the United States. You may provide eTutoring to any student located within any other HLC's exclusive area (or territory, if another HLC has a territory). Any other HLC may provide eTutoring to any student who is located within your Exclusive Area (or territory if you have a territory); and
- B. Other HLC. You must not provide eTutoring to any student who is enrolled by or at any other HLC or who is located within that other HLCs premises. You will not permit any other HLC to provide eTutoring to any student who is enrolled by or at your HLC or is located within your Premises.
- C. Personal Data. All eTutoring sessions are subject to the Huntington Privacy Policy available <https://www.huntington.com/Privacy-Security/privacy-policies> and you must ensure all Personal Data collected via the eTutoring session is collected in compliance with such Huntington Privacy Policies.
- 8.13.2 Students under the age of 18. Before you provide any eTutoring to any student under the age of 18, you must obtain written authorization for your provision of eTutoring in the manner and form we require from such student's parent or legal guardian. The current form is the Huntington eTutoring Authorization Form. The parent or guardian completes this form electronically. You must retain such authorization for the term of your Franchise Agreement and any successor franchise agreement. You must not provide any eTutoring to any student under the age of 18 without a Huntington eTutoring Authorization Form in your possession signed by that student's parent or guardian.
- 8.13.3 Recording. You must record all eTutoring sessions in the manner we require in Brand Standards or in writing from time to time and in no other manner. We may provide such

notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. You must not provide any eTutoring session, if you do not record that session in the manner we require. We have the right to view and listen to all such recordings at any time. We have the right to use all such recordings in any manner not prohibited by applicable law.

- 8.13.4 **Teachers.** In addition to the requirements in the Franchise Agreement, you agree we have the right, but not the obligation, to impose additional requirements on your eTutoring teachers, including requirements about (a) the appearance of the physical location in which the teacher provides eTutoring; and (b) the teacher's video background; and (c) the technology and equipment the teacher uses to provide eTutoring; and (d) the teacher's dress and appearance.
- 8.13.5 **Your representations.** You agree we do not make, and you have not received from us or any of our employees or agents, any representation about any of our systems, technology, procedures, or processes in connection with eTutoring. You understand and acknowledge the following: We have no or limited experience in developing, offering, or providing eTutoring and related software, curricula, training, and support; and we are developing this service and such development will involve testing and experimentation; and such testing and experimentation may result in your loss of income and opportunities; and the Brand Standards may be incomplete or erroneous for eTutoring.
- 8.14 **Contract Services.** Previously, we made Contract Services available temporarily to those of our franchisees who executed one or more amendments to their franchise agreement. You agree that, if you executed any such amendment, then all such amendments are terminated and of no effect as of the Agreement Date. During the term of the Contract Services License, you agree to comply fully with the Brand Standards Manual and to each of the following:
- 8.14.1 **Geographic limitations.** You may provide Contract Services to any student who is located solely in the United States. You may not provide any Contract Services to any student who is located at any time outside the United States. You may provide Contract Services to any student located within any other HLC's exclusive area (or territory, if another HLC has a territory). Any other HLC may provide Contract Services to any student who is located within your Exclusive Area (or territory if you have a territory).
- 8.14.2 **Procedure.** Before you provide any Contract Services, you must submit to us the form, Public Entities for Contract Services, for our approval; the current version is in Exhibit E. If we do not approve any Public Entity by written notice within 30 days after we receive this form, it is deemed disapproved. You agree to provide Contract Services only to Approved Public Entities. You agree you will not provide any services, including Contract Services, to any Public Entity that is not an Approved Public Entity.
- 8.14.3 **Removal of a Public Entity.** If you have not provided any Contract Services to any Approved Public Entity for a period of 90 days, we have the right to remove that Public Entity as an Approved Public Entity.
- 8.14.4 **Notify other franchisees.** If you plan to provide Contract Services in another HLC's exclusive area, we request you notify that franchisee in advance of providing any Contract Services.
- 8.14.5 **Applications, contracts, leases.** You are responsible to research opportunities for Contract Services and solicit Public Entities for these services. You are solely responsible (a) to apply to Public Entities to provide these services; and (b) to enter into contracts or leases to provide these services; and (c) for all related costs and expenses; and (d) to comply with all applications, contracts, and leases you enter into in connection with Contract Services and otherwise. If you make any application to any Public Entity, or if you enter into any contract with any Public Entity, or if you execute any lease to use any Public Entity's facility, then such application, contract, and lease must state we are not a party to it and we are not your agent. You must deliver to us a copy of each application, contract, and lease signed or revised by you

and a Public Entity within 10 days after you and such Public Entity sign such application, contract, or lease. Your failure to comply with Public Entity obligations. You must notify us in writing immediately upon your failure to fulfill any of your obligations to any Public Entity; and of any notification to you by any Public Entity or other party of any failure to fulfill any of your obligations to any Public Entity.

- 8.14.6 Communication. You agree we have the right, but not the obligation, at any time and from time to time, to communicate in any manner (including in-person, phone, text, mail, email, audio, and video) with any Public Entity, including Approved Public Entities and disapproved and removed Public Entities, for any reason, including notifying it of your default; of your loss of the right to perform Contract Services; and termination of Contract Services License.
- 8.14.7 Your representations. You agree we do not make, and you have not received from us or any of our employees or agents, any representation about any of our systems, technology, procedures, or processes in connection with Contract Services. You understand and acknowledge the following: We have no or limited experience in developing, offering, or providing Contract Services and related software, curricula, training, and support; and we are developing this service and such development will involve testing and experimentation; and such testing and experimentation may result in your loss of income and opportunities; and the Brand Standards may be incomplete or erroneous for Contract Services. You agree: (a) You are solely responsible for all losses, damages, penalties, and liabilities to each Public Entity and all its students; and (b) We have not reviewed or commented on for your benefit any application, contract, or lease you have entered into, or may enter into, with any Public Entity in connection with Contract Services or otherwise. You agree we have no obligation to review or comment on any application, contract, or lease you may enter into with any Public Entity or otherwise. You agree that any review or comment we may have made, or may make in the future, on any application, contract, or lease is solely for our benefit.

8.15 Your execution of notices in Exhibit E; our right to file

- 8.15.1 Contemporaneously with your execution of this Agreement, you must execute the following documents. The current versions of these documents are in Exhibit E. In addition, we have the right to require you execute these documents at any time and from time to time during the Term, including with the frequency required in this Agreement and such documents:
- A. Your notices to us during the Term. You agree to submit the following notices to us in the manner and within the time period required in these notices or by us in writing:
1. Franchisee Acknowledgement Regarding Employees; and
 2. Franchisee Data Reporting Request; and
 3. Your Initial Investment; and
- B. Periodic notices to your employees during the Term. When you hire an employee and thereafter at least once a quarter, you must give each of your employees our form, Notification to Franchisee Employees, they must sign it, and, after they sign it, you must sign it; and
- C. Notice upon termination or expiration of the Call Center License. You agree to execute the document, Phone Number Redirect upon Termination of the Call Center License, upon termination or expiration of the Call Center License for any reason; and
- D. Notices upon termination or expiration of this Agreement. You agree that, upon termination or expiration of this Agreement for any reason whatsoever, we have the right, but not the obligation, to submit, file, or convey to all governmental and non-governmental entities, companies, and agencies, including phone companies, internet providers, utility companies, landlords, and vendors, notices that you no longer are our franchisee and the following notices:

1. Notification that the Undersigned Is No Longer Operating a Huntington Learning Center® Business; and
2. Phone Number Assignment upon Termination of the Franchise Agreement; and
3. Email and Internet Assignment; and
4. Utility Assignment.

8.15.2 Filing notices

- A. Your cooperation. You agree to use your best efforts to cooperate fully and timely with us and each governmental and non-governmental entity, company, and agency in accomplishing the actions contemplated in Paragraph 8.15.1 above.
- B. Upon termination or expiration of the Call Center License. For a period of two years from the date of expiration or termination of the Call Center License for any reason, you hereby irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, and with power of substitution, to execute and to file for you or on your behalf any relevant document to accomplish the acts contemplated in Paragraph 8.15.1D above. We have the right to file an original counterpart or a copy of this Agreement and such notice with each applicable governmental and non-governmental entity, company, and agency and with any court, agency, or person as written evidence of your appointment of us or our nominee to be your attorney-in-fact. You agree to pay all applicable governmental and non-governmental entities, companies, and agencies any amount or compensation such entities require to accomplish the acts required under such notice, or to us immediately upon demand, if we pay any such required amount or compensation. You agree to indemnify and hold harmless the Franchisor Entities in connection with any and all claims, losses, fees, costs, expenses, liabilities, compliance costs, and damages incurred by the indemnified parties as a result of all matters associated with actions untaken or attempted by us or our nominee under these notices. In connection with the actions under this paragraph, you agree to pay us our related Third Party Costs.
- C. Upon termination or expiration of this Agreement. For a period of two years from the date of expiration or termination of your rights under this Agreement for any reason, you hereby irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, and with power of substitution, to execute and to file for you or on your behalf any relevant document to accomplish the acts contemplated in Paragraph 8.15.1D above. We have the right to file an original counterpart or a copy of this Agreement and each notice with each applicable governmental and non-governmental entity, company, or agency and with any court, agency, or person as written evidence of your appointment of us or our nominee to be your attorney-in-fact. You agree to pay timely and fully all applicable governmental and non-governmental entities, companies, and agencies any amount or compensation such entities require to accomplish the acts required under these notices, or to us immediately upon demand, if we pay any such amount or compensation. You agree to indemnify and hold harmless the Franchisor Entities in connection with any and all claims, losses, fees, costs, expenses, liabilities, compliance costs, and damages incurred by the indemnified parties as a result of all matters associated with actions untaken or attempted by us or our nominee under these notices. In connection with the actions under this paragraph, you agree to pay us our related Third Party Costs.
- D. Prompt compliance. You agree to comply fully and timely with all provisions of this Paragraph 8.15.

9 MARKS

- 9.1 **Use.** You agree that for all time:

- 9.1.1 We have the sole and absolute right to approve or reject any use of the Marks and any object using or exhibiting the Marks, including all signs, decorations, stationery, business cards, brochures, forms, texts, emails, blogs, webinars, and websites; in every medium, including print, audio, video, electronic, Internet, your websites and Networking Media Sites, and our Websites and Networking Media Sites; in every language; and in every method of communication, including spoken, written, visual, and electronic communication; and
- 9.1.2 You must not perform, or permit the performance of, any act or thing to be done in derogation of the Marks or of any of our rights to the Marks; and
- 9.1.3 You must ensure all communication, advertising, and promotional materials, signs, decorations, and other items you use in connection with your customers bear the Marks in the language, form, color, location, and manner we prescribe and in no other way; and
- 9.1.4 You must not use the Marks in any human resource, employee, or payroll data or document, including your personnel manuals, your employee standards, your employee applications, your pay stubs, your pay checks, your employment agreements, your government submission, your time cards; or in any of your employee-related matters or communications, including your employee advertising and recruiting, hiring, management, wages, payment of wages, staffing, employee forms and reports, and record keeping; and
- 9.1.5 In connection with all your human resource, employee, and payroll documents, you must identify yourself as the operator of the Franchised Business in the manner and with the frequency we require; and
- 9.1.6 You must not use the Marks in any business other than in connection with the Franchised Business; and you must use the Marks only for the operation of the Franchised Business and only from, or in, the Premises, or in advertising or marketing for the Franchised Business; and
- 9.1.7 You must not use the Marks to incur any obligation or indebtedness for us; and
- 9.1.8 You must not license or attempt to license the Marks. You must not sublicense or attempt to sublicense the Marks. You must not grant or attempt to grant any individual, entity, third party, or vendor any rights in the Marks; and
- 9.1.9 You must not at any time, directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, cause or permit any act impairing or tending to impair our right, title, or interest in the Marks; and
- 9.1.10 You must use only the Marks we designate, and must use them only in the manner, with the frequency and with the duration, and at the locations we authorize and permit; and
- 9.1.11 Except as we require or permit in Brand Standards or by written notice from time to time, you must not use the Marks in connection with the Internet, your websites, or your Networking Media Sites or with anything related to the Internet, your websites, or your Networking Media Sites; and
- 9.1.12 You must not register, attempt to register, obtain any ownership in, attempt to obtain any ownership in, establish, attempt to establish, maintain, or otherwise use any Domain that uses, contains, incorporates, or consists of the Marks, or any of them, without our express prior written consent, which we may withhold for any reason or no reason. If you register, attempt to register, obtain any ownership in, attempt to obtain any ownership in, establish, attempt to establish, maintain, or otherwise use any Domain in violation of this Paragraph 9.1.12, then, in addition to any rights we may have under law and this Agreement, you hereby agree that any such Domain and its contents, including any copyrights therein, will be deemed to be our property at no cost to us and you hereby agree to do all the things we require to convey such Domain and its contents to us at your sole cost within five days of our written request, including execution of any documents we require to give effect to this Paragraph 9.1.12. If a court of competent jurisdiction determines that any ownership or copyright rights

to any Domain and its contents are not transferred to us under this Paragraph 9.1.12, you agree to execute any documents we require to give effect to this Paragraph 9.1.12. You agree to pay upon written notice all Third Party Costs we incur in connection with this Paragraph 9.1.12 and those costs we incur in connection with locating, identifying, transferring, assigning, and conveying such Domain and its contents. In addition to all other rights and remedies provided under law and this Agreement, and without limiting the foregoing in this Paragraph 9.1.12, you must pay us upon written notice to you an amount equal to the total gross revenue you derived from any sale or provision of services or products from such Domain. We may provide such notices in the manner described in Paragraph 21 below or by email to any Email Address we provide to you; and

- 9.1.13 In connection with the Franchised Business, you must not use the name "Huntington" alone, or any trademark, service mark, logotype, symbol, or other mark that is not part of the Marks or that is confusingly similar to the Marks, and you must not use the Marks or any trademark, service mark, logotype, symbol, or other mark that we determine, in our sole and absolute discretion, may be confusingly similar to any of the Marks in connection with any other business in which you have an interest, or in connection with the sale of any unauthorized product or service from the Franchised Business; and
- 9.1.14 In the adoption of any name in connection with the Franchised Business, including any name for any legal entity or Domain, you must not use any of the Marks, any variations or abbreviations of the Marks, or any words or symbols that are or may be confusingly similar to the Marks. We have the sole and absolute right to resolve any dispute about whether any word or symbol is or may be confusingly similar to the Marks; and
- 9.1.15 In the adoption of any name in connection with the Franchised Business, including any name for any legal entity or Domain, you must not use any of the following words, any variations or abbreviations of the following words, or any words or symbols that are or may be confusingly similar to the following words: "Huntington", "Learning", "Center", "Exam", "Online", "Home", "HLC", "NCLB", "Prep", "Can", "Learn", "Provider", "School", "Service", "Solution", "Supplemental", "Test", "Tutor", "Tutoring", "Your", or "YTS" or any combination of these words, singular or plural, with or without prefix or suffix, whether in the English language or any other language. We have the sole and absolute right to resolve any dispute about whether any word or symbol is or may be confusingly similar to the Marks; and
- 9.1.16 Unless otherwise authorized or required by us by written notice, you must operate and advertise the Franchised Business only under the name, "Huntington Learning Center®", and must use all Marks without prefix or suffix; and
- 9.1.17 You must identify yourself as the operator of the Franchised Business (in the manner and with the frequency we require) in conjunction with any use of the Marks; such uses include those in conjunction with all invoices, order forms, receipts, and business stationery, as well as at such conspicuous locations at the Premises as we may designate by written notice from time to time; and
- 9.1.18 Your right to use the Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use by you will constitute an infringement of our rights; and
- 9.1.19 Upon our written notification, you must execute at your sole cost and expense within the time period we require any documents we deem necessary to obtain protection for the Marks or to maintain their continued validity and enforceability; and
- 9.1.20 You must not use the Marks in connection with your endorsement of any third-party service or product.

9.2 **Acknowledgments.** You understand, acknowledge, and agree that for all time:

- 9.2.1 All ownership, right, title, and interest to the Marks is vested solely in us or our affiliates; and

- 9.2.2 All goodwill created by your use of the Marks will inure exclusively to us or our affiliates; and you irrevocably waive for all time any right for compensation by us and by any of our affiliates that you may have for any goodwill created by your use of the Marks; and you disclaim any right, title, and interest in the Marks and any goodwill derived from them; and you must not assert any claim to any goodwill, reputation, or ownership of the Marks by virtue of your licensed or franchised use of them or otherwise; and
- 9.2.3 We have the right to use, and license others to use, the Marks in any manner at any time from time to time and at any location not prohibited by this Agreement. You have no right to restrict us, any of our affiliates, or any of our franchisees from using the Marks in any manner at any time from time to time and at any location not prohibited by this Agreement; and you must not contest or aid in contesting, directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, the validity of, or our or our affiliates' ownership of, or right to use and to license others to use, the Marks; and
- 9.2.4 You must not in any way dispute or impugn the validity of the Marks. You must not dispute or impugn our rights or the rights of our affiliates, franchisees, licensees, or other authorized users to use the Marks at any time for any purpose at any location, in any language, and in any media; and
- 9.2.5 The Marks are valid and serve to identify the System and those who are authorized to operate under the System; and
- 9.2.6 We have the right from time to time to modify, amend, or discontinue the Marks. We have the right from time to time to substitute different marks for use in identifying the System and HLCs. You must comply within five days, or such longer period we permit, with such modification, amendment, discontinuance, or substitution, when notified by us to do so, at your sole cost and expense, and we will have no liability or obligation whatsoever to you with respect thereto.
- 9.3 **Infringement.** You must notify us promptly of any suspected infringements, imitations, or suspected unauthorized use of the Marks, or any challenges to the validity, our ownership of, right to use and license others to use, or to your use of, the Marks. You acknowledge and agree that we have the sole right to institute, defend, direct, and control any judicial, arbitration, and administrative proceedings and actions involving the Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks. We have the right, but not the obligation, to defend you against any third-party claim, suit, or demand arising out of your use or misuse of the Marks; and, if we provide such a defense, then you will be responsible for the cost of the defense, including the cost of any judgement or settlement. If we undertake any defense or prosecution of any judicial, arbitration, or administrative proceedings or actions affecting the Marks, then, at your sole expense, you will: (a) cooperate fully with us in these proceedings or actions; and (b) execute within five days of our request all documents and do those acts and things as may, in our counsel's opinion, be necessary to comply with this Paragraph 9.3, including being named as a nominal party in these proceedings or actions. We will not indemnify you for any damage or expense you incur due to your use of the Marks, including due to any judicial, arbitration, or administrative proceedings or actions involving the Marks. We will not be liable for any loss, expense, or damage you incur because of your use or misuse of the Marks. For all time, you hereby irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, with power of substitution, to execute and to file for you or on your behalf any relevant document and to perform any legal act necessary to defend, compromise, and settle in any judicial, arbitration, or administrative proceedings or actions affecting the Marks. We have the right to file an original counterpart or a copy of this Agreement with any court, arbitrator, agency, or vendor as written evidence of your appointment of us or our nominee to be your attorney-in-fact with regard to this matter. Solely with our written consent, you may participate at your own expense in any judicial, arbitration, or administrative proceedings or actions affecting the Marks.

10 MANUAL, CONFIDENTIAL INFORMATION, AND COPYRIGHTS

10.1 Huntington Manuals

- 10.1.1 Purpose and subject matter. The sole purpose of the Brand Standards is to protect our reputation and goodwill and to maintain uniform standards of operation under the Marks and System. The sole purpose of the Call Center Standards is to protect our reputation and goodwill and to maintain uniform standards of operation of the Call Center under the Marks and System. The sole purpose of the Conference Services Standards is to protect our reputation and goodwill and to maintain uniform standards of operation of Conference Services under the Marks and System. The sole purpose of the Virtual Testing Standards is to protect our reputation and goodwill and to maintain uniform standards of operation of Virtual Testing under the Marks and System. The subject matter of the Brand Standards, Call Center Standards, Virtual Testing Standards, and Conference Services Standards includes the description of the System's, Call Center's Virtual Testing's, and Conference Services', respectively, uniform standards, specifications, policies, and procedures for their marketing techniques, operational procedures, business practices, and management methods described in this Agreement.
- 10.1.2 Ownership. We own or our affiliate owns the Huntington Manuals and all rights, including proprietary rights, in and to them and their information. Any paper, electronic, and other copies of the Huntington Manuals, summaries of the Huntington Manuals, and extracts of the Huntington Manuals are, and always will remain, solely our property, even if such items were made in violation of this Agreement.
- 10.1.3 Confidentiality; no duplication. The Huntington Manuals contain our Confidential Information. You agree to keep the Huntington Manuals and their contents secret and confidential for all time. At all times, you must treat the Huntington Manuals and their information as confidential and will use all reasonable efforts to maintain them and their information as secret and confidential. You must not copy, scan, or create in any manner whatsoever any electronic, paper, or other copy of any portion of the Huntington Manuals without our prior written permission, which we may decline for any reason or no reason. You must not permit your employees or agents to copy, scan, or create in any manner whatsoever any electronic, paper, or other copy of any portion of the Huntington Manuals without our prior written permission, which we may decline for any reason or no reason.
- 10.1.4 Your use. You must use the Huntington Manuals solely for your operation of the Franchised Business during the Term and for no other purpose. You must operate the Franchised Business strictly in compliance with the Huntington Manuals.
- 10.1.5 Format. We may provide the Huntington Manuals in any format, including in written, video, audio and software media; and in various parts, subparts, and separate components. The term "Huntington Manuals" includes all means of communicating such information, regardless of format.
- 10.1.6 Modification. We have the sole and absolute right to modify, add to, and delete from, the Huntington Manuals for any business purpose from time to time. You have no right to modify, add to, or delete from the Huntington Manuals for any reason. Within 14 days after we notify you in writing, you will promptly at your sole expense update your copy of the Huntington Manuals, in the manner we direct, with any modifications of, additions to, and deletions from, the Huntington Manuals. We may provide such notification in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 10.1.7 Adaptations and Variances. You acknowledge and agree that complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. We have the right to vary the standards, specifications, and requirements for any HLC based on conditions we deem important to the operation of such

HLC or the System, as more particularly set forth in Brand Standards. We are not required to grant you the same variation or a like, similar, or other variation. You acknowledge that the obligations and rights of the parties to other agreements, including their franchise agreements, may differ materially from your rights and obligations under this Agreement.

10.1.8 Controlling copy. The electronic copy (or, if unavailable, the paper copy) of the Huntington Manuals we maintain at our home office is, and will be, controlling in the event of any dispute as to their contents.

10.1.9 Where to maintain the manuals. We have the right to maintain all or any portion of the Huntington Manuals in written or electronic form on one or more websites owned or hosted by us or by third parties and in our Software. You agree to keep the Huntington Manuals in one or more secure locations in the Premises, as we direct in the Huntington Manuals or by written notice from time to time. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

10.2 Confidential Information

10.2.1 We possess and may continue to develop and acquire Confidential Information. Confidential Information includes the following: (a) The Huntington Manuals; and (b) the System and the policies, procedures, and know-how related to use of the System; and (c) interior and exterior plans, specifications, size, and physical characteristics of the premises within which a HLC operates; and (d) sources, design, and methods of use of equipment, furniture, forms, materials, and supplies; and (e) our Websites, our Networking Media Site, and our “business to business” and “business to customer” networks or communities and our other e-commerce methods of business; and (f) marketing, advertising, and promotional programs for HLCs; and (g) methods, techniques, formats, specifications, procedures, information and systems related to, and knowledge of and experience in, the development, operation, advertising, marketing, and franchising of HLCs; and (h) sales and delivery methods and techniques for Huntington Services, eTutoring, and Contract Services; and (i) training programs for Owners, teachers, and part-time and full-time employees; and (j) the Software and any other computer software and all their related passwords that we require or make available or recommend for HLCs; and (k) databases of prospective, current, and former students and customers and related transaction records; and (l) knowledge of specifications for, and identities of and suppliers of, certain products, materials, supplies, furniture, furnishings, and equipment; and (m) knowledge of operating results and financial performance of HLCs (other than those operated by you or your affiliates); and (n) knowledge of procedures and all data developed and used in connection with these procedures in connection with each of the following: accreditation, Websites, our Networking Media Sites, Testing Materials and Curricula, Huntington Services, eTutoring, Contract Services, Supporting Services, Training and Technology Services, Franchisor Technology, and Software; and (o) knowledge of our operating instructions and business practices.

10.2.2 Materiality. Your unauthorized use of any Confidential Information is a material breach of this Agreement.

10.2.3 Disclosure; confidentiality obligations. We will disclose much of the Confidential Information to you by furnishing you with the Huntington Manuals and through any training, advice, guidance, or assistance we may provide to you. You agree that such disclosure and your relationship with us does not vest in you any interest in the Confidential Information, other than the right to use it during the Term in the operation of the Franchised Business solely in accordance with the terms of this Agreement. You agree that the Confidential Information is proprietary, includes trade secrets belonging to us and our affiliates, and is disclosed to you or authorized for your use solely on the condition that, for all time, you agree to the following; and you hereby agree to the following:

- A. You, your Owners, and employees will not use the Confidential Information in any business or capacity, other than that of operating the Franchised Business. Use of any Confidential Information by you or any of your Owners or employees in any business other than that of the Franchised Business would be a material breach of this Agreement and would constitute an unfair method of competition; and
 - B. You, your Owners, and employees will maintain the absolute confidentiality of the Confidential Information; and
 - C. You, your Owners, and employees will not make any unauthorized copies of any portion of the Confidential Information disclosed via electronic medium, in written form, or in other tangible form or permit others to make any unauthorized copies of any portion of the Confidential Information disclosed via electronic medium, in written form, or in other tangible form; and
 - D. You, your Owners, and employees will adopt and implement all reasonable procedures we may prescribe from time to time in the Huntington Manuals or by written notice from time to time to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to your employees and the use of nondisclosure agreements we may prescribe for employees or others who have access to the Confidential Information. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 10.2.4 Exception to confidentiality. You may disclose the Confidential Information in judicial or administrative proceedings, when and only to the extent you are legally compelled to disclose it pursuant to a final order of a duly authorized court of competent jurisdiction (after all appeals have been taken), provided you have first given us adequate opportunity to obtain an appropriate protective order or other assurance satisfactory to us that the information required to be disclosed will be treated confidentially.
- 10.2.5 Non-applicability of confidentiality. You will not have any obligations under this Agreement with respect to a specific portion of the Confidential Information that you can demonstrate with competent evidence that such Confidential Information (a) was or becomes generally legally available to the public other than as a result of a disclosure by you or any of the Franchisee Entities; or (b) was available to you on a non-confidential basis before its disclosure to you by us; or (c) becomes available to you from a third party, provided that such third party is not known by you, after reasonable inquiry, to be bound by an obligation of confidentiality to us or otherwise prohibited from transmitting such information to you; or (d) was or is independently developed by you without use of the Confidential Information, as evidenced by written and dated records kept in the ordinary course of business.
- 10.3 **Copyrights.** You must use the Copyrighted Works in connection with the Franchised Business only according to this Agreement, the Huntington Manuals, or as provided by us by written notice from time to time; and you must not use the Copyrighted Works in any other manner. You must ensure that all Copyrighted Works bear the copyright and other notices we designate that specify our or our affiliates' ownership of the copyrights therein. You must submit all adaptations, translations, and derivative works of the Copyrighted Works to us for our prior approval before any use by you. We have 30 days to approve such them. If we do not approve them by written notice within such 30 days, they are deemed disapproved. Upon our approval, such adaptations, translations, and derivative works will not thereafter be changed or modified without our prior written approval. You agree to use such adaptations, translations, and derivative works in strict accord with our requirements. You must not adapt, translate, or create any derivative works of or from the Copyrighted Works without our prior written permission, which we may refuse for any reason or no reason. If you prepare, or the Contract Services Advertising Fund, Huntington Advertising Fund, or the CoOp of which you are a member prepares, any adaption, translation, or work derived from the Copyrighted Works, including ads, posters, forms, reports, software, books, electronic books, web pages, pages on our Websites, pages on your or our Network Media Sites, or marketing or promotional materials, then you agree that such adaptation, translation, or derivative work will be our sole and exclusive property, even if you, the

Huntington Advertising Fund, Contract Services Advertising Fund, or the CoOp of which you are a member make such adaptation, translation, or derivative work in violation of this Agreement; and you hereby assign all your right, title, and interest therein to us and waive for all time all moral rights therein. Your unauthorized use of any of the Copyrighted Works is a material breach of this Agreement and infringes on the Copyrighted Works. If, at any time, we direct you to modify or discontinue using any Copyrighted Work or to use one or more additional or substitute Copyrighted Works, you hereby agree to comply at your sole expense within 14 days or the longer or shorter time period we require by written notice. You agree for all time to each of the following:

- 10.3.1 You agree to notify us in writing within five days after you learn of any infringement or apparent infringement of, or challenge to, your use of any Copyrighted Work, or of any individual's or legal entity's claim of any rights in any Copyrighted Work; and you agree not to communicate with any person or legal entity, other than us and our and your attorneys regarding any infringement, challenge, or claim. We have the right, but not the obligation, to take any action we deem appropriate (including no action) and to control exclusively any litigation, arbitration, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Copyrighted Work. In connection with your obligations under this Paragraph 10.3, you agree to execute at your sole cost any documents or other items and to take any actions that, in our counsel's opinion, are necessary or advisable to protect or maintain our interests in any litigation, arbitration, or proceeding or otherwise to protect or maintain our interests in the Copyrighted Works. For all time, you irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, with power of substitution, to execute and to file for you or on your behalf any relevant document and to perform any legal act necessary in connection with your obligations under this Paragraph 10.3. We have the right to file an original counterpart or a copy of this Agreement with any court, arbitrator, agency, or vendor as written evidence of the appointment by you of us or our nominee to be your attorney-in-fact regarding this matter. We have no obligation to reimburse you in any way for any of your costs, expenses, or fees in connection with your complying with this Paragraph 10.3.
- 10.3.2 You agree to provide notices under this Paragraph 10.3 in the manner described in Paragraph 21 below. We may provide notices under this Paragraph 10.3 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

11 ACCOUNTING AND RECORDS; AUDIT

- 11.1 **Required software.** You agree to use the paper-, computer-, or Internet-based record-keeping or control systems and the accounting system and chart of accounts we specify in Brand Standards or by written notice from time to time. You agree to use the payroll system we specify in Brand Standards or by written notice from time to time.
- 11.2 **Separate P&L statement.** You agree to maintain the Franchised Business's financial information (including general ledger, profit and loss statement, and balance sheet) separately from the financial information of all other businesses you may operate, including any other HLC you operate.
- 11.3 **Timely deposits.** You agree to deposit each payment you receive in connection with this Agreement within two business days after receipt of such payment; and to record promptly, in the Software or as we direct, all operational and financial information from the Franchised Business.
- 11.4 **Records.** You agree to keep all physical and electronic records and correspondence related to this Agreement and the Franchised Business at the Premises. Such records and correspondence include permanent and confidential student records; copies of all reports and correspondence submitted to, and received from, us and all taxing and other governmental authorities; bank and deposit records; marketing and advertising materials you used; this Agreement; and all other books, records, and agreements related to, or required under, this Agreement. You must provide us with copies of all such

records and with a list and description of all your bank, checking, and related accounts (and their account activity and balances) at your sole expense, within five days of our written notice to you. You must give us, within five days of our written notice to you at your sole cost, a copy of each written agreement entered into between you or any of your affiliates and us or any of our affiliates. You must retain all Franchised Business records for at least three consecutive years after the end of each year or for such longer period of time as required by law.

- 11.5 Reports.** You must submit to us in the manner and format and with the frequency we require such reports as we require in Brand Standards or by written notice from time to time, including the following reports: (a) Each month, monthly reports as to your marketing, operations, and finances, including reports about your Gross Revenue, Huntington Services Revenue, eTutoring Revenue, Contract Services Revenue, advertising, marketing, operations, student activity, parent contact, school contact, finance, profit and loss, balance sheet, and cash flow statement; and (b) within 60 days after the end of each year during the Term, your profit and loss statement for the preceding year and balance sheet as of the end of such year; and a completed copy of our then-current franchisee ownership description form. You must submit to us within five days of our request at your sole cost full and complete copies of your and your Owners' federal tax, state tax, insurance, and other similar returns and filings and all documents, exhibits, and reports required by, or attached to, such returns and filings. If we require you to certify any report referenced in this Paragraph 11.5 as complete and accurate, then you will do so promptly in the manner we require. Your failure to certify any such report within the time period we require will be a material breach under this Agreement. If you fail to submit to us the reports or filings we require in this Paragraph 11.5, the Brand Standards, or by written notice within the time period we require, then all payments owed by you for such month will be deemed overdue until we receive all such reports, regardless of whether payment was actually made, and you will be responsible for all applicable late fees and interest as described in this Paragraph 11.5. In addition, you must pay us the Non-monetary Default Fee per day per overdue report and per overdue filing immediately upon written notice for each day we have not received such reports and filings.
- 11.6 Audit.** To ascertain your compliance with this Agreement, all prior, current, and future agreements between you and us, and the Huntington Manuals, we and our employees and agents have the right, without notice to you, at any time and from time to time, to Audit all elements and contents of the Franchised Business and all elements and contents of the Premises, including the following: (a) the items in Paragraph 4.7 above; and (b) all physical and electronic data and reports you, your employees or agents, or others developed or used in connection with the Franchised Business, including the data referenced in Paragraph 8.2.3 above; and (c) your and the Franchised Business's revenue, expenses, marketing, operations, and financing; and (d) your and the Franchised Business's former, current, and potential customers and vendors; and (e) your and the Franchised Business's physical and electronic books; general ledger; profit and loss statements; balance sheets; contracts and agreements with customers, vendors, and third parties; computers; records; accounts; state tax returns, filings, and records; federal tax returns, filings, and records; insurance filings and records; bank accounts and records; checking accounts and records; computer software and data; bookkeeping data and reports; correspondence and emails (whether from or to the Email Address or from or to any other email address); curricula and instructional materials (whether approved or not approved by us); testing materials (whether approved or not approved by us); student records and files; records and files (including payroll records and files) of your employees and all individuals and entities who perform any work for or on behalf of you or the Franchised Business or Premises; and (f) your and the Franchised Business's personal income tax records and other income tax records covering or related to the Franchised Business; and (g) your and the Franchised Business's personal emails covering or related to the Franchised Business. You agree for all time to each of the following:
- 11.6.1 Audit rights.** We have the right to request and receive information, documents, contracts, agreements, and reports from you and your and your Franchised Business's suppliers, vendors, customers, and Loan Companies. We have the right to communicate in any manner with your and your Franchised Business's current, former, and potential customers and vendors. We have the right to copy and transmit to any party any documents, contracts,

agreements, and other items we obtain in any manner, including in connection with an Audit. We have the right to Audit in any manner, including in-person and online, by entering the Premises, by conducting video or audio meetings and conferences, and by review of any data developed or used by you, us, and others in connection with you and the Franchised Business, including the data referenced in Paragraph 8.2.3 above. If we request you assist in an Audit, such as by taking pictures or videos or by providing us or our employees or agents information or documents, then you must comply fully and promptly with our request at your sole expense. If, in our reasonable business judgment, we believe you have, or your Franchised Business has, failed to comply with your and its reporting or record keeping obligations under this Agreement, we have the right to examine and audit in the manner described in this Paragraph 11.6 any other business in which you have an ownership or management interest. To assist in verifying the information and documents you supply in connection with an Audit, we have the right to reconstruct, sales, expenses, and payroll through any method of analyzing and reconstructing sales we deem reasonable; and you agree to accept any such reconstruction. You must permit and cooperate fully with our exercise of our rights under this Paragraph 11.6.

- 11.6.2 **Correction of deficiencies.** Upon written notice from us or our agents, and without limiting our rights under law and this Agreement, you must take all such steps to correct all deficiencies detected during any Audit within five days or such longer period provided in such notice. If, for any reason, you fail to correct all such deficiencies as, and in the manner, we require and within the time period we require, then you must pay us the Non-monetary Default Fee per day per deficiency immediately upon written notice for each day you have not corrected each such deficiency. In addition, we have the right, but not the obligation, to correct or attempt to correct any deficiencies that may be susceptible of correction by us.
- 11.6.3 **Cost of Audit.** If, for any reason, you decline to permit, or you fail to cooperate fully and timely with, any Audit or if any Audit discloses that you have failed to meet or comply with our quality requirements, as we authorize in the Huntington Manuals, or by written notice from time to time, then, within five days of our written notice you must pay us (a) the greater of the cost of the Audit or \$5,000 and (b) all Third Party Costs we incur in connection with the Audit. If we correct, or attempt to correct, any deficiency detected during the Audit, then you must pay us promptly upon written notice all costs and Third Party Costs we incur in connection with correcting or attempting to correct any such deficiencies.
- 11.6.4 **False books.** If we determine through Audit or otherwise that, at any time and for any reason, you have (a) maintained false books, records, or financial or operating statements; or (b) submitted financial or operating reports or statements that understate Gross Revenue or enrollment by 3% or more or are otherwise substantially incorrect, then, within five days of our written notice, you must pay us (1) the additional amount due as a result of such underpayment; and (2) all applicable interest and late fees as provided in Paragraph 6.22.6 above; and (3) the greater of the cost of the Audit or \$5,000; and (4) all Third Party Costs we incur in connection with the Audit. The foregoing remedies are in addition to any other remedies we may have under this Agreement or at law or in equity.
- 11.6.5 **Special Audits upon Transfer, Subsequent Franchise Agreement, relocation, renovation, modification, and termination of this Agreement**
- A. **Right to Audit.** In connection with any Transfer, execution of a Subsequent Franchise Agreement, relocation of the Franchised Business, renovation or modification of the Premises, and termination of this Agreement, we have the right, but not the obligation, to conduct an Audit at your sole cost. Within five days of our written notice, you must pay us the cost of such Audit and all Third Party Costs we incur in connection with the Audit.
- B. **Transfer.** If we detect any deficiency upon any Audit in connection with any Transfer, then, in addition to all rights granted under this Paragraph 11.6, at our option you must either correct all such deficiencies to our full satisfaction before the Transfer or deposit

with us an amount sufficient in our sole estimation to correct all such deficiencies to our full satisfaction.

- C. Subsequent Franchise Agreement. If we detect any deficiency upon any Audit in connection with any Subsequent Franchise Agreement, then, in addition to all rights granted under this Paragraph 11.6, at our option you must either correct all such deficiencies to our full satisfaction before your execution of the Subsequent Franchise Agreement or deposit with us an amount sufficient in our sole estimation to correct all such deficiencies to our full satisfaction.
 - D. Relocation, renovation, modification. If we detect any deficiency upon any Audit in connection with your relocation of the Franchised Business or renovation or modification of the Premises, then, in addition to all rights granted under this Paragraph 11.6, at our option you must correct all such deficiencies to our full satisfaction within the time period we require or deposit with us an amount sufficient in our sole estimation to correct all such deficiencies to our full satisfaction.
 - E. Termination of this Agreement. If we detect any deficiency upon any Audit in connection with termination of this Agreement, then, in addition to all rights granted under this Paragraph 11.6, at our option you must correct all such deficiencies to our full satisfaction within the time period we require or deposit with us an amount sufficient in our sole estimation to correct all such deficiencies to our full satisfaction.
 - F. Your failure to correct deficiencies. If you inform us that you will correct the deficiencies in connection with your Transfer, Subsequent Franchise Agreement, relocation of the Franchised Business or renovation or modification of the Premises and you fail to correct these deficiencies to our full satisfaction within the time period provided in this Paragraph 11.6.5, such failure will be a material default under this Agreement.
- 11.6.6 No liability for failing to discover any deficiency. We do not represent or warrant that any Audit or inspection we conduct will discover any deficiency in connection with the Franchised Business, Premises, or otherwise. We will not be liable to you or any other party if we fail for any reason to discover any deficiency during any Audit or inspection that we conduct, including any Audit or inspection permitted under this Paragraph 11.6 or under any other provision of this Agreement or any other agreement between you and us.
- 11.6.7 No waiver or warranty. If we fail for any reason to discover any deficiency during any Audit or inspection we conduct, including any Audit or inspection under this Paragraph 11.6 or under any other provision of this Agreement or any other agreement between you and us, we do not waive any right under this Agreement.
- 11.6.8 Survival. You agree this Paragraph 11.6 will survive expiration or termination of this Agreement for any reason.
- 11.7 **Our notices to you.** We may provide notices under this Paragraph 11 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

12 ADVERTISING AND PROMOTION

- 12.1 **Advertising and promotion.** You agree to advertise and promote the Franchised Business and the sale of Huntington Services and eTutoring actively and diligently continually during the Term and solely in conformity with this Agreement, the Brand Standards, and as we require or permit by written notice from time to time. You agree to each of the following:
- 12.1.1 Huntington Services and eTutoring minimums. You agree to promote your Huntington Services and eTutoring by spending a minimum of \$57,000 per calendar year on Local Media that claim circulation in your CoOp's geographic area. Of this minimum amount, each month must spend a minimum of \$2,000. During the first and last calendar years of the Term, you

must spend at least \$57,000 prorated according to the number of full months during those calendar years.

- 12.1.2 Contract Services requirements. If you elect to offer Contract Services, you must promote your Contract Services by researching opportunities for Contract Services and by soliciting Public Entities to provide these services.
- 12.1.3 Excluded items. Payments for the following goods and services do not count towards your obligation to spend the minimum amount in Paragraph 12.1.1 above: (a) Huntington Advertising Fund; and (b) Contract Services Advertising Fund; and (c) advertising or marketing Contract Services; and (d) start-up kits; and (e) start-up services, except any payment for Local Media purchased in connection with start-up services; and (g) any amount you pay us, or deposit with us, in connection with the Marketing Communication Program; and (g) your in-person or virtual visits to, or contacts with, schools, merchants, or community organizations or any of their personnel; and (h) your ground marketing activities, such as distributing ground signs and flyers; and (i) any marketing activities for which you incur no out-of-pocket expense; and (j) any payment you make or expense you incur for any salary or other compensation paid to any employee, agent, or vendor; (k) any rental or lease payment you make or expense you incur in connection with the Premises or any other facility; and (l) any scholarship you may offer; and (m) any discount you may offer on any service, including any discount you may offer on academic evaluations or tuition. We have the right to add to, and subtract from, this list of excluded items from time to time by written notice to you. We may provide such notices in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 12.1.4 Responsibility. You, and not we, are responsible for all marketing, advertising, and public relations you conduct and any results they may or may not achieve.
- 12.1.5 Breach. Failure to spend any of the minimum amounts in this Paragraph 12.1 is a material breach of this Agreement.
- 12.1.6 Your use of advertising material. If we provide you with any advertising or promotional materials, then you must use them solely in the manner we require or permit by written notice; and you must not modify them in any manner we do not approve in advance by written notice, except as follows: you may add to such materials the Franchised Business's advertised phone number, the Premises address, your page's web address on the Website, and any offers or discounts you wish to promote. If we provide you with any advertising or promotional materials, then you must not adapt, translate, or develop derivative works of any such materials without our prior written approval, which you must seek in the manner described in Paragraph 12.1.7 below. If you wish to use any advertising or promotional materials that we have not provided to you, you must seek our prior written approval in the manner described in Paragraph 12.1.7 below.
- 12.1.7 Approval procedure. Before using any unapproved advertising or marketing materials, media, or activities, you must first submit them to us with a description of their use for our prior written approval at least 14 days before any use. We have 14 days after we receive such material and descriptions of such media and activities to approve such material, media, or activities and their use. If we do not approve such materials, media, or activities or use by written notice within such 14-day period, such material and use will be deemed disapproved. Our approval of any such material, media, or activities or their use is not, and will not be deemed, a representation, warranty, certification, or guarantee by us that such materials, media, or activities or their use are lawful or will meet your expectations or will be successful in producing inquiries or students.
- 12.1.8 Third-party permissions. You are solely responsible for obtaining all permissions and releases for all material, images, photos, videos, quotations, and other items used in any manner and in any media in any advertising and promotional materials you modify or develop; and for any

claims; demands; obligations; costs; attorneys', accountants', and consultants' fees, costs, and expenses; other expenses; liabilities; debts; and damages resulting, directly or indirectly, from your obtaining or failing to obtain such permissions or releases and from your use of such material, photos, videos, quotations, and other items. You agree to pay us all Third Party Costs we incur in connection with such permissions and releases and your failure to obtain such permissions or releases.

- 12.1.9 Geographic limitations. You may market and advertise Huntington Services, eTutoring, and Contract Services solely within your CoOp's geographic area. You may market and advertise Huntington Services, eTutoring, and Contract Services in any other franchisee's exclusive area or territory, providing that other franchisee is located within your CoOp's geographic area. We and any of our other franchisees may market Huntington Services, eTutoring, Contract Services, and any other service or product in your Exclusive Area.
- 12.1.10 Referral. We have the right to direct or refer in any manner any of your prospective, current, and former customers to us and to any HLC, including any HLC owned or operated by us or our affiliate.
- 12.1.11 Disputes over Local Media. We have the right to resolve any dispute about Local Media, including any dispute about definition or interpretation, in our sole discretion.
- 12.1.12 Indemnification
- A. For all time, you agree to indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19.3 below from and against all claims; demands; obligations; liabilities; debts; and damages of every kind and nature resulting or arising, directly or indirectly, and whether occasioned by your neglect, omission, willful act, or otherwise of your marketing and advertising, including from any of the following: (a) Your use in any media of any of our advertising or promotional materials, our Networking Media Sites, or our Websites other than in the manner we require or permit; and (b) Your use in any manner or in any media of any advertising or promotional materials you develop or modify; and (c) Your use of your Networking Media Sites, any website controlled or operated by you, and any website neither controlled nor operated by you.
- B. We will not indemnify or compensate you, and we not be liable for any loss, expense, or damage you incur, in connection with any claim, demand, obligation, liability, or debt of any kind or nature resulting or arising, directly or indirectly for any reason for any of your use of any item in Paragraph A above, even if we provided such item to you or we approved such item. You agree to pay us all Third Party Costs we incur in connection with this Paragraph 12.1.12.
- 12.2 **Huntington Advertising Fund.** You acknowledge and agree to each of the following:
- 12.2.1 Huntington Advertising Fund Fee. You agree to pay us each month a nonrefundable Huntington Advertising Fund Fee that is 2% of your preceding month's Huntington Services Revenue and eTutoring Revenue for each month in which you receive any Huntington Services Revenue or eTutoring Revenue, providing, however, the minimum Huntington Advertising Fund Fee will be the amount identified, and will begin as of the date, in Paragraph 6.3 above. We or our designee control and determine the way the monies in the Huntington Advertising Fund are spent.
- 12.2.2 Member. By your execution of this Agreement, you (a) consent to become, and do become, a member of the Huntington Advertising Fund; and (b) you agree to comply with the Huntington Advertising Fund's bylaws and other governing documents now in effect and as they may be modified from time to time. You agree you have no right to, and will not, terminate or attempt to terminate, your membership in Huntington Advertising Fund at any time during the Term.

- 12.2.3 Use. Except as otherwise described in this Paragraph 12.2 we or our designee will spend all contributions to the Huntington Advertising Fund and earnings thereon on market research, and on development, production, and placement of marketing programs and materials, in any media, in any geographic or market area, and to meet all costs of administering, directing, preparing, placing, and paying for promotions, public relations, market research, advertising, and related activities, including the cost of preparing and conducting television, radio, electronic media (including text, email, blog, webinar, the Internet, our Websites, and on any Networking Media Site), direct mail, magazine, and newspaper advertising campaigns and public relations activities and related activities and employing advertising agencies to assist with these activities for Huntington Services and eTutoring. The Huntington Advertising Fund will not be used to defray any of our general operating expenses, except that the Huntington Advertising Fund will pay us monthly 5% of the monies contributed to it to reimburse us for administrative costs and overhead we incur in any activities related to its administration. The advertising and marketing used by the Huntington Advertising Fund may provide coverage that is local, regional, national, or international in scope. Neither we nor the Huntington Advertising Fund is obligated to spend any Huntington Advertising Fund monies in the geographic or market area in which the Premises is located or in any manner that is proportionate to or equivalent to your contributions. You agree you may receive no direct or indirect benefit from the Huntington Advertising Fund. If we or our affiliates or our or their franchisees or licensees offer services now or in the future different from Huntington Services or eTutoring, the Huntington Advertising Fund may benefit us, those franchisees and licensees, and the services they provide. The Huntington Advertising Fund may benefit us and our affiliates in our or their advertising and sale of HLCs or other businesses. The Huntington Advertising Fund may benefit Contract Services and the Contract Services Advertising Fund. We and our designee have the right to accumulate monies in the Huntington Advertising Fund; and may accumulate any monies in the Huntington Advertising Fund that are not spent in the calendar year in which they accrue. Although the Huntington Advertising Fund is intended to be of perpetual duration, we have the right to terminate it at any time and for any reason. You agree we (a) retain final control over business decisions with respect to the creative content of any advertising and marketing used by the Huntington Advertising Fund, irrespective of which entity or party administers or controls the Huntington Advertising Fund; and (b) have for all time all right, title, and interest, without any compensation to you, Huntington Advertising Fund, or Huntington Advertising Fund, Inc. of any idea, concept, material, content, images, and item, and all copyrights thereto, developed or produced by the Huntington Advertising Fund or its agents or vendors; and (c) have the right to use any such idea, concept, material, content, images, and item in any manner, including in connection with the System and otherwise; and (d) have the right to assign the right, title, and interest for any such idea, concept, material, content, images, and item to any individual or legal entity, including our affiliate.
- 12.2.4 No fiduciary relationship. You and we acknowledge and agree that there is no formal or informal fiduciary or trustee relationship created by this Agreement or otherwise between us and the Huntington Advertising Fund, between us and Huntington Advertising Fund, Inc., between us and you, between you and Huntington Advertising Fund, between you and Huntington Advertising Fund, Inc., or otherwise. You and we acknowledge and agree that, except that described in this Agreement, there is no fiduciary, special, or other relationship between you and us, or between us and the Huntington Advertising Fund, or between us and Huntington Advertising Fund, Inc.
- 12.2.5 No beneficiary. You agree: (a) you are neither an intended third party beneficiary nor an incidental beneficiary with respect to the Huntington Advertising Fund; (b) the Huntington Advertising Fund is neither a third party beneficiary nor an incidental beneficiary under this Agreement; and (c) no CoOp is a third party beneficiary or an incidental beneficiary under this Agreement.

- 12.2.6 Use of funds. The Huntington Advertising Fund may be used to cover all its and Huntington Advertising Fund, Inc.'s administrative and operating costs and third-party expenses, including attorneys', accountants', and consultants' fees, costs, and expenses; and we and the Huntington Advertising Fund have the right to use the Huntington Advertising Fund to defend, indemnify, and hold harmless the Franchisor Entities, Huntington Advertising Fund, and Huntington Advertising Fund, Inc. and its members from all claims; demands; losses; obligations; costs; liabilities; debts; damages; and attorneys', accountants', and consultants' fees, costs, and expenses resulting, directly or indirectly, from administration of the Huntington Advertising Fund. Such attorneys', accountants', and consultants' fees mean the full and actual costs of any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to "reasonable attorneys' fees", "reasonable accountants' fees", or "reasonable consultants' fees" as defined by any present or future federal, state, or local statute, or rule of court or court or arbitration decision.
- 12.3 **Contract Services Advertising Fund.** You acknowledge and agree each of the following:
- 12.3.1 **Contract Services Advertising Fund Fee.** You agree to pay us each month a nonrefundable Contract Services Advertising Fund Fee that is 2% of your preceding month's Contract Services Revenue for each month in which you receive any Contract Services Revenue. We control and determine the way the monies in the Contract Services Advertising Fund are spent.
- 12.3.2 **Member.** By your execution of this Agreement, you (a) consent to become, and do become, a member of the Contract Services Advertising Fund; and (b) you agree to comply with the Contract Services Advertising Fund's bylaws and other governing documents now in effect and as they may be modified from time to time. You agree you have no right to, and will not, terminate or attempt to terminate, your membership in Contract Services Advertising Fund at any time during the Term.
- 12.3.3 **Use.** Except as otherwise described in this Paragraph 12.3, the Contract Services Advertising Fund, all contributions thereto and earnings thereon, may be spent on lobbying, marketing, staffing, and activities by us in connection with marketing, soliciting, obtaining, and managing contracts with Public Entities; marketing and solicitation to Public Entities, customers, parents, guardians and students; recruiting and solicitation of parents and students; marketing to, lobbying of, and participation in educational and other trade organizations, governmental and non-governmental organizations (whether such organizations are for-profit or not-for-profit), and any related entities or organizations, and any activities related thereto; market research; development, production, and placement of marketing programs and materials in any media and in any geographic or market area; enhancing or supporting our brand awareness and brand in educational and marketing activities; administering, directing, preparing, placing, and paying for lobbying, promotions, public relations, market research, advertising, and related activities, including the cost of preparing and conducting television, cable, radio, trade shows, electronic media (including text, email, blog, webinar, the Internet, our Websites, and on any Networking Media Site), direct mail, magazine, and newspaper advertising and lobbying and public relations activities and related activities and employing advertising, lobbying, and other agencies to assist with all these activities; and any and all costs of all activities described in this Paragraph 12.3. The Contract Services Advertising Fund may be used to cover all administrative, legal, and operating costs and third-party expenses of the Contract Services Advertising Fund, including accountants' and attorneys' fees, costs, and expenses; the Contract Services Advertising Fund will not be used to defray any of our general operating expenses, except the Contract Services Advertising Fund must pay monthly to us 10% of the monies contributed to it to reimburse us for management of its programs and for administrative costs and overhead we incur in any activities related to its administration; the Contract Services Advertising Fund may provide coverage that is local, regional, national, or international in scope; we are not obligated to spend any of our or its monies in the geographic or market area in which you are, your Franchised Business is, or any Public Entity is

located or in any manner that is proportionate or equivalent to your contributions; you may receive no direct or indirect benefit whatsoever from the Contract Services Advertising Fund; the Contract Services Advertising Fund may benefit us and our affiliates and our and their franchisees that offer services the same as, similar to, or different from, Contract Services, eTutoring, and Huntington Services; the Contract Services Advertising Fund may benefit us in our sale of franchises; the Contract Services Advertising Fund may benefit Huntington Services, eTutoring, and the Huntington Advertising Fund; we have the right to commingle funds in the Contract Services Advertising Fund with our general funds; we may accumulate any monies in the Contract Services Advertising Fund that are not spent in the year in which they accrue. We have the right to contribute any funds in the Contract Services Advertising Fund to the Huntington Advertising Fund and to any other advertising fund that collects contributions from us or our affiliates or our or their franchisees. We have the right to merge all or part of the Contract Services Advertising Fund with the Huntington Advertising Fund and any other advertising fund that collects contributions from us or our affiliates or our or their franchisees. Although the Contract Services Advertising Fund is intended to be of perpetual duration, we have the right to terminate it at any time and for any reason or no reason.

- 12.3.4 No fiduciary relationship. You and we acknowledge and agree that there is no formal or informal fiduciary or trustee relationship between us and the Contract Services Advertising Fund, between you and the Contract Services Advertising Fund, between us and you, between Huntington Advertising Fund and Contract Services Advertising Fund, or otherwise. You and we acknowledge and agree that, except that described in this Agreement, there is no fiduciary, special, or other relationship between you and us, or between us and the Contract Advertising Fund.
- 12.3.5 No beneficiary. You agree: (a) you are neither an intended third party beneficiary nor an incidental beneficiary with respect to the Contract Services Advertising Fund; (b) the Contract Services Advertising Fund is neither a third party beneficiary nor an incidental beneficiary under this Agreement; and (c) no CoOp is a third party beneficiary or an incidental beneficiary under this Agreement.
- 12.3.6 Use of funds. The Contract Services Advertising Fund may be used to cover all its administrative and operating costs and third-party expenses, including attorneys', accountants', and consultants' fees, costs, and expenses; and we and the Contract Services Advertising Fund have the right to use the Contract Services Advertising Fund to defend, indemnify, and hold harmless the Franchisor Entities and Contract Services Advertising Fund from all claims; demands; losses; obligations; costs; liabilities; debts; damages; and attorneys', accountants', and consultants' fees, costs, and expenses resulting, directly or indirectly, from administration of the Contract Services Advertising Fund. Such attorneys', accountants', and consultants' fees mean the full and actual costs of any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to "reasonable attorneys' fees", "reasonable accountants' fees", or "reasonable consultants' fees" as defined by any present or future federal, state, or local statute or rule of court or court or arbitrator decisions.
- 12.4 **CoOp.** We have the right to form CoOps. We have the right to require you to become a member of a CoOp. You acknowledge and agree to each of the following:
- 12.4.1 **Membership.** By your execution of this Agreement, you (a) consent to become, and do become, a member of the CoOp in which your Premises resides; and (b) you agree to comply with its bylaws and other governing documents now in effect and as they may be modified from time to time. If we establish a CoOp that is applicable to you as of the Agreement Date or during the Term, then, within five days of our written notice to you, you will execute such documentation as we require by such notice and become a member of such CoOp and comply with the applicable CoOp's bylaws and other governing documents for such CoOp. You have no right to terminate, or attempt to terminate, your membership in your CoOp.

- 12.4.2 Organization. We have the right from time to time to determine and modify each CoOp's name, membership, organization, bylaws, voting rights, government, administration, starting date, ending date, and geographic area; and to change, dissolve, or merge any CoOp. No CoOp activity may be undertaken without our prior written approval. When any CoOp's members vote, each member will be accorded one vote, except to the extent provided otherwise by the applicable CoOp's bylaws. If any CoOp operates according to written governing documents or prepares annual or periodic financial or operating statements, projections, or budgets, the CoOp will provide us and all its members these documents, statements, projections, and budgets in a timely manner. We and our agents have the right from time to time to examine, inspect, copy, and audit all the CoOp's physical and electronic books, computers, records, accounts, tax returns, bank records, computer software and data, bookkeeping, revenue, expenses, reports, and correspondence; and you must permit and cooperate fully with this examination, inspection, and audit. Each CoOp must permit us and our agents to observe and participate in all its meetings and to observe all its activities. We have the right to call CoOp meetings from time to time for any reason.
- 12.4.3 Fees. The CoOp of which you are a member has the right to require you pay it a nonrefundable monthly CoOp Advertising Fee, as determined by a majority vote of its members, except to the extent provided otherwise by its bylaws. All CoOp Advertising Fees paid to the CoOp must be maintained and administered solely in accordance with the agreement establishing the CoOp. You must pay the CoOp Advertising Fee to your CoOp by the 10th day of each month for the preceding month or as determined by a majority vote of your CoOp's members, except to the extent provided otherwise by your CoOp's bylaws. By the 10th day of each month you must submit to your CoOp and to us the statements and reports your CoOp and we require. CoOp Advertising Fees may be spent to meet any costs of placement and conduct of advertising and marketing programs in any media determined in accordance with the CoOp's bylaws. You may receive no direct or indirect benefit from your CoOp. All CoOp members have the right to vote on all its expenditures, except to the extent provided otherwise by the CoOp's bylaws. If you pay any CoOp Advertising Fee to your CoOp, then we credit these fees to your minimum local advertising requirement under Paragraph 12.1 above, to the extent they do not exceed it.
- 12.4.4 Use of advertising material
- A. If we provide you or your CoOp with any advertising or promotional materials, then you and your CoOp must use them solely in the manner we require or permit by written notice; and you and your CoOp will not modify them in any manner we do not approve in advance by written notice, except as follows: your CoOp may add to such materials its members' Franchised Business's advertised phone numbers, their Premises addresses, their pages' web addresses on the Website, and any offers or discounts you wish to promote.
 - B. If we provide you or your CoOp with any advertising or promotional materials, then you and your CoOp must not adapt, translate, or develop derivative works of any such materials, without our prior written approval, which you or your CoOp must seek in the manner described in Paragraph 12.4.5 below.
 - C. If you wish to use any advertising or promotional materials that we have not provided to you, then you must seek our prior written approval in the manner described in Paragraph 12.4.5 below.
 - D. All CoOp marketing and advertising must be within the CoOp's geographic area.
- 12.4.5 Approval procedure. Before your CoOp uses any unapproved advertising or marketing materials, media, or activities, you or your CoOp must first submit them to us with a description of their use for our prior written approval. We have 14 days to approve such material and their use after we receive such materials and a description of their use. If we do not approve such materials, media, or activities or use by written notice within such 14-day

period, such material and use will be deemed disapproved. Our approval of any unapproved material, media, or activities or their use is not, and will not be deemed, a representation, warranty, certification, or guarantee by us that such materials, media, or activities or their use are lawful or will meet your or your CoOp's expectations or will be successful in producing inquiries or students.

- 12.4.6 Third-party permissions. You and your CoOp are solely responsible for obtaining all permissions and releases for all material, images, photos, videos, quotations, and other items used in any advertising and promotional materials in any manner and in any media you or your CoOp develop or use; and for any claims; demands; obligations; costs; attorneys', accountants', and consultants' fees, costs, and expenses; other expenses; liabilities; debts; and damages resulting, directly or indirectly, from your or your CoOp's obtaining or failing to obtain such permissions or releases and from your use of such material, photos, videos, quotations, and other items. You agree to pay us all Third Party Costs we incur in connection with such permissions and releases or your or your CoOp's failure to obtain such permissions or releases.
- 12.4.7 Bylaws. The CoOp may not change its bylaws unless we approve such change in advance by written notice. The CoOp must submit all proposed changes to its bylaws to us for our prior, written approval. We have 30 days to approve any proposed change after we receive such proposed change. If we do not approve any proposed change by written notice within such 30 days, it is deemed disapproved. The CoOp's bylaws will not thereafter be changed or modified without our prior written approval. The CoOp is responsible, at its expense, to conform its bylaws and corporate documents to all present and future applicable laws, rules, and regulations, to obtain all required or permitted permits, and to pay all applicable taxes and fees that may be required by present and future federal, state, or local applicable laws, ordinances, or regulations. We do not warrant or represent that any bylaws or other CoOp document comply with any present or future requirement, rule, or regulation imposed by any present or future law or governmental agency.
- 12.4.8 No fiduciary relationship. There is no formal or informal fiduciary or trustee relationship created by this Agreement or otherwise between us and your CoOp. You and we acknowledge and agree that there is no fiduciary, special, or other relationship between us and your CoOp.
- 12.4.9 Breach. Your failure to pay any amount required by your CoOp or to perform any legal act required by your CoOp will be a material breach of this Agreement. We have the right, but not the obligation, to enforce any obligation owed by you to your CoOp on your CoOp's behalf.
- 12.4.10 Indemnification. For all time, you and your CoOp will indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below from and against all claims; demands; obligations; liabilities; debts; and damages of every kind and nature resulting or arising, directly or indirectly, and whether occasioned by your or your CoOp's neglect, omission, willful act, or otherwise from (a) your or your CoOp's use of any advertising or promotional materials you or it develops in any manner or uses in any media; and (b) your or your CoOp's use in any manner and in any media of any of our advertising or promotional materials that you, your CoOp, or any other party modify and use in any manner or in any media; and (c) your or your CoOp's use of any of our advertising or promotional materials in any media in any manner other than the manner we require or permit. Such attorneys', accountants', and consultants' fees mean the full and actual costs of any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to "reasonable attorneys' fees", "reasonable accountants' fees", or "reasonable consultants' fees" as defined by any present or future federal, state, or local statute or rule of court or court or arbitrator decisions. We will not indemnify or compensate you or your CoOp, and we will not be liable for any loss, expense, or damage you or your CoOp incurs, in connection with any damage or expense you, your CoOp, or others incur due to your or your CoOp's use of any

advertising or marketing materials, media, or activities, even if we provided such items to you or your CoOp.

- 12.4.11 **Third Party Costs.** You and your CoOp agree to pay us all Third Party Costs we incur in connection with this Paragraph 12.4.
- 12.5 **Our Websites and our Networking Media Sites.** You agree to use our Websites and our Networking Media Sites solely in the manner and with the frequency we require or permit in the Brand Standards or by written notice from time to time. You agree to each of the following:
- 12.5.1 **Establishment.** We have the right for any reason and at any location, including within the Site Selection Area and Exclusive Area, from time to time to the following: (a) to establish and operate one or more Websites and Networking Media Sites to sell Huntington Services, eTutoring, Contract Services, or any other services and products; and (b) to modify and discontinue any Website and any Networking Media Site; and (c) to develop and discontinue relationships with any other websites and Networking Media Sites for any reason, including any website or Networking Media Site you own or use in connection with the Franchised Business; and (d) to market and advertise on our Websites, our Networking Media Sites, on the Internet, and on any other public or other computer network; and (e) to recruit and contract with advertisers to advertise on any Website and any Networking Media Site. We have the right to retain any funds we collect from any advertising or commercial activities we or third parties conduct on any Website and on any Networking Media Site. If we develop or discontinue any relationship with any website or Networking Media Site you own or use in connection with the Franchised Business, you agree to use your best efforts to cooperate timely and fully with us.
- 12.5.2 **URL.** If you add a URL to your marketing or advertising, then you must use the Website URL and no other URL.
- 12.5.3 **Student registration.** We have the right to require you to permit students to register or pay for any of your Huntington Services, eTutoring, and Contract Services on any of our Websites and on your and our Networking Media Sites. If any student registers, you must provide the services for which they registered.
- 12.5.4 **Your actions.** You agree to use your best efforts to do all things necessary to accomplish the purposes of this Paragraph 12.5 as we require in the Brand Standards or by written notice from time to time, including (a) obtaining, maintaining, and terminating Domain names and home page addresses; and (b) providing dates and times on Websites and Networking Media Sites during which students may register for Huntington Services, eTutoring, and Contract Services; and (c) obtaining and maintaining any credit card provider we require to accomplish the purposes of this Paragraph 12.5; and (d) providing and maintaining your HLC's information on the Website and our Networking Media Sites. We have the right to add, or require you add and update, your Franchised Business's information on any Websites and our Networking Media Sites. You must continually ensure that all your Franchised Business's information on each Website and our Networking Media Sites is accurate and up to date. We are not responsible for any postings by you or others on our Website or any of your or our Networking Media Sites.
- 12.5.5 **Employee-related prohibitions.** You must not use any Website or any of our Networking Media Sites in connection with your (a) human resource, employee, or payroll document, including personnel manuals, employee applications, pay stubs, pay checks, employment agreements, government submission, and time cards; and (b) employee-related matter or communication, including recruiting, hiring, management, wages, payment of wages, staffing, employee forms and reports, and record keeping.
- 12.5.6 **Ownership.** We or our affiliates are and always will remain the sole owner of all our Websites and our Networking Media Sites and all material, content, images, and pages of all our

Websites and our Networking Media Sites and all copyrights thereto. We have the right to transfer, assign, or sell, without your consent, by agreement or by law, directly, indirectly, or contingently, such ownership to any individual or legal entity, including any individual or legal entity that provides or proposes to provide products or services the same as, or similar to, those provided at the Franchised Business. To the extent that the purchaser or assignee assumes our covenants and obligations for such ownership, we shall thereupon and without further agreement, be freed and relieved of all liability with respect to such ownership.

- 12.5.7 **Benefit.** You may receive no benefit from any of our Websites or from any of our Networking Media Sites.
- 12.5.8 **Solicitation.** We may use the Websites and our Networking Media Sites to compete against you and to solicit customers and students for us and our affiliates and our and their franchisees and licensees at any location, including inside the Site Selection Area and Exclusive Area. We may use the Websites and our Networking Media Sites to solicit franchisees. Neither we nor any of our affiliates will pay you any compensation in connection with the activities in this Paragraph 12.5. You will make no claim, including any claim of encroachment or loss of business or damage, due to our and our affiliates' and our and their franchisees' and licensees' use of the Websites and our Networking Media Sites.
- 12.5.9 **Disputes.** We have the right to resolve any dispute about the Websites and our Networking Media Sites, including any dispute about definition or interpretation, in our sole discretion.
- 12.6 **Your use of websites and Networking Media Sites.** You agree not to participate in, advertise on, maintain a presence on, or use any website or Networking Media Site in connection with the Franchised Business without our prior written permission, which we may refuse for any reason or no reason. If you participate in, advertise on, maintain a presence on, or use any website or Networking Media Site in connection with the Franchised Business, whether with or without our permission, then, in connection with each such website and Networking Media Site, you agree to comply with the terms of this Agreement and with each of the following requirements and all other requirements we set forth in the Brand Standards or by written notice from time to time:
- 12.6.1 **Content.** At your sole cost, you must promptly incorporate on such websites and Networking Media Sites any information and hyperlinks we require in the manner and within the time period we require in the Brand Standards and by written notice from time to time. At your sole cost, you must remove from such websites and Networking Media Sites information and hyperlinks we require in the manner and within the time period we require in the Brand Standards or by written notice from time to time.
- 12.6.2 **No responsibility.** We are not responsible for any postings by you or others on any of your websites or your Networking Media Sites.
- 12.6.3 **Your costs.** You agree to pay all costs and expenses associated with your websites and your Networking Media Sites, including any initial, ongoing, maintenance, legal, and accounting costs and expenses. If you link your content on any website or Networking Media Site with our Website or any of our Networking Media Sites or with any websites or Networking Media Sites of any HLC, we have the right to apportion the costs and expenses of the linked site to you in any manner we determine; and you agree to pay such costs and expenses in the manner and within the time period we require.
- 12.6.4 **Our costs.** You agree to pay us all Third Party Costs we incur in connection with your websites and Networking Media Sites.
- 12.7 **Kick Start Marketing Program.** The Kick Start Marketing Program is a mandatory marketing support program we provide to help new and transfer HLCs kick start their marketing effort. You agree (a) we control fully the manner and means by which we implement this program; and (b) to cooperate fully with us and all relevant vendors to accomplish the goals of this program; and (c) we have no further obligation to you in connection with this program once we have expended or refunded all the funds

you gave us to conduct this program; and (d) although this program is designed for your benefit, you agree that others, including other franchisees, may benefit from this program.

- 12.8 **Marketing Communication Program.** The Marketing Communication Program or MCP consists of various communications to clients, former clients, and educators, as described in the Marketing Start-up Package. We provide you Basic MCP as part of Training and Technology Services at no additional fee and we make available Additional MCP for a fee. You agree (a) we control fully the manner and means by which we implement MCP; and (b) to cooperate fully with us and all relevant vendors to accomplish the goals of MCP; and (c) although MCP is designed for your benefit, you agree that others, including other franchisees, may benefit from MCP.
- 12.9 **Market development plan.** We have the right, but not the obligation, to give you a market development plan that identifies current and proposed HLC locations. We have no obligation to establish or franchise any HLC identified in any current or future market development plan. We may establish or franchise HLCs at any time and at any site, whether or not identified in any current or future market development plan.
- 12.10 **Additional expenditures; community marketing.** In addition to the requirements in this Paragraph 12, we encourage you to spend additional funds on marketing and advertising. We encourage you to visit (either in-person or virtual) and speak with individuals, including school personnel, doctors, psychologists, and merchants, to market Huntington Services, eTutoring, and Contract Services continually throughout the Term.
- 12.11 **Marketing rights of us and other franchisees.** You agree we, our affiliates, our franchisees and licensees, our affiliates' franchisees and licensees, the Huntington Advertising Fund, the Contract Services Advertising Fund, your CoOp, and all other CoOps have the right at any time and from time to time to advertise and market Huntington Services, eTutoring, and Contract Services for our and their benefit within the Site Selection Area, Exclusive Area, and CoOp's geographic area for any reason in any manner from time to time. Such advertising and marketing include the use of Local Media, the Internet, websites, the Website, and Networking Media Sites. You agree we, our affiliates, our franchisees and licensees, our affiliates' franchisees and licensees, the Huntington Advertising Fund, the Contract Services Advertising Fund, your CoOp, and all other CoOps have the right at any time and from time to time to communicate in any manner (including verbal, written, and electronic form) about Huntington Services, eTutoring, and Contract Services to and with any individuals and Public Entities located at any location, including within the Site Selection Area, Exclusive Area, and CoOp's geographic area, and to meet with such individuals and Public Entities; such individuals include school personnel, doctors, psychologists, and merchants.
- 12.12 **Crisis situations.** In the interest of protecting the Marks, System, and Confidential Information we have the sole and absolute right to determine and make all responses, communications, and actions by you and us upon any event or development that impacts the Marks, System, or Confidential Information in any way that we solely determine may cause substantial harm or injury to the Marks, System, or Confidential Information; and you agree to comply with, and implement such responses, communications, and actions timely and fully solely in the manner we direct.
- 12.13 **Our notices to you.** We may provide notices under this Paragraph 12 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

13 INSURANCE

- 13.1 **Minimum insurance.** Before you begin any operations under this Agreement and continually during the Term, you agree to secure and maintain in full force and effect, at your sole cost, an insurance policy or policies insuring you, us, and your and our respective present and past officers, directors, partners, agents, and employees against any demand or claim with respect to personal injury, death, or property damage, and any loss, liability, or expense whatsoever arising or occurring upon, or in connection with, the Franchised Business. Each such insurance policy must comply with the minimum

insurance we require in the Brand Standards or by written notice from time to time. We do not represent such insurance will insure you against any insurable risk. You must pay all costs and professional and broker fees you incur in connection with such insurance policies. Nothing in this Agreement restricts you from obtaining insurance with higher policy limits or additional coverage. Your obligation to obtain and maintain the insurance policy or policies in the amounts required in this Agreement, the Brand Standards, or by written notice by us from time to time will not be limited in any way by reason of any insurance we may maintain, nor will your performance of that obligation relieve you of any liability under the indemnity provisions in this Agreement, including those set forth in Paragraph 19 below.

- 13.2 **Third-party advice.** We recommend you seek the advice of an independent risk management professional or insurance broker to determine any additional coverage you should have for the Franchised Business. You pay such professionals' and brokers' fees.
- 13.3 **Requirements.** We have the right to require you obtain and maintain insurance with an insurance company of our choosing. All insurance policies and all certificates of insurance covering the Franchised Business must name us as an additional insured and must provide that we be given at least 10 days' written notice of any termination, amendment, cancellation, or modification of such policies. You must provide us and our designee with certificates of insurance evidencing such insurance no later than 10 days before the Opening Date and within five days of our written request.
- 13.4 **Your failure to obtain or maintain insurance.** If you fail to obtain or maintain such minimum insurance required in Paragraph 13.1 above, we have the right, but not the obligation, to obtain, through companies or agents of our own choosing and on your behalf, such minimum insurance; and, upon our written notice, you will pay us the cost of such insurance and all Third Party Costs we incur in connection with such insurance. You agree that failure to obtain such minimum insurance required in Paragraph 13.1 above or failure to name us as an additional insured as required in Paragraph 13.3 above is a material breach of this Agreement.
- 13.5 **Our notices to you.** We may provide notices under this Paragraph 13 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

14 TRANSFER OF INTEREST

- 14.1 **Your Transfer.** This Agreement is personal to you. We enter into this Agreement in reliance upon, and in consideration of, your and your Owners' skills, qualifications, and representations and the trust and confidence we place in you and your Owners. Neither you nor any of your Owners may Transfer any interest in the Franchisee, this Agreement, or any of the assets of your business (a) until after the Opening Date; or (b) to a trust; or (c) without first obtaining our written approval and complying fully with the terms of this Paragraph 14.
- 14.2 **Notice of your Transfer**
- 14.2.1 You must give us written notice of any proposed Transfer at least 30 days before the effective date of the Transfer in the manner described in Paragraph 21 below that provides any related information and documentation we reasonably request, including the following:
- A. The name, phone number, and physical and email addresses of the proposed transferee, price and terms of the Transfer, and a copy of the proposed sales contract with all its attachments; and
 - B. A complete and accurate description of the assets or ownership interest proposed for Transfer; and
 - C. A copy of the Premises Lease and all amendments to it; and
 - D. The proposed effective date of the Transfer; and
 - E. Profit and loss statements for the last three years of the Franchised Business's operation.
- 14.2.2 We have 30 days from our receipt of such notice and the Transfer Fee and receipt of all

information and documentation that we request to notify you in writing that we approve or disapprove the Transfer or to exercise our right of first refusal as described in this Paragraph 14. If we do not approve the Transfer in writing within such 30-day period, then the Transfer is not approved. Any such approval will be effective for 30 days. If the Transfer is not completed within 30 days of the date we send you our written approval, such approval will be deemed withdrawn without notice.

- 14.2.3 Any purported Transfer not having our prior, written approval will be null and void and will constitute a material breach of this Agreement, for which we may immediately terminate, without opportunity to cure.
- 14.3 **Conditions for your Transfer.** We have the right, in our sole and absolute discretion, to require each of the following as conditions of our approval of any Transfer, each of which is a material condition to the Transfer:
- 14.3.1 Franchisee standards. The proposed transferee is approved as a franchisee under all conditions and standards we may then be applying to those seeking to become our franchisee, including requirements about (a) financial condition, (b) character, (c) managerial commitment, and (d) fluency in reading, writing, and speaking the English language; and
- 14.3.2 Financial statements. You must give to the proposed transferee the profit and loss statements Franchised Business for the last three years of its operation; and
- 14.3.3 Unearned revenue, refunds. You must disclose to the proposed transferee (a) any payment you received for which you have not provided instruction and (b) any refund due a customer that you have not paid; and
- 14.3.4 Adverse sale terms. The Total Purchase Price and terms and conditions of the sale of the Franchised Business may not, in our sole judgement, adversely affect the transferee's operation thereof; and
- 14.3.5 Training. The proposed transferee's Primary Owner must have completed our initial training; or must have agreed, in writing, to complete such training within the time period required in Paragraph 7.2 above; and
- 14.3.6 Franchise agreement. The proposed transferee must execute our then-current franchise agreement, which, except as provided in this Agreement, will supersede completely this Agreement; and our then-current franchise agreement may, as we determine, contain terms, obligations, royalty, advertising fees, and other fees, costs, and expenses that are significantly different from, in addition to, or less favorable than, those in this Agreement, including no or a smaller exclusive area; and the proposed transferee must pay us Royalty, Huntington Advertising Fund Fees, and Contract Services Fund Fees at the highest rate contained in our then-current franchise agreement; and
- 14.3.7 Ownership. Neither the proposed transferee nor any of its principals may be a trust or similar entity.
- 14.3.8 Existing franchisee. If the proposed transferee or any of its affiliates has executed a franchise agreement with us, then (a) neither the proposed transferee nor any of its affiliates will be in default of any such franchise agreement; and (b) all the proposed transferee's and its affiliates' obligations to us and our affiliates (including monetary obligations) must be fully satisfied at, or before, the effective date of the Transfer; and
- 14.3.9 Full compliance. You must not be in default of this Agreement; and you and all your affiliates must not be in default under any agreement between you or any of your affiliates and us or any of our affiliates. All obligations of you and your affiliates to us, our affiliates, the Huntington Advertising Fund Fee, Contract Services Advertising Fund, and your CoOp (including monetary obligations), whether arising under this Agreement, any agreement

between you or any of your affiliates and us or any of our affiliates or otherwise, must be fully satisfied at, or before, the effective date of the Transfer; and

- 14.3.10 Minimum revenue. During the 12 full months before the date of your written notice to us of any proposed Transfer and, in addition, during the 12 full months before the date of the Transfer, the sum of your Huntington Services Revenue and your eTutoring Revenue exceeds \$350,000; and
- 14.3.11 Standards. The Franchised Business, Premises, and Premises Lease must comply fully with our then-current standards, including our Brand Standards and those in Paragraph 4 above. If, in our sole opinion, the Franchised Business, Premises, or Premises Lease does not comply fully with such standards, we have the absolute right to require you conform them fully to our then-current standards before we approve the Transfer. You acknowledge you or the transferee may have to make substantial expenditures in connection with our requirement to conform the Franchised Business, Premises, and Premises Lease to our then-current standards. You acknowledge that conforming the Franchised Business, Premises, and Premises Lease to our then-current standards may cause the Transfer to be delayed; and
- 14.3.12 Consent to transfer. Before or at the time the Transfer becomes effective, you, your Guarantors, and the proposed transferee must execute our then-current consent to transfer agreement. Our consent to any Transfer is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of the transferee's prospects of success, or a waiver of any claims we may have against you or of our right to demand your full compliance with this Agreement's terms and conditions; and
- 14.3.13 Release. When you notify us of your intent to Transfer and as of the effective date of the Transfer, you must deliver to us a Release signed by you and each of your Owners and Guarantors. If you fail, for any reason, to deliver to us a Release signed by you and each of your Owners and Guarantors, the Transfer will be deemed ineffective, void, and of no force or effect; and
- 14.3.14 Right to Audit. In connection with any Transfer, we have the right, but not the obligation, to conduct an Audit at your sole cost; and
- 14.3.15 Post-transfer liability. You and your Guarantors will remain liable for all your obligations under this Agreement before the effective date of the Transfer and all provisions of this Agreement that, by their nature, survive the expiration or termination of this Agreement (including Paragraphs 10, 16, and 17 hereof), and, at your sole cost, you must execute promptly all instruments we request to evidence such liability. In addition, and without limiting the preceding sentence, in the case of an installment sale for which we have consented to you or any Owner retaining an interest or other financial interest in the Franchisee, this Agreement, or the Franchised Business, then you or such Owner, and the Guarantors, must guarantee the performance under this Agreement until the final close of the installment sale or the termination of such interest, as the case may be; and
- 14.3.16 Divorce. You must notify us promptly of any divorce proceedings that may result in a Transfer and tender the right of first refusal provided in Paragraph 14.9. If we do not exercise our right of first refusal, you must apply for, and obtain our consent to, the Transfer, pay the fees provided under Paragraph 14.5, and satisfy the Transfer conditions in this Paragraph 14.
- 14.3.17 Right of first refusal. You will have first offered to sell such interest to us, if required under this Paragraph 14.
- 14.3.18 Full compliance. We have the right to refuse to permit a Transfer if you do not comply fully with the provisions of this Paragraph 14.

14.4 Special Transfers

- 14.4.1 Transfer for convenience. If the Franchisee is an individual or group of individuals, then, for any Transfer within 90 days of the Agreement Date to a legal entity formed solely for the convenience of ownership, we will waive the Transfer Fee, Initial Franchise Fee, and Training and Technology Initial Fee; and the term of the transferee's franchise agreement will be the unexpired portion of the Term; and each of such individuals must become a Guarantor of such legal entities' obligations to us under this Agreement or any transfer franchise agreement. For any such Transfer, the transferee must assume and agree to be bound by, and to perform all the terms of, our then-current franchise agreement or, at our option, this Agreement, and, during the Term, will never be in any business other than operation of the Franchised Business. You agree that you and your Guarantors will be jointly liable for the transferee's performance under its franchise agreement and will execute our then-current guarantee agreement to exhibit such joint liability. You agree nothing in this Agreement will release you, such individuals, or your Owners or Guarantors from any of your or their obligations under the Agreement or under the transferee's obligations under its franchise agreement or the obligations of the transferee's guarantors under the guarantee agreement. The foregoing terms and conditions will be supplemented in the consent to transfer agreement and the guarantee agreement.
- 14.4.2 Transfer among Owners, spouses, children. For any Transfer to an existing Owner or from an Owner to that Owner's spouse or natural or adopted children, the Transfer Fee is \$1,000 and we will waive the Initial Franchise Fee and Training and Technology Initial Fee; and the term of the transferee's franchise agreement will be the unexpired portion of the Term; and you and each Owner must become a Guarantor of such individual's obligations to us under this Agreement or any transfer franchise agreement. For any such Transfer, the transferee must assume and agree to be bound by, and to perform all the terms of, our then-current franchise agreement or, at our option, this Agreement. You agree you, each Owner, and your Guarantors will be jointly liable for the transferee's performance under its franchise agreement and will execute our then-current guarantee agreement to exhibit such joint liability. You agree nothing in this Agreement will release you or the Guarantors from any of your or their obligations under the Agreement or under the transferee's obligations under its franchise agreement or the obligations of the transferee's guarantors under the guarantee agreement. The foregoing terms and conditions will be supplemented in the consent to transfer agreement and guarantee agreement.
- 14.4.3 Transfer of less than 20% interest to a third party. For any Transfer of less than 20% interest in the Franchisee to a third party, the Transfer Fee is \$1,000 and we will waive the Initial Franchise Fee and Training and Technology Initial Fee; and the term of the transferee's franchise agreement will be the unexpired portion of the Term; and you and such third party must become a Guarantor of such third party's obligations to us under this Agreement or any transfer franchise agreement. For any such Transfer, the transferee must assume and agree to be bound by, and to perform all the terms of, our then-current franchise agreement or, at our option, this Agreement. You agree that you, each Owner, and your Guarantors will be jointly liable for the transferee's performance under its franchise agreement; and will execute our then-current guarantee agreement to exhibit such joint liability. You agree nothing in this Agreement will release you or your Owners or Guarantors from any of your or their obligations under this Agreement or under the transferee's obligations under its franchise agreement or the obligations of the transferee's guarantors under the guarantee agreement. The foregoing terms and conditions will be supplemented in the consent to transfer agreement and guarantee agreement.
- 14.5 **Fees and term.** The terms of this Paragraph 14.5 apply to all Transfers, except those for which Paragraphs 14.4 above or 14.9 below apply. We waive the Initial Franchise Fee. You must pay us the \$8,000 Training and Technology Initial Fee. You must pay us the \$6,000 Transfer Fee; however, if the Total Purchase Price is \$25,000 or less, we waive the Transfer Fee. The term of the transferee's franchise agreement is ten years. You must pay all broker and legal fees we, you, and the transferee

incur in connection with any Transfer or attempted Transfer. If you authorize us to enlist a broker to identify a transferee, you must pay such broker's fee. You must pay us all fees due under this Paragraph 14 no later than the effective date of the Transfer. As of the effective date of the Transfer, all payments paid or payable to us in connection with the Transfer will be deemed fully earned by us and are not refundable. However, if we disapprove the Transfer or if we approve the Transfer and the Transfer is not completed as required in this Paragraph 14, we will refund 50% of the Transfer Fee and 50% of the Training and Technology Initial Fee to you or, at our option, credit such refund to any amount you or any of your affiliates owe us or any of our affiliates. All non-refunded amounts will be earned in full by us and not refundable. You must deliver to us a Release signed by you and each of your Owners and Guarantors in connection with any amount we refund to you under this Paragraph 14.5, to the extent not prohibited by applicable law.

- 14.6 **Sharing information.** We have the right, but not the obligation, to give any proposed transferee any of your and your Franchised Business's reports, statements, information, and data. We have the right, but not the obligation, to give any proposed transferee all electronic and non-electronic documents, records, correspondence, and information in our possession on you, your Owners, and the Franchised Business, including this Agreement, all other agreements between you and us, legal documents, correspondence, and financial and operating information and records.
- 14.7 **Change in Owners.** You agree that any change in the identity or ownership percentage of any Owner constitutes a Transfer and is governed by this Paragraph 14.
- 14.8 **No encumbrance.** You and your Owners and your and their affiliates have no right to, and will not, pledge, mortgage, give as a security for an obligation, or otherwise encumber any interest in (a) the Franchisee, (b) this Agreement, (c) the Franchised Business, (d) any assets of the Franchised Business, or (e) any agreement between you or any of your affiliates and us or any of our affiliates, without our prior written consent and we have the absolute right to refuse our consent for any reason or no reason. We have the right to require, as a condition of our consent, that, if you or your Owners or any of your or their affiliates default under any documents related to the pledge, mortgage, security interest, or encumbrance, we will have the right and option, but not the obligation, to be substituted as obligor to the secured party and to cure any such default; and, if we exercise such option, any acceleration of indebtedness due to default by you or any of your Owners or affiliates will be void. Before the effective date of the encumbrance, you must (a) deliver to us a Release signed by you and each of your Owners and Guarantors, to the extent not prohibited by applicable law; and (b) pay us all Third Party Costs we incur in connection with such pledge, mortgage, security interest, and encumbrance.
- 14.9 **Right of first refusal.** If you, any Owner, or any party owning any interest in, or asset of, the Franchised Business desire to accept any offer from any party to purchase such interest or asset or to make any Transfer under this Paragraph 14, then the provisions of this Paragraph 14.9 will apply, unless such Transfer is made pursuant to Paragraph 14.4 above. You agree to each of the following:
- 14.9.1 **Our option.** We will have the option, but not the obligation, exercisable within 30 days after our receipt of such written notification and all information and documentation we require under this Paragraph 14, to send written notice to you and the seller that we intend to purchase the seller's interest or asset on the same terms and conditions offered to the proposed transferee or to assign this option to our designee; and
- 14.9.2 **Closing.** Closing on such purchase must occur within 30 days from the date of our notice to the seller of our election to purchase, or at such later date when our conditions to closing are satisfied or when we agree to waive such conditions upon our exercise of our right of first refusal; and
- 14.9.3 **Change in terms.** If we decline to purchase the seller's interest or asset, any change thereafter in the terms of the offer from a proposed transferee will constitute a new offer subject to the same rights of first refusal by us as in the case of the proposed transferee's initial offer; and

- 14.9.4 No waiver if we decline to exercise our option. Our failure to exercise the option afforded by this Paragraph 14.9 will not constitute a waiver of any provision of this Agreement, including all of the requirements of this Paragraph 14 with respect to any other proposed Transfer; and
- 14.9.5 Equivalent consideration. If the consideration, terms, or conditions offered by a proposed transferee are such that we, in our sole determination, may not be required or able to furnish the same consideration, terms, or conditions, then we may purchase the interest proposed to be sold for its equivalent in cash. If you and we cannot agree within 10 days after our written notice to you on the reasonable equivalent in cash of the consideration, terms, or conditions offered by the third party, then we will designate an independent appraiser. The appraiser's determination of the appropriate consideration will be binding. You and we will bear the cost of the appraisal equally. You agree to pay us all Third Party Costs (except the cost of the appraisal) we incur in connection with such appraisal. Upon our receipt of the appraisal, we have the right to rescind our offer to execute our right of first refusal.
- 14.10 **Incapacity.** Upon the death or physical or mental incapacity of any Owner or any person with an interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business, the executor, administrator or personal representative of such person must promptly notify us and must Transfer such interest to a third party we approve before the earlier of the Expiration Date or 240 days after such death or incapacity. During the period between such death or incapacity and such Transfer, such executor, administrator, or personal representative must fulfill the obligations of such person hereunder; and any failure to do so will constitute a default under this Agreement for which we may terminate this Agreement immediately upon written notice to you or to such person's heirs or beneficiaries, executor, administrator, or personal representative. In the case of Transfer by will or intestate inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Paragraph 14, the executor, administrator, or personal representative of the decedent must still Transfer the decedent's interest to another party approved by us before the earlier of the Expiration Date or 240 days after such death or incapacity, which disposition will be subject to all the terms and conditions for Transfer contained in this Agreement. If the interest is not so transferred before the Expiration Date or within 240 days after such death or incapacity, whichever occurs first, we may terminate this Agreement immediately upon written notice to you. The date of a person's death or incapacity must be determined in writing by such person's physician; and you or such person's executor, administrator, or representative must obtain such determination and deliver it to us within five days of the occurrence of the death or incapacity. For any Transfer under this Paragraph 14.10, the Transfer Fee will be \$1,000; we will waive the Initial Franchise Fee and Training and Technology Initial Fee; and the term of the transferee's franchise agreement will be the unexpired portion of the Term. For any such Transfer, the transferee must assume and agree to be bound by, and to perform all the terms of, our then-current franchise agreement or, at our option, this Agreement, and, during the Term, will never be in any business other than operation of the Franchised Business.
- 14.11 **Offerings.** You may not conduct any Offering, except with our prior written consent, which we may withhold in our sole and absolute discretion for any reason or no reason. You must submit all materials required or proposed for any Offering (including any materials required by any present or future federal, state, or other law or regulation) to us for our review at least 120 days before their submission or use in any manner, including before their filing with, or submission to, any federal, state, or other government agency. You may not use any such materials, except with our prior written consent; and, if we do not approve such materials within 30 days after our receipt, then they are deemed disapproved. No Offering will imply, by use of the Marks or otherwise, that we are participating in any Offering of either you or us. Our review of any Offering and of any related materials will be limited solely to the subject of the relationship between you and us. For all time, you and all other participants in any Offering must indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below in connection with all aspects of such Offering, including the Offering's materials and if we disapprove the Offering. To comply with the indemnification requirements in this Paragraph 14.11, we have the right to require you post a bond in an amount and under terms we determine. For each proposed Offering, you must pay us a nonrefundable fee of \$50,000, the fees described in this

Paragraph 14, and all Third Party Costs we incur in connection with such Offering. You must give us written notice in the manner described in Paragraph 21 below at least 120 days before the date of commencement of any transaction covered by this Paragraph 14.11, which transaction will be subject to our right of first refusal as provided in this Paragraph 14.

- 14.12 **Assignment by us.** We have the absolute right to transfer, assign, or sell, with or without your consent, by agreement or by law, directly, indirectly, or contingently, this Agreement and any right or obligation under this Agreement to any individual or legal entity, including any individual or legal entity that provides or proposes to provide products or services the same as, or similar to, those provided at the Franchised Business. To the extent that the purchaser or assignee assumes our covenants and obligations under this Agreement, we shall thereupon and without further agreement, be freed and relieved of all liability with respect to such covenants and obligations.
- 14.13 **Your representations.** You represent that solely you are responsible (a) for all aspects of the Transfer; and (b) for any Transfer of any interest in the Franchisee, this Agreement, or any assets of the Franchised Business; and (c) for all fees and costs associated with such Transfer; and (d) to find prospective buyers; and (e) for negotiating with prospective buyers; and (f) for the outcome of any Transfer.
- 14.14 **Indemnification.** For all time, you agree to indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below from and against all claims; demands; losses; obligations; and damages of every kind and nature resulting or arising, directly or indirectly, from any claim in connection with any Transfer, our declining the Transfer, attempted Transfer, exercise of our right of first refusal, and our sharing with any party of any financial information, profit and loss statements, reports, or data concerning you, the Franchised Business, or your operations. Such claims include (a) those by any party involved in the Transfer, including the transferee, brokers, attorneys, vendors, landlords, customers, and students; and (b) our decision to require you or the transferee comply fully with the Brand Standards and the standards in Paragraph 4 above; and (c) our exercise of our right of first refusal; and (d) our decision to decline to permit the Transfer.
- 14.15 **Third Party Costs.** You agree to pay us all Third Party Costs we incur in connection with any attempted Transfer, Transfer, our declining any Transfer, and our decision to require you or the transferee comply fully with the Brand Standards and the standards in Paragraph 4 above.
- 14.16 **Notices.** You must provide notices to us under this Paragraph 14 in the manner required in Paragraph 21 below. We may provide notices under this Paragraph 14 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

15 DEFAULT AND TERMINATION

- 15.1 **Defaults that cannot be cured.** We have the absolute right, at our option, to terminate this Agreement and all rights granted hereunder upon any of the following defaults by you, without giving you an opportunity to cure the default and without prejudice to any of our other rights or remedies provided by law or this Agreement, effective immediately upon the provision of notice to you or at such later time as indicated in such notice, if:
- 15.1.1 **Training.** Any Primary Owner fails to complete the initial training program to our satisfaction, as required in Paragraph 7.2 above; or
- 15.1.2 **Transfer.** You, any of your Owners, or any other party makes any Transfer or purported Transfer in violation of Paragraph 14 above; or
- 15.1.3 **Disclosure.** You or any of your Owners, Guarantors, or spouses of any of your Owners or Guarantors use or disclose any of the Huntington Manuals or any of our Confidential Information, Copyrighted Works, or trade secret in violation of this Agreement; or

- 15.1.4 Compete. You or any of your Owners, Guarantors, spouses of your Owners, Guarantors, or employees, violate any of the covenants described in Paragraph 17 below, or fail to execute, or to obtain execution of, the covenants required in Paragraph 10 above or in Paragraph 17.7 below; or
- 15.1.5 Fail to operate. You do not keep the Franchised Business open for operation for 5 consecutive business days; or you lose possession of the Premises; or you lose or forfeit the right to do or transact business in the jurisdiction in which the Franchised Business is located; or you voluntarily abandon the Franchised Business; or any federal, state, or local authorities closes the Franchised Business for public safety reasons. However, if your failure to keep the Franchised Business open for operation for 5 consecutive business days is caused by fire, flood, natural disaster, war, act of terrorism, boycott, strike, or governmental order, then such failure will not be deemed a default under this Paragraph 15.1.5, provided you notify us in writing immediately and you take all action we reasonably require to reopen the Franchised Business. Further, if, through no fault of your own, you lose possession of the Premises, or the Premises is damaged or destroyed by an event such that repairs or reconstruction cannot be completed within 60 days thereafter, you will have 30 days after such event or loss of possession in which to apply in writing for our approval to relocate or reconstruct the Premises. You must provide all notices and applications to us under this Paragraph 15.1.5 in the manner described in Paragraph 21 below. If your failure to keep the Franchised Business open for operation for 5 consecutive business days is caused by fire, flood, natural disaster, war, act of terrorism, boycott, strike, or governmental order, then the Gross Revenue requirement in Paragraph 6.23 above will be reduced ratably for the lesser of (a) 60 days and (b) the number of days during which you could not operate the Franchised Business; or
- 15.1.6 Bankruptcy. You or any of your Owners become insolvent or make a general assignment for the benefit of creditors; or you or any of your Owners file a petition in bankruptcy; or a petition is filed against, and consented to, by you or any of your Owners; or you or any of your Owners are adjudicated a bankrupt; or a bill in equity or other proceeding for the appointment of a receiver of you or any of your Owners or other custodian for your or their business or assets is filed and consented to by you or them; or a receiver or other custodian (permanent or temporary) of any part of the assets or property of you or any of your Owners or the assets or property of any of you or any of your Owners is appointed by any court of competent jurisdiction; or proceedings for a composition with creditors under any state or federal law is instituted by, or against, you or any of your Owners; or a final judgement against you or any of your Owners remains unsatisfied of record for 30 days or longer (unless supersedeas bond is filed); or execution which would materially affect the Franchised Business is levied against you, any of your Owners, the Franchised Business, or any property of you or any of your Owners; or suit to foreclose any lien or mortgage against the Premises or its curricula, furniture, fixtures, or equipment is instituted against you or any of your Owners and not dismissed within 30 days; or your real or personal property is sold after levy upon it by any sheriff, marshal, or constable. Upon any of these happenings, this Agreement is not, and will not be deemed, an asset subject to sale, levy, lien, or transfer and we have the absolute right immediately to terminate this Agreement as of such event; or
- 15.1.7 Crime. You or any of your Owners or Guarantors (a) are convicted of, or plead guilty or nolo contendere to, an indictable offense punishable by a term of imprisonment of one year or more, or we have proof that you or your Owners or Guarantors have committed such an offense; or (b) engage in any misconduct relevant to the operation of your Franchised Business; or (c) engage in any misconduct that is injurious or prejudicial to the goodwill associated with the Marks; or (d) engage in any civil activity, criminal activity, or misconduct involving any person under the age of 19; or
- 15.1.8 Underreport. You (a) maintain false books, records, or financial or operating statements; or (b) submit false reports or statements to us; or (c) submit financial or operating reports or

- statements that (1) understate your Huntington Services Revenue by \$10,000 or more, or (2) understate your eTutoring Revenue by \$10,000 or more, or (3) understate your Contract Services Revenue by \$10,000 or more, or (4) understate your enrollment by 3% or more, or (5) are otherwise substantially incorrect; or
- 15.1.9 Marks, System, goodwill. You misuse, or make any unauthorized use of, the Marks or any other identifying characteristics of the System, or impair the goodwill associated therewith or our rights therein; or
- 15.1.10 Conduct. You engage in conduct that reflects materially and unfavorably upon the operation and reputation of us, the Franchised Business, or the System; or
- 15.1.11 Three defaults. You are notified of three or more defaults within any 12-month period (whether or not these are the same or similar defaults and whether or not these defaults are cured). If this occurs, we have the absolute right to terminate this Agreement immediately upon, or any time after, your receipt of the notice of the occurrence of the third such default, and we are not obligated to give you an opportunity to cure the third such default; or
- 15.1.12 Four defaults. You are notified of four or more defaults during the Term (whether or not these are the same or similar defaults and whether or not these defaults are cured). If this occurs, we have the absolute right to terminate this Agreement immediately upon, or any time after, your receipt of the notice of the occurrence of the fourth such default, and we are not obligated to give you an opportunity to cure this fourth such default; or
- 15.1.13 Relocation. You relocate the Premises without our prior written approval or without complying fully with the provisions of Paragraph 4.9 above; or
- 15.1.14 Misrepresentations. You make any material misrepresentations relating to the acquisition of the Franchised Business; or
- 15.1.15 Laws. You fail, for a period of 10 days after notification of noncompliance, to comply with any present or future federal, state, municipal, or local law or regulation, including all health, safety, building, and labor laws and regulations applicable to the Franchised Business and those laws and regulations in Paragraph 18.1 below; or
- 15.1.16 Gross Revenue. The sum of your Huntington Services Revenue and your eTutoring Revenue fails to equal or exceed the minimum requirement in Paragraph 6.23 above during any 12-month period.
- 15.2 **Defaults that can be cured.** Except as otherwise provided in Paragraph 15.1 above, upon any other default by you under this Agreement, we have the absolute right, at our option, and without prejudice to any of our other rights or remedies provided by law or this Agreement, to terminate this Agreement and all rights granted hereunder, effective immediately upon the provision of notice to you; provided, however, that you may avoid termination by immediately initiating a remedy to cure such default, curing it to our satisfaction, and by promptly providing proof thereof to us within the lesser of 30 days or the period specified below. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to you, effective immediately upon the expiration of such 30-day period (or such shorter notice period as specified below) or such longer period as applicable law may require. Defaults that are susceptible of cure hereunder include the following illustrative events:
- 15.2.1 Standards. You fail for any reason to comply with any material term or condition of this Agreement, as it may be supplemented by the Huntington Manuals; or you fail to maintain or observe any of the standards, specifications, procedures, or policies we prescribe in this Agreement, the Huntington Manuals, or by written notice from time to time; or you fail to comply with the standards of any Public Entity for which you provide Contract Services; or
- 15.2.2 Reports. You fail for any reason to submit any financial, operating, or informational report or statement, as required under this Agreement; or

- 15.2.3 Payments. You fail for any reason to pay us or our affiliates when due any Royalty, Huntington Advertising Fund Fee, Contract Services Advertising Fund Fee, Training and Technology Fee, or other fee or payment required under this Agreement; or you fail to make any payment to any Public Entity properly required and due to it within 10 days of demand by it; or
- 15.2.4 Inaccurate information. You or any of your Owners submit any information to us or to any Public Entity, governmental authority, or any financial institution that, for any reason, contains any materially inaccurate, incomplete, or misleading statement, or omits any material fact needed to make the submission not misleading. Information is material if it has a value of more than \$10,000, causes or could cause any Gross Revenue loss or gain of more than \$10,000 or causes or could cause any impairment of the Marks, or is otherwise material; or
- 15.2.5 Laws. You fail to comply for any reason with any present or future federal, state, municipal, or local law or regulation, including all health, safety, building, and labor laws and regulations applicable to the Franchised Business, including those laws and regulations in Paragraph 18.1 below; or
- 15.2.6 Lease. You and the Premises Landlord fail for any reason to sign a lease for a Premises within the time period required in Paragraph 4 above; or you fail to purchase, or obtain or maintain a lease for, the Premises; or you fail to deliver a copy of the Premises Lease to us; or you fail to comply with any term of the Premises Lease; or, without first obtaining our prior written approval, you terminate, amend, modify, or assign the Premises Lease, or sublet the Premises; or
- 15.2.7 Public Entity application, contract, or lease. You fail for any reason to comply with the terms of any application you submitted to a Public Entity or contract or lease you signed with a Public Entity; or you fail to give us a copy of any such application, contract, or lease; or
- 15.2.8 Underage eTutoring. You provide eTutoring to a student under the age of 18, without written consent as required in Paragraph 8.12 above; or
- 15.2.9 Record eTutoring. You fail for any reason to record an eTutoring session; or
- 15.2.10 Premises standards. You fail for any reason to maintain a Premises that meets our standards for conduct of the Franchised Business or you fail to operate or maintain the Premises or Franchised Business in accordance with this Agreement within 5 days' written notice to correct such default. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you; or
- 15.2.11 Operation. You fail for any reason to open or begin operating the Franchised Business within the time period required in Paragraph 4 above; or you fail to keep the Premises open and operating for the minimum hours and days required in Paragraph 8.1 above; or
- 15.2.12 Advertising. You advertise or market in any manner outside your CoOp's geographic area; or
- 15.2.13 Services. You fail for any reason to sell or provide any Huntington Service or eTutoring after 5 days' written notice to correct this default. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you; or
- 15.2.14 Unapproved Services. You sell or provide any product or service that is not part of Huntington Services, eTutoring, or Contract Services. You must cease the sale of such products and services immediately upon written notice or within the period required by such notice. In addition to all other rights and remedies provided under law and this Agreement, you agree we have the right, but not the obligation, to audit you in connection with such products and services and to audit any entity you own or control (in whole or in part) that provides such products or services; and you agree to provide us upon our written demand copies of all financial statements and tax returns in connection with such products and services and those financial statements and tax returns of any entity you own or control (in whole or in part) that provides such products or services. You must pay us upon written notice to you an amount

- equal to the total gross revenue you derived from such sale or provision. We may provide such notices in the manner described in Paragraph 21 below or by email to any Email Address we provide to you; or
- 15.2.15 Imitates the Marks. You or any of your Owners or Guarantors engage in any business or market any service or product, directly or indirectly, under a name or mark that, in our opinion, imitates or is confusingly similar to the Marks; or
- 15.2.16 Approval. You fail, refuse, or neglect for any reason to obtain our prior written approval or consent as required by this Agreement; or
- 15.2.17 Audit. You deny us the right to Audit the Franchised Business in accordance with this Agreement; or
- 15.2.18 Training. Your Primary Owner or full- or part-time employee fails for any reason to complete the initial training program, as required in Paragraph 7.2 above; or
- 15.2.19 Unapproved training. You or any of your employees use, or participate in, any training program we have not approved by written notice in advance. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you; or
- 15.2.20 Public safety. A threat or danger to public health or safety results from the construction, maintenance, or operation of the Franchised Business; or
- 15.2.21 Advertising. You fail for any reason to spend the minimum amounts on marketing and advertising in the manner and as required by Paragraph 12.1 above; or
- 15.2.22 Unapproved advertising. You use any advertising or promotional materials, engage in any advertising or promotional activities, or advertise or promote in any print, broadcast, cable, electronic, computer, or other media (including text, email, the internet, websites, and Networking Media Sites), in a manner we have not approved by written notice in advance. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you; or
- 15.2.23 Insurance. You fail for any reason to comply fully with the provisions of Paragraph 13 above. You fail to obtain and maintain insurance with the insurance company we require. You fail to obtain or maintain the minimum insurance we require. You fail to name us as an additional insured. You fail to obtain such insurance from a company meeting our minimum requirements; or
- 15.2.24 Refund. You fail for any reason to pay any refund to a customer, as required by law, regulation, or this Agreement, including Paragraph 8.7 above; or you fail for any reason to pay any refund to any Public Entity or any Public Entity student; or
- 15.2.25 Accreditation. You fail for any reason to apply to become accredited or you fail to maintain your accreditation, as required by this Agreement; or
- 15.2.26 Copyright. You use or permit any of your employees or agents to use any College Board or Khan Academy materials in connection with any services you provide at your HLC. Such services include preparation for the SAT, ACT, standardized exams, and state exams.
- 15.3 **Cross default.** Any default by you under any other agreement between us or our affiliates as one party and you or any of your Owners or any of your or their affiliates as the other party that is so material as to permit us to terminate, or declare a default under, such other agreement will be deemed to be a default of this Agreement, and we will have the right, at our option, to terminate this Agreement, effective immediately upon notice to you or at such later time as indicated in such notice.
- 15.4 **Limits.** The description of any default in any Franchisor notice to you will not preclude us from specifying additional or supplemental defaults in any action or proceeding under this Agreement.

15.5 Limitation of services or benefits

- 15.5.1 You agree that, if you owe us any past-due amount or if you are in receipt of a notice of default issued either (a) under Paragraph 15.1 above or (b) under Paragraph 15.2 above and you have not cured within the time period required or permitted in such notice, then we have the right, in our sole and absolute discretion, temporarily or permanently, fully or partially, to limit, curtail, or remove any services or benefits provided or required or permitted to be provided to you under this Agreement or under any other agreement between you and us, including each of the following:
- A. Training. To refuse to permit any of your Owners and employees to attend any training we offer or conduct, including any initial training, periodic or occasional training, meetings, workshops, or convention; and to refuse to permit you, your Owners, and your employees to use our Online Training Facility; and
 - B. Training and Technology Services. To terminate or limit your right to use some or all Training and Technology Services; to refuse to provide you with any modifications, additions, or deletions to the Training and Technology Services; and to refuse to provide you with advice about the Training and Technology Services; and
 - C. eTutoring. To terminate or limit your right to use some or all eTutoring; and
 - D. eTutoring. To terminate or limit your right to use some or all of eTutoring; and
 - E. Contract Services. To terminate or limit your right to use some or all of Contract Services; and
 - F. Materials. To refuse to sell, license, or to furnish to you, or to deny or limit your access to, any materials owned by us or licensed by us from third parties, whether such materials are in electronic or non-electronic form, including educational and other materials, and our advertising and promotional materials; to refuse to provide you with any modifications, additions, or deletions to any of the foregoing; and to refuse to provide you with advice about any of the foregoing; and
 - G. Advice. To refuse to provide you any advice about the operation of the Franchised Business or delivery of Huntington Services, eTutoring, and Contract Services; and
 - H. Manuals. To refuse to provide you with any access to any of the Huntington Manuals; and to refuse to provide you with any updates, modification, or advice about them; and
 - I. Confidential Information. To refuse to provide you with any access to any Confidential Information and Copyrighted Works; and
 - J. Approval of non-Huntington products. To refuse to approve your use of any product or service not in Brand Standards; and to withdraw any approval previously provided to you to use any product or service not in Brand Standards; and
 - K. Website. To deny or limit your access to the Websites, our Networking Media Sites, and any extranet sites we own or maintain; and to hide, remove, or delete any information about the Franchised Business from the Websites, our Networking Media Sites, and from any extranet sites we own or maintain; and
 - L. Email Address. To terminate or limit your right to use some or all the Email Addresses; to refuse to provide you with any modifications, additions, or deletions to them; and to refuse to provide you with advice about them; and
 - M. Licenses. To terminate or limit your rights under any licenses we grant to you, including licenses for Video Chat Software; and
 - N. Testing Materials and Curricula. To terminate or limit your right to use some or all of our Testing Materials and Curricula; and to refuse to provide you with advice about them; and
 - O. Proprietary instructional programs. To terminate or limit your right to use some or all of our proprietary math, study skills, writing, phonics, and Test Prep programs; and to refuse to provide you with advice about them; and
 - P. Call Center. To terminate or limit your right to use some or all of the Call Center; to refuse to provide you with any modifications, additions, or deletions to it; and to refuse to provide you with advice about it; and

- Q. Virtual Testing. To terminate or limit your right to use some or all of Virtual Testing; to refuse to provide you with any modifications, additions, or deletions to it; and to refuse to provide you with advice about it; and
 - R. Conference Services. To terminate or limit your right to use some or all of Conference Services; to refuse to provide you with any modifications, additions, or deletions to it; and to refuse to provide you with advice about it; and
 - S. Franchisor Technology. To terminate or limit your right to use some or all of Franchisor Technology; to refuse to provide you with any modifications, additions, or deletions to it; and to refuse to provide you with advice about it; and
 - T. Added Software. To terminate or limit your right to use some or all of any Added Software that we require or permit you to use; to refuse to provide you with any modifications, additions, or deletions to it; and to refuse to provide you with advice about it; and
 - U. eCurricula. To terminate or limit your right to use some or all eCurricula we require or permit you to use; to refuse to provide you with any modifications, additions, or deletions to it; and to refuse to provide you with advice about eCurricula; and
 - V. Exclusive Area. To reduce the geographic size of the Exclusive Area in any manner, either temporarily or permanently, at our sole discretion.
 - W. Kick Start Marketing Program. To terminate, either temporarily or permanently, the Kick Start Marketing Program.
- 15.5.2 Reinstatement. You agree that we may reinstate at any time any services or benefits removed, curtailed, refused, or limited under this Paragraph 15.5 in our sole and absolute discretion and you hereby agree to accept immediately any such reinstatement of them; and, if we reinstate any services or benefits, we have no obligation to provide you any service or benefit previously removed, curtailed, refused, or limited pursuant to this Paragraph 15.5.
- 15.5.3 Fees. You agree that, if we limit any services or benefits under this Paragraph 15.5, you must continue to pay timely all fees and payments required under this Agreement and any other agreement between you or any of your affiliates and us and any of our affiliates, including any fees associated with services or benefits we remove, curtail, refuse, or limit. You will have no right to a refund of, or credit for, any fees paid for such services or benefits.
- 15.5.4 No constructive termination. You agree that our exercise of our rights under this Paragraph 15.5 will not be deemed a constructive termination of this Agreement or of any other agreement between you or any of your affiliates and us, and will not be deemed a breach by us of any provision of this Agreement or of any provision of any other agreement between you or any of your affiliates and us or any of our affiliates.
- 15.5.5 Waivers; indemnification. You acknowledge and agree to the following: (a) We will not be liable for any loss, expense, or damage you or the Franchised Business incur because of any action we take under this Paragraph 15.5; and (b) we are not obligated to reimburse or compensate you in any way for any service or benefit removed, curtailed, refused, or limited under this Paragraph 15.5; and (c) and you must indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below from and against all claims, demands, losses, obligations, and damages of every kind and nature resulting or arising, directly or indirectly, from any action we take under this Paragraph 15.5.
- 15.5.6 No waiver of our rights. Nothing in this Paragraph 15.5 constitutes a waiver of any of our rights or remedies under this Agreement or at law or in equity or under any other agreement between you and us, including the right to terminate this Agreement under Paragraph 15.
- 15.5.7 Third Party Costs. You agree to pay us all Third Party Costs we incur in connection with our exercise of any right under this Paragraph 15.5, including those Third Party Costs in connection with reinstating such services and benefits.

- 15.6 **Termination of Supporting Services.** If you are a New Franchisee in full compliance with the Agreement and Huntington Manuals you may terminate the Call Center License, Virtual Testing License, or Conference Services License upon 30 days' prior written notice to us any time after two years after the Opening Date, providing in the 12 full months prior to your notice the sum of your Huntington Revenue and your eTutoring Revenue exceeds the minimum amount provided in Paragraph 6.23 above. If you are a Transfer Franchisee or Subsequent Franchisee in full compliance with the Agreement and Huntington Manuals, you may terminate the Call Center License, Virtual Testing License, or Conference Services License upon 30 days' prior written notice to us any time after two years after the Agreement Date, providing in the 12 full months prior to your notice the sum of your Huntington Revenue and your eTutoring Revenue exceeds the minimum amount provided in Paragraph 6.23 above. We may terminate the Call Center License effective immediately upon written notice to you upon 10 days' notice to you for any reason or no reason. We may terminate the Conference Services License effective immediately upon written notice to you upon 10 days' notice to you for any reason or no reason. We may terminate the Virtual Testing License effective immediately upon written notice to you upon 10 days' notice to you for any reason or no reason. If we terminate the Call Center License, we will have no further obligation to you in connection with the Call Center. If we terminate the Conference Services License, we will have no further obligation to you in connection with Conference Services. If we terminate the Virtual Testing License, we will have no further obligation to you in connection with Virtual Testing.
- 15.7 **Termination of Kick Start Marketing Program.** We may terminate the Kick Start Marketing Program upon 10 days' prior written notice to you; and, if we terminate it, we will refund any unused payment you made to us for this program, less any amount you owe us. You may not terminate the Kick Start Marketing Program.
- 15.8 **Termination of Marketing Communication Program.** We may terminate the Marketing Communication Program upon 10 days' prior written notice to you; and, if we terminate it, we will refund your Marketing Communication Program deposit less any amount you owe us. You may not terminate the Marketing Communication Program.
- 15.9 **Termination of eTutoring License or Contract Services License.** If you have not provided any eTutoring during any twelve-month period, we have the right to terminate the eTutoring License upon 10 days' prior written notice to you. If we terminate the eTutoring License, we will have no further obligation to you in connection with eTutoring. If you have not provided any Contract Services during any twelve-month period, we have the right to terminate the Contract Services License upon 10 days' prior written notice to you. If we terminate the Contract Services License, we will have no further obligation to you in connection with Contract Services. You have no right to terminate the Huntington Services License, eTutoring License, or the Contract Services License.

16 YOUR OBLIGATIONS UPON TERMINATION OR EXPIRATION

16.1 Obligations upon termination or expiration of this Agreement

- 16.1.1 Immediately upon termination or expiration of this Agreement for any reason and without any notice from us, you agree to perform each of the following at your sole cost:
- A. Cease operations. You must cease operating the Franchised Business and cease offering Huntington Services, eTutoring, and Contract Services; and
 - B. Marks and System. Your right to use the Marks and System will terminate. You must cease using the Marks and System. If you operate any brick and mortar, online, or other business at any time at any domestic or foreign location, you must not use the Marks or System in any manner whatsoever in connection with such other business or the promotion thereof. If you operate any brick and mortar, online, or other business at any time at any domestic or foreign location, you must not use the Marks or any reproduction, counterfeit, copy, or colorable imitation of the Marks in any manner

whatsoever, either in connection with such other business or the promotion thereof, that, in our sole and absolute discretion, may possibly cause confusion, mistake, or deception, or that, in our sole and absolute discretion, may possibly dilute our rights in or to the Marks. Your failure to comply with the terms of this Paragraph 16.1.1.B will cause us irreparable harm, and we will have the right to injunctive relief requiring you to comply with the requirements of this Paragraph 16.1.1.B, in addition to any other remedies we may have under this Agreement, at law or in equity; and

- C. Huntington Manuals, Confidential Information, Copyrighted Works. Your right to access and use the Huntington Manuals, Confidential Information, and the Copyrighted Works will terminate. You must not use, or disclose to others, in any manner or at any time, the Huntington Manuals and anything in them. You must not use, or disclose to others, in any manner or at any time, any of our Confidential Information. You must not use, or disclose to others, in any manner or at any time, and any of our Copyrighted Works. Within 5 days of the expiration or termination of this Agreement for any reason and without further notice from us, you must return to us each of the Huntington Manuals and Copyrighted Works and all paper, electronic, and other copies, summaries, and extracts from and of them; and you must return to us all material containing any Confidential Information, Copyrighted Works, and all paper, electronic, and other copies, summaries, and extracts from and of any of them. You must return all the foregoing, even if such items were made in violation of this Agreement. You must retain no copy or record of any item described in this Paragraph 16.1.1.C, except for your copy of this Agreement, any correspondence between you and us, and any other documents you reasonably need for compliance with applicable law. Your failure to return to us any of the materials or data described in this Paragraph 16.1.1.C will cause us irreparable harm, and we will have the right to injunctive relief requiring you to comply with the requirements of this Paragraph 16.1.1.C, in addition to any other remedies we may have under this Agreement, at law or in equity; and
- D. Cease using services
1. Authorized services. Your right to use in any manner the services and products we provide to you under this Agreement will terminate. You must cease using all such services and products. Such services and products include Huntington Services, eTutoring, Contract Services, Franchisor Technology, Supporting Services, Testing Materials and Curricula, and eCurricula; and
 2. Unauthorized services. You must cease using any unauthorized services or products you developed, employed, acquired, or licensed in connection with the Franchised Business, even if you developed, employed, acquired, or licensed such services or products in violation of this Agreement; and
 3. You irrevocably waive for all time any claim or right for (a) compensation by us or any of our affiliates you may have for any services or products we provided to you under this Agreement or otherwise; and (b) any refund from us or any of our affiliates for any services or products we provided to you under this Agreement or otherwise; and (c) for compensation by us or any of our affiliates you may have for any services or products you claim we should have provided, but did not provide; and
- E. Phone numbers, email, website. You must cease using all telephone numbers you use in connection with the Franchised Business. You must cease using all telephone numbers listed in all electronic and non-electronic directories in connection with the Franchised Business, whether using any of the Marks or otherwise. Such directories include telephone directories, white pages, and the internet. You must cease using the Phone Number and must take such actions as may be necessary or as we require to terminate your use or access to the Phone Number. You must cease using the Website, Email Addresses, our Networking Media Sites, and our Domains. You must cease using any

websites, web pages, email addresses, Networking Media Sites, and Domains, whether or not authorized by us, you use or used in connection with the Franchised Business; and

- F. Technology. You must cease using all Franchisor Technology. You must return to us all copies of the Franchisor Technology and all related documentation, or, at our written direction, must destroy all such copies and documentation and execute and deliver to us a certificate of destruction on our then-current form; and
- G. No representation. You must not represent that you are or were operating a HLC or that you are or were our franchisee; and
- H. Prompt compliance. You must comply fully and timely with all provisions of this Agreement that survive its termination and expiration, including the non-compete covenants in Paragraph 17 below.
- I. Payment. You must pay us all amounts you and any of your affiliates owe us and our affiliates under this Agreement and under all other agreements between you or any of your affiliates and us or any of our affiliates. These amounts include all amounts for Royalty, Huntington Advertising Fund Fees, Contract Services Advertising Fund Fees, Training and Technology Fees, Supporting Services fees, fees in connection with services we provide to you, and any other amounts you owe us under this Agreement; and
- J. Reports. You must submit to us all reports required under this Agreement; and
- K. Signs. You must remove all signs, trade dress, and other things inside and outside the Premises that display to the public, your employees, your customers, and your students that the Premises was a HLC; and
- L. Customers
 - 1. Refunds. You must pay all refunds required under this Agreement and by law. You must refund all monies paid to you by your present and former customers, students, and Public Entities, including customers and students who paid partially or fully through or by a Public Entity, in advance for services that have not been rendered and, as a result of the termination or expiration of this Agreement, will not be rendered to such customers and students. You must provide us proof satisfactory to us that you have paid such monies to your present and former customers and students; and
 - 2. Lists. You must give us the following in the manner and format we require:
 - a. A list of all present and former Public Entities with which you conduct or formerly conducted business showing their names, the names of all those responsible for payment for services, all their physical and email addresses, and all their phone numbers; and
 - b. A list of all present and former customers and students, including Public Entity customers and students, showing their names, the names of all those responsible for payment for services, all their physical and email addresses, and all their phone numbers; and
 - c. List of all amounts each such Public Entity, customer, and student paid to you; and
 - d. List of all charges each such Public Entity, customer, and student incurred; and
 - 3. You notify customers. You must notify all your present and former Public Entities, customers, and students, including Public Entity customers and students, in writing that you no longer operate a HLC, that you have no rights to the Marks and System, and that you have no rights to offer any Huntington Services, eTutoring, or Contract Services. You must contemporaneously deliver a copy of such notice to us.

4. We can notify customers. We have the right, but not the obligation, to notify any or all your present and former Public Entities, customers, and students, including Public Entity customers and students, in any manner (including phone, email, text, and mail) that you no longer operate a HLC, that you have no rights to the Marks or System, and that you have no rights to offer any Huntington Services, eTutoring, and Contract Services; and
 5. We can service your customers. We have the right, but not the obligation, for any reason to contact any or all your prospective, present, and former Public Entities, students, and customers, including Public Entity customers and students, in any manner (including phone, email, text, and mail) at any time and from time to time. We have the right to offer and provide such Public Entities, students, and customers any services and products, including Huntington Services, eTutoring, and Contract Services. You are not entitled to any compensation for any services or products we or our franchisees provide to such Public Entities, students, and customers or for any revenue we or our franchisees receive from such Public Entities, students, and customers; and
 - M. Landlord, utilities, and vendors. You must notify each of your landlords, including your Premises Landlord, and each of your utility companies and vendors in writing using the then-current version of our form to inform them that this Agreement has expired or been terminated. This form is called Notification that the Undersigned Is No Longer Operating a Huntington Learning Center® Business; the current version is in Exhibit E; and
 - N. Trademarks. You must take such actions as may be necessary or as we require in writing to cancel any trademark or any assumed name registration or equivalent registration you obtained that contains any of the Marks and you must furnish us with evidence satisfactory to us of your compliance. You must take such actions, even if such trademarks, assumed name registration, or equivalent registration were made in violation of this Agreement. We have the right to cancel any such assumed name registration or equivalent registration; and
 - O. Indemnification. You must indemnify and hold harmless the Franchisor Entities in the manner provided in Paragraph 19 below from and against all claims; demands; losses; obligations; and damages of every kind and nature resulting or arising, directly or indirectly, from any action we take under this Paragraph 16.1.1; and
- 16.1.2 Assignments. We may provide the notices in this Paragraph 16.1.2 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- A. Lease. Upon our written notice to you, you must assign to us or our designee any interest you have in the Premises Lease; and
 - B. Students. Upon our written notice to you, you must assign to us or our designee any customer and student contracts, information, and related materials we request; and
 - C. Public Entities. Upon our written notice to you, you must assign to us or our designee any Public Entity leases, contracts, information, and related materials we request; and
 - D. Phones. Upon our written notice to you, you must direct each telephone company servicing any of the Franchised Business telephones to transfer all such telephone numbers to us or our designee; and
 - E. Email, internet. Upon our written notice to you, you must direct each email and Internet provider servicing the Franchised Business to transfer all such email addresses and Internet facilities to us or our designee; and
 - F. Utilities. Upon our written notice to you, you must direct each utility company servicing the Franchised Business to transfer its service to us or our designee; and
- 16.1.3 Changes to the Premises. Upon our written notice to you, you must change the Premises and its trade dress (including interior and exterior signage, paint colors, carpeting, furniture, and

- fixtures) within the time period and manner we require to distinguish the Premises from its former appearance and from any HLC. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you; and
- 16.1.4 **Right to Audit.** In connection with termination or expiration of this Agreement for any reason, we have the right, but not the obligation, to conduct an Audit at your sole cost; and
- 16.1.5 **Our remedies.** If you fail or refuse to comply with any requirements of this Paragraph 16.1, we will have the right at any time to enter upon the Premises, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at your sole expense; and
- 16.1.6 **Attorney-in-fact.** For all time, you irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, with power of substitution, to execute and to file for you or on your behalf any relevant document to accomplish the acts contemplated in this Paragraph 16.1. We have the right to file an original counterpart or a copy of this Agreement with each such persons and legal entities (including your customers, students, Public Entities, the Premises Landlord, your telephone companies, your email and Internet providers, your vendors, and your utility companies) and with any court, agency, or person as written evidence of the appointment by you of us or our nominee to be your attorney-in-fact; and
- 16.1.7 **Your execution.** You agree you will execute, re-execute, and cause any others involved in the franchise, including the Owners and Guarantors, to execute and re-execute any document or instrument signed in connection with the expiration or termination of the franchise that was incorrectly signed, as well as any document or instrument that should have been signed at or prior to the signing of the documents or instruments in connection with the expiration or termination of the franchise, but that was not so signed and delivered. You agree to deliver all such documents and instruments to us. You agree to comply fully at your sole cost with our written request to comply with this Paragraph 16.1.7 within fifteen days after your receipt of such request. You and we agree that electronic signatures will be valid and binding on you and all such parties, including your Owners, Guarantors, and agents. We may provide notices under this Paragraph 16.1.7 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 16.1.8 **Costs.** You agree to pay every person and legal entity, including your customers, students, Public Entities, Public Entity students, Premises Landlord, telephone companies, email and Internet providers, your vendors, and your utility companies, any amount or compensation required by such person or legal entity to accomplish the acts we require under this Paragraph 16.1 or to us promptly upon written notice, if we pay any such amount or compensation. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. You agree to indemnify and hold harmless the Franchisor Entities and their nominees in the manner provided in Paragraph 19 below in connection with all claims, liabilities, compliance costs, and damages incurred by the indemnified parties as a result of all matters associated with actions we or our agents or nominees undertake or attempt under this Paragraph 16.1; and
- 16.1.9 **Third Party Costs.** You agree to pay us all Third Party Costs we incur in connection with this Paragraph 16.1; and
- 16.1.10 **Prompt compliance.** You agree that time is of the essence in your complying with each of the provisions of this Paragraph 16.1. You agree to comply fully and timely with all provisions this Paragraph 16.1.
- 16.2 **Our option to purchase.** At no time do we have any obligation to buy or buy back any product, service, license, or asset you may have leased, acquired, purchased, or licensed in connection with the Agreement, Premises, or Franchised Business, whether or not you leased, acquired, purchased, or licensed any such asset at our direction or from us or our affiliates.

- 16.2.1 **Branded items.** Upon termination or expiration of the Agreement for any reason, we have the option to notify you in writing that we wish to purchase from you any or all of the assets of the Franchised Business that are uniquely identified with us, including branded computers, branded furniture, branded equipment, branded signs, branded furnishings, branded fixtures, branded curricula, and branded inventory.
- 16.2.2 **Due to your default.** Upon termination of this Agreement due to your default, we have the option to notify you in writing that we wish to purchase from you any or all of the assets of the Franchised Business, including those branded items in Paragraph 16.2.1 above and non-branded computers, non-branded furniture, non-branded equipment, non-branded signs, non-branded furnishings, non-branded fixtures, non-branded curricula, and non-branded inventory.
- 16.2.3 **Payment amount.** You agree that, if we exercise any option under this Paragraph 16.2, you must deliver to us at your sole cost the assets we identify at a sales price equal to the depreciated value of such assets, where depreciation is applied according to then-current Internal Revenue Service rules. If any such asset is fully depreciated, you and we agree we may purchase such asset at no cost. You and we agree that the sales price calculated under the preceding sentences in this Paragraph 16.2.3 is equal to the market or appraised value at which a bona fide third party would be willing to purchase such assets and will fairly compensate you for our purchase of such assets. If we purchase any asset from you under this Paragraph 16.2, we have the right to set off all amounts due from you. If you decline to agree to the sales price calculated in the manner described in this Paragraph 16.2.3 within 10 days of our notice to you demanding you sell us certain assets, then we have the right to designate an independent appraiser. Such appraiser's determination of the appropriate sales price will bind you and us. If we designate an independent appraiser, we have no obligation to purchase any assets, including the assets appraised by such appraiser, from you. You and we will bear the cost of the appraisal equally. You agree to pay us all Third Party Costs (except the cost of the appraisal) we incur in connection with our exercise of the options in this Paragraph 16.2.
- 16.2.4 **Best efforts.** You agree to use your best efforts to cooperate with us in achieving the goals of this Paragraph 16.2.
- 16.2.5 **Our notices to you.** We may provide all notices under this Paragraph 16.2 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.
- 16.3 **Goodwill.** Immediately upon termination or expiration of this Agreement for any reason and for all time you irrevocably waive any right for compensation by us, our affiliates, and any other party that you may have for any right or goodwill you may have acquired as a result of your use of the Marks or System.
- 16.4 **Liquidated damages.** If this Agreement is terminated at any time due to your default hereunder, then you will promptly pay us a lump sum payment (as damages and not as a penalty) for breaching this Agreement in an amount equal to: (a) the sum of the following: a month's Training and Technology Fee plus the average monthly Royalty, average monthly Huntington Advertising Fund Fee, and average Contract Services Advertising Fund Fee paid or payable by you over the 12-month period immediately preceding the date of termination; (b) multiplied by the lesser of 36 months or the number of months then remaining in the Term. If this Agreement is terminated due to your failure to begin operating your Franchised Business for any reason or if this Agreement terminates before the Franchised Business has been open for 12 months, then the preceding calculation is replaced by the following calculation: the lump sum payment is equal to (x) the sum of the following: a month's Training and Technology Fee, minimum Royalty, and minimum Huntington Advertising Fund Fees; (y) multiplied by 36 months. You acknowledge that a precise calculation of the full extent of the damages we will incur upon termination of this Agreement because of your default is difficult to determine and that this lump sum payment is reasonable in light of the damages we will incur for your premature termination of this Agreement. This lump sum payment will be in lieu of any damages we may incur as a result of your default, but it

will be in addition to all other amounts provided in this Paragraph 16.4, and other costs and expenses to which we are entitled under this Agreement, including Paragraph 19 below. You agree to pay us all Third Party Costs we incur in connection with our collection of payment for such damages. Your payment of this lump sum will not affect in any way our right to obtain injunctive relief and remedies to enforce this Paragraph 16.4 and the covenants set forth in Paragraph 10 and 17 hereof.

- 16.5 **Additional obligations upon termination due to your default.** If this Agreement is terminated for any default by you, then, in addition to all other payments you are required to make to us under this Agreement, you must pay us all damages and all Third Party Costs we incur in connection with the termination, all of which will be a lien in our favor against the assets owned by you (including the personal property, furniture, fixtures, furnishings, equipment, signs, fixtures, and inventory you own) and on the Premises at the time of this default. Such payment and lien will be in addition to any other relief available to us under this Agreement or at law or in equity.
- 16.6 **Survival of your obligations.** The expiration or termination of this Agreement for any reason will not relieve you of any of your obligations to us existing at the time of such expiration or termination, or terminate your obligations that, by their nature, survive the expiration or termination of this Agreement. The expiration or termination of this Agreement will be without prejudice to our rights against you. We have no obligation to inform you of your obligations upon any termination of this Agreement.
- 16.7 **Survival of our rights.** Upon expiration or termination of this Agreement for any reason, we waive none of our rights, including our right to collect any payment you owe us under this Agreement and any other agreement between us and any of our affiliates and you and any of your affiliates.
- 16.8 **Obligations upon termination or expiration of the Call Center License**
- 16.8.1 **Obligations upon termination.** Upon termination of the Call Center License for any reason, you must cease using the Call Center; and you must not use, or disclose to others, in any manner or at any time, the Call Center Standards and anything in it. You must return to us the Call Center Standards and all paper, electronic, and other copies, summaries, and extracts from it, even if such items were made in violation of this Agreement.
- 16.8.2 **Phone number redirect upon termination.** For a period of two years from the date of expiration or termination of the Call Center License for any reason, you hereby unconditionally and irrevocably direct each telephone company servicing any Franchised Business telephone to remove remote call forwarding to the Call Center as of the date we request of all phone number(s) assigned to the Call Center. You agree to cooperate fully and timely with us and each such telephone company in accomplishing the removal of remote call forwarding. For all time, you hereby irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, and with power of substitution, to direct each such telephone company to accomplish the acts contemplated under this Paragraph 16.8.2 and to execute and to place any work order for you to accomplish these acts. We have the right to file an original counterpart or a copy of this Agreement with all telephone companies providing any service to the Franchised Business; and with any court, agency, or person as written evidence of the appointment by you of us or our nominee to be your attorney-in-fact with respect to the acts contemplated under this Paragraph 16.8.2. You agree to pay any entity, including telephone companies, any amount or compensation required by such entities to accomplish the acts required by us under this Paragraph 16.8.2, or to us immediately upon written notice, if we pay any such required amount. We may provide all notices under this Paragraph 16.8.2 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. You agree to pay us all Third Party Costs we incur in connection with this Paragraph 16.8.2. You agree to indemnify and hold harmless each of the Franchisor Entities in the manner provided in Paragraph 19.3 below in connection with any and all claims, losses, fees, costs, expenses, liabilities, compliance costs, and damages incurred by the indemnified parties as a result of all matters associated with this Paragraph 16.8.2.

- 16.9 **Obligations upon termination or expiration of the Virtual Testing License.** Upon termination of the Virtual Testing License for any reason, you must cease using Virtual Testing; and you must not use, or disclose to others, in any manner or at any time, the Virtual Testing Standards and anything in it. You must return to us the Virtual Testing Standards and all paper, electronic, and other copies, summaries, and extracts from it, even if such items were made in violation of this Agreement.
- 16.10 **Obligations upon termination or expiration of the Conference Services License.** Upon termination of the Conference Services License for any reason, you must cease using Conference Services; and you must not use, or disclose to others, in any manner or at any time, the Conference Services Standards and anything in it. You must return to us the Conference Services Standards and all paper, electronic, and other copies, summaries, and extracts from it, even if such items were made in violation of this Agreement.
- 16.11 **Obligations upon termination or expiration of the eTutoring License.** You agree that, immediately upon expiration or termination of the eTutoring License for any reason:
- 16.11.1 You must cease all eTutoring; you must pay all refunds, penalties, and other amounts you owe to each customer you serve in connection with eTutoring; and
 - 16.11.2 You must pay us all amounts you owe us under the Franchise Agreement; and
 - 16.11.3 You must submit to us all reports required in connection with eTutoring; and
 - 16.11.4 Expiration or termination of the eTutoring License will not relieve you of any of your obligations to us existing at the time of such expiration or termination, or terminate your obligations that, by their nature, survive the expiration or termination of the eTutoring License. Expiration or termination of the eTutoring License will be without prejudice to our rights against you; and
 - 16.11.5 You must pay to us or our designee all related damages and Third Party Costs; and all Third Party Costs and any damages will be a lien in favor of us against the assets owned by you (including the personal property, furniture, fixtures, furnishings, equipment, signs, fixtures, and inventory owned by you) at your Franchised Business at the time of such default. Such payment and lien will be in addition to any other relief available under the Franchise Agreement or at law or in equity; and
 - 16.11.6 For all time, you irrevocably waive any claim or right for compensation by us or any of our affiliates that you may have for any services or products we provided to you under this Agreement or otherwise in connection with eTutoring; and for all time, you irrevocably waive any right for any refund from us or any of our affiliates for any services or products we provided to you under this Agreement or otherwise in connection with eTutoring.
- 16.12 **Obligations upon termination or expiration of the Contract Services License.** You agree that immediately upon expiration or termination of the Contract Services for any reason:
- 16.12.1 You must cease all Contract Services; you must pay all refunds, penalties, and other amounts you owe to each Public Entity and each customer you serve in connection with each Public Entity; and you must comply with each Public Entity's requirements regarding termination and that survive its termination; and
 - 16.12.2 You must notify in writing each Public Entity with which you do business or propose to do business of the termination of your right to provide Contract Services; and
 - 16.12.3 You must comply with each Public Entity's requirements regarding termination; and
 - 16.12.4 You must pay us all amounts you owe us under the Franchise Agreement; and
 - 16.12.5 You must submit to us all reports required in connection with Contract Services; and
 - 16.12.6 Expiration or termination of the Contract Services License will not relieve you of any of your obligations to us existing at the time of such expiration or termination, or terminate your

obligations that, by their nature, survive the expiration or termination of the Contract Services License. Expiration or termination of the Contract Services License will be without prejudice to our rights against you; and

- 16.12.7 Upon our written request and in the manner we require, you must assign to us any interest you have in each Public Entity in which, or for which, you provide, have provided, or may provide Contract Services. You must pay each such Public Entity any amount or compensation required to accomplish such assignment, or to us, if we pay such amount. You must pay us all our related Third Party Costs. You irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, and with power of substitution, to execute and file for you any relevant document to accomplish the acts contemplated in this Paragraph 16.12.7. We have the right to file an original counterpart or a copy of this Franchise Agreement with each Public Entity and any court, agency, or person as written evidence of the appointment by you of us or our nominee to be your attorney-in-fact; and
- 16.12.8 You must pay to us or our designee all related damages and Third Party Costs; and all Third Party Costs and any damages will be a lien in favor of us against the assets owned by you (including the personal property, furniture, fixtures, furnishings, equipment, signs, fixtures, and inventory owned by you) at your Franchised Business at the time of such default. Such payment and lien will be in addition to any other relief available under the Franchise Agreement or at law or in equity; and
- 16.12.9 For all time, you irrevocably waive any claim or right for compensation by us or any of our affiliates that you may have for any services or products we provided to you under this Agreement or otherwise in connection with Contract Services; and for all time, you irrevocably waive any right for any refund from us or any of our affiliates for any services or products we provided to you under this Agreement or otherwise in connection with Contract Services.

17 COVENANTS

17.1 **Representations.** You represent and agree to each of the following:

- 17.1.1 We offer a unique and highly distinguishable way of doing business. You and each Owner will receive certain valuable information about Huntington Services, eTutoring, Contract Services, and the Franchised Business, including our development and operation and the System. We would not have given this information to you or them, without your execution of this Agreement. We developed this information over many years at great effort and expense and such information includes marketing techniques, operational procedures, business practices, and management methods not generally known. Neither you nor any of your Owners knew of any of these marketing techniques, operational procedures, business practices, or management methods before your execution of this Agreement and all will be of significant competitive advantage to you and them. All these marketing techniques, operational procedures, business practices, and management methods constitute valuable information, all of which are our trade secrets.
- 17.1.2 Before you signed this Agreement, you and each of your Owners conducted a complete and thorough independent investigation of us, the business franchised hereunder, this Agreement, and each other document you signed concurrently with your signing this Agreement. This investigation included your opportunity to speak with independent professionals of your choice, including attorneys, accountants, consultants, real estate brokers, and insurance professionals; and the opportunity to speak with each of our franchisees. You read and fully understand this Agreement and each document that you signed concurrently with your signing this Agreement. You had the opportunity to ask us all your questions about us, this Agreement, each other document you signed concurrently with your signing this Agreement,

and the business franchised hereunder and we answered each of your questions to your full and complete satisfaction.

- 17.1.3 You confirm that you and each of your Owners had limited or no experience in the business franchised hereunder or in opening or operating a tutoring or test prep business and that such experience, if any, was not comparable to that provided under the System. You determined and now confirm that it would be highly likely that, despite any investment of money, time, and effort by you and your Owners, neither you nor they could develop any systems and procedures that could be comparable to those provided in the System or be able to deliver any of the Huntington Services, eTutoring, or Contract Services. You determined and now confirm it would take considerable time and effort for you and your Owners to develop knowledge and experience in the business franchised hereunder comparable to that provided under the System. You determined and now confirm that gaining access to the marketing techniques, operational procedures, business practices, and management methods used in the System was and remains your primary reason for your execution of this Agreement. You determined and now confirm that the training in the System operation and the knowledge that will be imparted to you and your Owners are essential to the System operation and would not be so imparted, except for execution of this Agreement.
- 17.1.4 You and each of your Owners earned a livelihood before entering into this Agreement and have the skills to do so in the future if the non-competition provisions in this Paragraph 17 will be enforced against you or them. It is reasonable to impose the non-competition provisions in this Paragraph 17 upon you and your Owners, notwithstanding the presence or absence of any nearby HLCs, including those in the CoOp's geographic area or the market or state in which the Franchised Business is or will be located. All your representations in this Paragraph 17 will survive the expiration or termination of this Agreement, regardless of the cause for such expiration or termination.
- 17.2 **In-term covenant against competition.** Except as we otherwise approve by written notice in the manner described in Paragraph 21 below, you covenant and agree that, during the Term, you and all Owners will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity:
- 17.2.1 Divert or attempt to divert any present or prospective business or customer of any HLC to any competitor, by direct or indirect inducement or otherwise, or do or perform any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or
- 17.2.2 Own, maintain, advise, invest in, operate, engage in, be employed by, be a consultant to, loan money to, provide any assistance to, be a franchisee of, or have any interest in (as owner, guarantor, or otherwise) any brick-and-mortar, online, in-home, at-home, or other business at any location (a) that is the same as, or similar to, the business franchised hereunder; or (b) that offers tutoring in reading, phonics, study skills, mathematics, or related areas; or (c) that offers courses or tutoring to prepare for state examinations, standardized entrance exams, the SAT, or the ACT; or (d) that offers courses or tutoring in academic subjects; or (e) that offers educational services or products the same as or similar to those offered in a HLC.
- 17.3 **Post-term covenant against competition.** Except as we otherwise approve by written notice in the manner described in Paragraph 21 below, you and your Owners will not, for a continuous uninterrupted period of two consecutive years commencing upon the latter of (a) any Transfer having the effect of (1) transferring this Agreement, or (2) changing control of you, or (3) changing the ownership of all or substantially all of the assets of the Franchised Business; or (b) termination or expiration of this Agreement (regardless of the cause for termination or expiration); or (c) a final order of a duly authorized court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Paragraph 17.3, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with, any person or entity:

- 17.3.1 Divert or attempt to divert any present or prospective business or customer of any HLC to any competitor, by direct or indirect inducement or otherwise, or do or perform any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or
- 17.3.2 Own, maintain, advise, invest in, operate, engage in, be employed by, be a consultant to, loan money to, provide any assistance to, be a franchisee of, or have any interest in (as owner, guarantor, or otherwise) any brick and mortar, online, in-home, at-home, or other business (1) (a) that is the same as, or similar to, the business franchised hereunder; or (b) that offers tutoring in reading, phonics, study skills, mathematics, or related areas; or (c) that offers courses or tutoring to prepare for state examinations, standardized entrance exams, the SAT, or the ACT; or (d) that offers courses or tutoring in any academic subject; or (e) that offers educational services or products the same as or similar to those offered in a HLC; and (2) which business is, or is intended to be, located within or serve customers or students within: (i) the Premises; or (ii) the Exclusive Area; or (iii) a radius of 25 miles from the Exclusive Area; or (iv) a radius of 25 miles from the Premises; or (v) a radius of 25 miles from any HLC.
- 17.4 **Exception.** Paragraph 17.3 above will not apply to your ownership of a less than 5% beneficial interest in the outstanding equity securities of any corporation which has securities registered under the Securities Exchange Act of 1934.
- 17.5 **Modification.** We have the right, but not the obligation, during the Term or afterwards, to reduce the scope of any covenant in this Paragraph 17 or any portion of any covenant in this Paragraph 17, without your consent, effective immediately upon receipt by you of written notice sent to you by us; and you agree to comply immediately with any covenant as so modified, which will be fully enforceable without regard to any other provision of this Paragraph 17.
- 17.6 **No defense.** You agree that the existence of any claim you or any of your affiliates may have against us or any of our affiliates, whether or not arising from this Agreement, will not constitute a defense to our enforcement of the covenants in this Paragraph 17.
- 17.7 **Individuals' covenants.** You must obtain and furnish to us an executed Confidentiality Agreement from your spouse, the Owners, the spouses of the Owners, the spouses of the Guarantors, and each of your employees having access to any of our Confidential Information. The current version of our Confidentiality Agreement is in Exhibit B. If any provision of our Confidentiality Agreement conflicts with any law or regulation, including any National Labor Relations Board regulation, we have the right to strike that provision from our Confidentiality Agreement.
- 17.8 **Third Party Costs.** You must pay us all Third Party Costs we incur in connection with this Paragraph 17.

18 LAWS, PERMITS, AND TAXES

- 18.1 **Laws and regulations.** You agree to each of the following:
- 18.1.1 Before you signed this Agreement, you investigated, and became knowledgeable about all laws and regulations (including those laws and regulations in this Paragraph 18.1) applicable to the Agreement, Premises, Premises Lease, Public Entities, Franchised Business (and all of its aspects, including its advertising, marketing, operations, employees, students, and customers), technology employed in the Franchised Business, copyrights, and provision of Huntington Services, eTutoring, and Contract Services. Throughout the Term, you agree to comply fully and timely at your sole cost and expense with all present and future laws and regulations (including those laws and regulations in this Paragraph 18.1) applicable to the Agreement, Premises, Premises Lease, Public Entities, Franchised Business (and all of its aspects, including its advertising, marketing, operations, employees, students, and customers), technology employed in the Franchised Business, copyrights, and provision of Huntington Services, eTutoring, and Contract Services, and any Public Entity in connection with Contract Services. Throughout the Term and in connection with the Franchised Business and this Agreement, you

agree to comply fully and timely at your sole cost and expense with each of the following:

- A. All present and future federal, state, city, municipal, and local laws, regulations, rules, statutes, ordinances, codes, building codes, zoning classifications, permits, and clearances applicable to the Agreement, Premises, Premises Lease, Public Entities, Franchised Business, and Huntington Services, eTutoring, and Contract Services; and
- B. The Americans with Disabilities Act, as amended, and all similar present and future federal, state, municipal, and local laws and regulations; and
- C. The Children's Online Privacy Protection Act of 1998, as amended, and all similar present and future federal, state, municipal, and local laws and regulations; and
- D. The Family Educational Rights and Privacy Act of 1974, as amended, and all similar present and future federal, state, municipal, and local laws and regulations; and
- E. All present and future laws and regulations concerning health, sanitation, building, utilities, Internet, telephone, building and sign permits, certificates of occupancy, construction, renovation, modification of the Premises, and solicitation by telephone, text, and email; and
- F. All present and future laws and regulations concerning education, exam preparation, teaching, tutoring, teacher certification, learning center operation, tutoring operation, and test administration; and
- G. All present and future laws and regulations concerning acceptance of credit cards, including the Payment Card Industry Data Security Standard and all similar present and future federal, state, municipal, and local laws and regulations; and
- H. All present and future laws and regulations concerning loan and credit transactions and all other credit-related statutes, including the Equal Credit Act, as amended, Fair Debt Collection Practices Act, as amended, and Fair and Accurate Credit Transactions Act, as amended and all similar present and future federal, state, municipal, and local laws and regulations; and
- I. All Applicable Data Privacy Laws and any other present and future laws and regulations concerning data security and Security Breaches that affect the Franchised Business; and
- J. All present and future laws and regulations concerning data privacy, including all those that affect the safekeeping of student, parent, and customer information and regulations; and including all those present and future laws and regulations that apply to electronic marketing, including faxes, emails, text messaging, social media, and telemarketing; and
- K. All present and future laws and regulations concerning the use and collection of consumer personal information, including the California Consumer Privacy Act (CPRA), as amended, and all similar present and future federal, state, municipal, and local laws and regulations; and
- L. All present and future laws and regulations concerning employees, staffing, workman's compensation, unemployment insurance, safety rules and requirements, non-discrimination statutes, and record keeping; and
- M. The Fair Labor Standards Act, as amended, Occupational Safety and Health Act, as amended, and Family and Medical Leave Act, as amended, and all similar present and future federal, state, municipal, and local laws and regulations; and
- N. All present and future laws and regulations concerning money laundering and related activities, including the United States Bank Secrecy Act, the United States Money Laundering Control Act of 1986, as amended, and the United States International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001; and
- O. All present and future laws and regulations concerning copyright, including the Copyright Law of the United States, as amended, and all international copyright laws; and
- P. All present and future laws and regulations in connection with Contract Services and Public Entities; and
- Q. All present and future laws and regulations in connection with using the internet in connection with children under the age of 18.

18.1.2 Consumer and privacy laws

- A. If any Applicable Data Privacy Laws apply to the Franchised Business or to Huntington Services, eTutoring, or Contract Services, then, whenever and to the extent either you or we operate as a “Processor”, “Service Provider”, a “Contractor”, or in a similar capacity under any present or future Applicable Data Privacy Law (collectively, for purposes of this Paragraph 18.1.2, a “Processor”), then you as a Processor represent and warrant that:
1. Personal Data disclosed to Processor is disclosed only for the limited and specific purposes of exercising its rights and obligations under this Agreement; and
 2. Processor must comply with Applicable Data Privacy Laws and provide the appropriate level of privacy and security protection as required by such Applicable Data Privacy Laws; and
 3. Processor grants the other party as the data “Controller” or “Business” as defined by Applicable Data Privacy Laws, the right to take reasonable and appropriate steps to help ensure Processor uses any Personal Data in a manner consistent with its obligations under Applicable Data Privacy Laws; and
 4. Processor will notify the data “Controller” or “Business” as defined by Applicable Data Privacy Laws if Processor becomes aware that it can no longer meet its obligations as a Processor under Applicable Data Privacy Laws; and
 5. Processor grants the other party as the data “Controller” or “Business” as defined by Applicable Data Privacy Laws to take reasonable and appropriate steps upon written notice to Processor to stop and remediate unauthorized use of Personal Data; and
 6. Except for the purpose of performing its rights and obligations under this Agreement, the Processor must not retain, use, combine, or disclose any Personal Data; and
 7. The Processor must not sell, share, make available, or otherwise disclose any Personal Data to any third party for valuable consideration or for the purpose of performing cross-context behavioral or similar advertising; and
 8. The Processor must not retain, use, or disclose Personal Data outside of the direct business relationship between you and us; and
 9. The Processor must delete any Personal Data upon written request from the other party, unless Processor can prove to full reasonable satisfaction that such request is subject to an exception under applicable law; and
 10. Processor permits the other party as the data “Controller” or “Business” as defined by Applicable Data Privacy Laws to monitor compliance with Personal Data obligations under this Paragraph 18.1.2, through measures mutually agreed upon by the parties; and
 11. If Processor receives a customer information data request, such as a request to delete customer information, directly from a consumer, under Applicable Data Privacy Law, then Processor must notify the other party as the “Controller” or “Business” as defined by Applicable Data Privacy Laws and cooperate with the “Controller” or “Business” to allow the “Controller” or “Business” to meet its obligations under Applicable Data Privacy Laws.
- B. You as a Processor certify an understanding each of the restrictions in Paragraph 18.1.2.A above and will comply fully with them. You acknowledge and agree that we may modify these restrictions at any time and from time to time by written notice to you by issuing updates to the Huntington Manuals and you agree to comply fully with such other or similar restrictions. You also agree to execute any addenda that we determine are required to conform this Agreement to new or changed present or future Applicable Data Privacy Laws.
- C. To the extent the Processor engages a third party to collect, use, sell, store, disclose, analyze, delete, modify, or to otherwise perform any processing of customer information for the Franchised Business, such engagement must be governed by a written contract that includes the same restrictions as in Paragraph 18.1.2.A above and imposes

reasonable confidentiality obligations on such third party.

- D. If any Applicable Data Privacy Laws apply to the Franchised Business or to Huntington Services, eTutoring, or Contract Services, then, whenever and to the extent either you or the Franchisor operates as a “Third Party”, co-controller, or in a similar capacity under any present or future Applicable Data Privacy Law (collectively, for purposes of this Paragraph, a “Co-Controller”), you represent and warrant that:
1. Personal Data disclosed to Co-Controller is disclosed only for the limited and specific purposes of exercising its rights and obligations under this Agreement and may not be used for any other purpose; and
 2. Co-Controller must comply with Applicable Data Privacy Laws and provide the appropriate level of privacy and security protection as required by such Applicable Data Privacy Laws; and
 3. Co-Controller grants the other party the right to take reasonable and appropriate steps to help ensure Co-Controller uses any Personal Data in a manner consistent with its obligations under Applicable Data Privacy Laws; and
 4. Co-Controller will notify the other party if Co-Controller becomes aware that it can no longer meet its obligations under Applicable Data Privacy Laws; and
 5. Co-Controller grants the other party to take reasonable and appropriate steps upon written notice to Processor to stop and remediate unauthorized use of Personal Data.

18.1.3 The list of laws and regulations in this Paragraph 18.1 is not meant to be inclusive of all laws and regulations (including federal, state, municipal, Public Entity, and local laws and regulations) that affect you, the Agreement, the Premises, the Premises Lease, the Franchised Business, Public Entities, technology employed in the Franchised Business, your advertising and marketing, your operations, your employees, your customers, and your provision of Huntington Services, eTutoring, and Contract Services now or in the future. Such laws and regulations change from time to time and federal, state, municipal, and local authorities continually introduce new and revised laws and regulations.

18.1.4 You agree to pay us all Third Party Costs we incur in connection with your compliance and non-compliance with all laws and regulations applicable to the Agreement, Premises, Premises Lease, Public Entities, Franchised Business (and all of its aspects, including its advertising, marketing, operations, employees, students, and customers), technology employed in the Franchised Business, and provision of Huntington Services, eTutoring, and Contract Services, including those laws and regulations in this Paragraph 18.1, as such laws and regulations may be changed, introduced, and revised from time to time.

18.2 **Tax filings.** You must make timely filings of all tax, insurance, and other required returns and of all documents and reports required by such filings; and must pay when due all taxes and insurance amounts levied or assessed by them and on, and related to, this Agreement and the Franchised Business. You may contest any law, rule, ordinance, code, building code, zoning classification, permit, clearance, and regulation in accordance with applicable legal procedures, but you will never permit a tax sale or seizure by levy or execution or similar writ or warrant, or attachment by your creditor of you, this Agreement, the Franchised Business, or any assets of the Franchised Business.

18.3 **Taxes imposed on us.** You agree to each of the following:

18.3.1 If, at any time during the Term or afterwards, any present or future U.S. or other nation’s federal, national, state, municipal, or local governmental, taxing, or other authority, wherever located, imposes any tax, levy, assessment, penalty, or interest on any payment you made or should have made to us or any tax, levy, assessment, penalty, or interest on us related in any manner to your business, gross receipts, net income, students, customers, Public Entities, employees, or services, then, in addition to all payments due to us, you must pay us within five days of our written notice to you such tax, levy, assessment, penalty, and interest, including

any additional taxes, levies, assessments, penalties, and interest imposed on such additional amounts.

- 18.3.2 You agree to pay all present and future U.S. and other nation's federal, national, state, municipal, and local governmental, taxing, and other authorities, wherever located, taxes, levies, assessments, penalties, and interest (including sales, use, service, occupation, employment-related, excise, gross receipts, net income, property, and other taxes, levies, and assessments) that may be imposed on us as a result of our receipt or accrual of any fees we impose on you, including the Initial Franchise Fee, Training and Technology Initial Fee, Transfer Fee, Subsequent Franchise Fee, Royalty, Huntington Advertising Fund Fees, Contract Services Advertising Fund Fees, Training and Technology Fees, Call Center fees, Virtual Training fees, Conference Services Monthly Use Fee, Virtual Conferencing fees, Coaching Services fees, Virtual Testing fees, and all other fees referenced in this Agreement and any other agreement between you and us (including whether assessed against us through withholding or other means or whether paid by us directly) and all other taxes, levies, assessments, penalties, and interest in this Paragraph 18.3.2, unless such tax, levy, assessment, penalty, or interest is credited against income tax otherwise payable by us; and you will pay to us (or to the appropriate governmental authority, as we require) within five days of written notice such additional amounts as are necessary to provide us, after taking such taxes, levies, assessments, penalties, and interest into account (including any additional taxes, levies, assessments, penalties, and interest imposed on such additional amounts), with the same amounts that we would have received or accrued had such withholding or other payment, whether by you or by us, not been required.
- 18.3.3 You agree to pay us all Third Party Costs we incur in connection with any payment you or we are required to make to any present and future U.S. or other nation's federal, national, state, municipal, or local governmental, taxing, or other authority under this Paragraph 18.3.
- 18.4 **Your responsibility to comply.** At all times during the Term, you agree it is your sole responsibility to investigate and to comply fully and timely at your sole cost with all former, present, and future laws and regulations applicable to you, the Agreement, the Premises, the Premises Lease, Public Entities, the Franchised Business, technology employed in the Franchised Business, your advertising and marketing, your operations, your employees, your customers, and your provision of Huntington Services, eTutoring, and Contract Services, including those laws and regulations in this Paragraph 18. You pay the costs of such investigation and compliance. At no time before the Agreement Date were we responsible to notify or inform you of the laws, regulations, and taxes in Paragraph 18 or your obligations under them. At no time during the Term are we responsible to notify or inform you of the laws, regulations, and taxes in Paragraph 18 or your obligations under them.
- 18.5 **Notices.** You must notify us in writing in the manner described in Paragraph 21 below within five days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, that may adversely affect the operation or financial condition of the Franchised Business. Except as described in this Paragraph 18, we may provide all notices under this Paragraph 18 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

19 INDEPENDENT CONTRACTOR; INDEMNIFICATION

19.1 Relationship; control

- 19.1.1 **Relationship.** In all matters pertaining to this Agreement and the Franchised Business, you are, and will be deemed, an independent party. None of the Franchisor Entities have any fiduciary or trustee obligation to you or any of your affiliates under this Agreement or any other agreement between the Franchisor or any of its affiliates and you or your affiliates. You and we acknowledge and agree that, except as described in this Agreement, there is no

fiduciary, special, or other relationship between you and any Franchisor Entity. You are not, and will not be deemed, an agent, legal representative, joint venturer, partner, or employee of any Franchisor Entity for any purpose whatsoever. No Franchisor Entity is liable for Your Acts or the debts or obligations of you, your affiliates, or your Owners. You and your affiliates and Owners and your and their agents and employees have no right in any oral or written agreement (including lease, customer agreement, and employee agreement) or other document to bind, obligate, or grant any rights against any Franchisor Entity in any way or for any reason; and you will not represent that you or they have any right to do so. You must conduct all your obligations in your own name and not in our name or the name of any of our affiliates.

- 19.1.2 **Control.** Except as provided in this Agreement, we have no right or authority, and expressly disclaim any actual or apparent right or authority, to each of the following: (a) To exercise any dominion or control over the Franchised Business; and (b) to exercise any dominion or control over the Premises or Premises Lease; and (c) to exercise any dominion or control over any contract or lease you may have with any Public Entity; and (d) to control or have access to your funds; or to control the expenditure of your funds; and (e) in connection with the Franchised Business (1) to hire or fire any of your employees; and (2) to supervise or control any of your employees' work schedules or conditions; and (3) to determine pay rate or method of payment for any of your employees; and (4) to maintain any of your employee's employment records.
- 19.2 **You are responsible for Your Acts.** You solely are responsible for Your Acts. You solely are responsible for all losses, damages, and liabilities to all your customers, employees, agents, vendors, and all others, all damage to property, and all physical and mental injury and illness and death of persons arising out of, or in connection with, Your Acts; and all fraudulent acts and practices committed by you, your Owners, your employees, agents, suppliers, and vendors in connection with all consumer transactions in, and related to, the Franchised Business. You agree we are, in no regard, a supplier in any consumer transaction conducted by you, your employees, agents, suppliers, or vendors.
- 19.3 **Your indemnification of the Franchisor Entities**
- 19.3.1 **Causes of indemnification.** For all time during the Term and after expiration or termination of this Agreement for any reason, you agree to indemnify and hold harmless the Franchisor Entities from and against all claims, demands, obligations, debts, damages, assessments, violations, interest, causes of action, lawsuits, liens, liabilities, and damages of every kind and nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of the Franchised Business (regardless of cause or any concurrent, superseding, or contributing fault, liability, or negligence of or by any of the Franchisor Entities), your actions, neglect, willful act, omissions, or otherwise or any breach by you or your failure to comply with any of the terms or conditions of this Agreement, operation of the Franchised Business, contract or lease with any Public Entity, use of the Premises, and from each of the following: (a) Your Acts; and (b) Any default, breach, or violation by you of this Agreement; and (c) Any Transfer or attempted Transfer of this Agreement or of the Franchised Business; and (d) Any breach of your obligations related to the exercise of our right of first refusal in connection with any Transfer; and (e) Your design, construction, and use of the Premises; and (f) Your execution of, and compliance with, the Premises Lease; and (g) All aspects of your relationship with the Premises Landlord; and (h) Your advertising, marketing, and public relations and your use in any manner in any media of any advertising or promotional materials that you develop; and (i) Your use in any manner and in any media of any of our advertising or promotional materials that you modify or use in a manner that we do not authorize in writing; and (j) Any alleged or actual Security Breach at, or in connection with, the Franchised Business; and (k) Your use of technology employed in the Franchised Business, whether required or permitted by us or otherwise; and (l) Your use of any software and systems we require or permit you to use in connection with the Franchised Business (such

software and systems include Franchisor Technology, Testing Materials and Curricula, Phone Number, and Email Addresses); and (m) Your use of any unauthorized software and systems in connection with the Franchised Business; and (n) Your use of systems or software we require or permit you to use in connection with the Franchised Business (including those systems in Paragraph 8.2.2 above); and (o) Your ACH Automatic Withdrawal Authorizations; and (p) Your actions in connection with your CoOp; and (q) Your actions in connection with any Public Entity for which you attempt to provide Contract Services or for which you entered into a contact or lease to provide Contract Services; and (r) Your employees, students, customers, agents, vendors, Public Entities, landlords (including the Premises Landlord) and utilities; and (s) Your payment or non-payment of any fee or amount to us and others, including your Premises Landlord, vendors, Public Entities, students, customers, employees, agents, utility companies, your CoOp, and the Ad Fund; and (t) Any violation or alleged violation of any present or future law or regulation, including the laws and regulations in Paragraph 18.1 above, by you, the Franchised Business, the Premises, the Premises Lease, and your Owners, employees, and agents; and (u) Any negligence, omission, or willful act by you, your customers, your students, your agents, your vendors, your Public Entities, and your landlords; and (v) Any allegation or claim by any governmental or non-governmental authority, including the National Labor Relations Board, that any Franchisor Entity is an employer or a joint employer of any of your prospective, current, or former employees and any allegation, claim, mediation, arbitration, and litigation by Public Entities or government- or non-government-related individuals or entities (including your prospective, current, and former employees) in connection with any such allegation and claim; and (w) Any allegation or claim by any governmental or non-governmental authority, including the National Labor Relations Board, that any Franchisor Entity is responsible for any acts or omissions of any of your prospective, current, or former employees and any mediation, arbitration, and litigation by Public Entities or government- or non-government-related individuals or entities (including your prospective, current, and former employees) in connection with any such allegation or claim; and (x) Any allegation or claim that any Franchisor Entity is responsible for the acts or omissions of any of your prospective, current, or former customers or students and any mediation, arbitration, and litigation by Public Entities or government- or non-government-related individuals or entities (including your prospective, current, and former customers and students) in connection with any such allegation or claim; and (y) Any allegation or claim that any Franchisor Entity is responsible for your acts or omissions in connection with any of your prospective, current, or former customers or students and any mediation, arbitration, and litigation by Public Entities or government- or non-government-related individuals or entities (including your prospective, current, and former customers and students) in connection with any such allegation or claim; and (z) Any allegation or claim that any Franchisor Entity is responsible for the acts or omissions of any of your agents, vendors, Public Entities, or landlords (including the Premises Landlord) and any mediation, arbitration, or litigation by Public Entities or government- or non-government-related individuals or entities (including your agents, vendors, or landlords) in connection with any such allegation or claim; and (aa) Any allegation or claim that any Franchisor Entity is responsible for your acts or omissions in connection with any of your agents, vendors, Public Entities, or landlords (including the Premises Landlord) and any mediation, arbitration, or litigation by Public Entities or government- or non-government-related individuals or entities (including your agents, vendors, or landlords) in connection with any such allegation or claim; and (ab) Any allegation or claim that any Franchisor Entity is responsible for your acts or omissions in connection with your modification of our recommended student lesson plans, our recommended curricula, and of any of our recommended number of student instructional hours and any mediation, arbitration, and litigation by Public Entities or government- or non-government-related individuals or entities in connection with any such allegation or claim.

- 19.3.2 Your indemnification of us under this Paragraph 19.3 is deemed to include not only the specific liabilities or obligations with respect to which such indemnity is provided, but also all

Third Party Costs and all costs and expenses of any judgement or settlement relating thereto, whether or not any such liability or obligation has been reduced to judgment.

- 19.3.3 We will not indemnify or compensate you, and we will not be liable for any loss, expense, or damage you incur, in connection with any damage or expense you or others incur in connection with Paragraph 19.3.1 above or in connection with any of your customers, students, employees, landlords (including the Premises Landlord), or Public Entities.
- 19.3.4 Procedure. You agree to comply with the procedure in this Paragraph 19.3.4 whenever you are required under this Agreement to indemnify and hold harmless any of the Franchisor Entities.
- A. If you receive a notice that a claim has been, or you believe a claim may be, filed about any matter covered by this Agreement, including this Paragraph 19.3, you must notify us in the manner described in Paragraph 21 below within five days of the date you receive, or come to believe of, such claim. Immediately upon the date you receive, or come to believe of, such claim, you must assume immediately the defense thereof at your sole cost and expense. At your sole cost and expense, we will endeavor to cooperate with you and your counsel in the defense and any settlement of all such claims. In any event, we will have the right, through counsel of our choice, to control any matter to the extent it could directly or indirectly in any way or at any time affect any of the Franchisor Entities. We may defend, settle, arbitrate, and litigate such action in any manner we or our counsel deems appropriate and you must, within five days of written notice, pay us all amounts we pay in connection with such claim by reason of any settlement or judgement against us or any of our affiliates or franchisees or any of our or their successors or assigns or any of our or their officers, directors, employees, or agents or any other party. We may provide notices under this Paragraph 19.3 in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. The fees, costs, and expenses of any such defense, arbitration, and litigation means the full and actual amounts of any defense, arbitration, or litigation in connection with the matters involved and will not be limited to "reasonable defense fees, costs, and expenses", "reasonable arbitration fees, costs, and expenses", "reasonable litigation fees, costs, and expenses", "reasonable attorneys' fees, costs, and expenses", "reasonable accountants' fees, costs, and expenses", or "reasonable consultants' fees, costs, and expenses" as defined by any present or future federal, state, or local law, statute, or rule of court. Any such settlement or judgement means the full and actual amounts of any settlement or judgement rendered in connection with the matters involved and will not be limited to "reasonable settlement", "reasonable judgement", "reasonable fees, costs, and expenses", "reasonable accountants' fees, costs, and expenses", "reasonable accountants' fees, costs, and expenses", or "reasonable consultants' fees, costs, and expenses" as defined by any present or future federal, state, or local law, statute, or rule of court or court or arbitrator decisions.
- B. If we are notified by a third party of any claim that may give rise to a claim of indemnity hereunder, any failure by us to provide such notice to you will not be a default by us under this Agreement and will not release you from your indemnification obligations under this Paragraph 19.3, except to the extent you are actually and materially prejudiced by such failure.
- 19.4 **No liability for our related parties.** You agree that none of our past, present, or future board of directors; officers; trustees; incorporators; members; partners; stockholders; subsidiaries; affiliates; controlling parties; administrators; fiduciaries; entities under common control, ownership, or management; employees; employment benefit plans and/or pension plans or funds; executors; attorneys; insurers; reinsurers; agents; vendors, service providers and their successors and assigns individually and in their official capacities will have any liability to you for (a) any of our obligations or liabilities relating to, or arising from, this Agreement; or (b) any claim against us based on, in respect of,

or by reason of, the relationship between you and us, or (c) any claim against us based on any alleged unlawful act or omission of ours.

19.5 **Costs and expenses**

19.5.1 For costs we pay. You agree to pay us promptly upon written notice any fees, costs, and expenses we or our affiliates pay, or become obligated to pay, on your behalf to any party, including any of your former, current, and future students, customers, landlords (including your Premises Landlord), utilities, contractors, vendors, and Public Entities, for any reason, including (a) for software programs developed, maintained, and licensed to you by others; and (b) to any vendor, Public Entity, utility, or software provider for software-related services or equipment, text services, email services, or computer-related services or equipment provided to you; and (c) to install, maintain, change, or improve the Phone Number in the manner required by such party; and (d) your use of the Training and Technology Services; and (e) your use of electronically-delivered curricula. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. Any such fees, costs, and expenses means the full and actual amounts of such fees, costs, and expenses incurred in connection with the matters involved and will not be limited to "reasonable fees, costs, and expenses", "reasonable accountants' fees, costs, and expenses", "reasonable accountants' fees, costs, and expenses", or "reasonable consultants' fees, costs, and expenses" as defined by any present or future federal, state, or local statute or rule of court or court or arbitrator decisions.

19.5.2 You pay our Third Party Costs. You must pay us all Third Party Costs we incur in connection with this Paragraph 19. You must pay us all Third Party Costs we incur in connection with the following: (a) to issue any notice in connection with any default by you under this Agreement; and (b) to issue any notice in connection with any default by you or any of your affiliates under any other agreement between you and any of your affiliates and us and any of our affiliates; and (c) to enforce any rights under this Agreement or under any other agreement between you and any of your affiliates and us and any of our affiliates; and (d) to effect termination of this Agreement; and (e) to effect termination of any other agreement between you and any of your affiliates and us and any of our affiliates; and (f) to collect any amounts due under this Agreement; and (g) to collect any amounts due under any other agreement between you and any of your affiliates and us and any of our affiliates.

19.6 **Required statements.** You must indicate your independent ownership of the Franchised Business in the manner and with the frequency we require in all public records, employee-related documents, payroll-related documents, stationery, and checks. You must place the words "Independently Owned and Operated," or other words as we direct by written notice from time to time, in the Premises, on all your stationery, business cards, brochures, literature, advertisements, promotional material, signs, texts, emails, and materials and items using or displaying to the public any of the Marks. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you.

19.7 **Our business.** You acknowledge and agree that our usual business is the offering and licensing rights to operate franchised businesses using the Marks and System and providing assistance to franchisees. Accordingly, our usual business is different from your usual business of operating a retail HLC. You acknowledge and agree that we are not obligated to offer or license rights to you or others to operate any business, including a HLC. You acknowledge and agree that, except as provided in this Agreement, we are not obligated to develop enhancements to the System or to provide any assistance to you or any franchisee.

19.8 **Not refundable; survival.** No amount you pay us in connection with this Paragraph 19 is refundable. You agree this Paragraph 19 will survive expiration or termination of this Agreement for any reason.

20 APPROVALS AND WAIVERS

- 20.1 **Approvals.** Whenever this Agreement requires our prior approval or consent, you agree to make a timely written request to us for such approval or consent, and you must obtain such approval or consent in writing solely from one of our corporate officers. You agree that, except as otherwise specifically stated herein, we have the absolute right to exercise our own judgement on various matters about this Agreement and the Brand Standards, and have the right to approve, disapprove, give our consent, and refuse our consent to your requests in our sole and absolute discretion. You agree we have the absolute right to refuse to grant any approval or consent permitted or required in this Agreement, if you owe us any past-due amount, if you are in default of this Agreement, or if you or any of your affiliates are in default of any agreement between you and any of your affiliates and us and any of our affiliates. Any failure by us to respond to your request in a timely manner or within any time period required or permitted in this Agreement is not, and will not be construed as, a default under this Agreement. You agree that our action, refusal to act, approval, disapproval, consent, or refusal of consent is not, and will not be deemed, a representation, warranty, certification, or guarantee by us about that which is acted upon or refused to be acted upon or that which is approved or disapproved or that which is consented to or refused consent, or about any appropriateness, legality, profitability, or success related thereto. None of our acts, refusals to act, approvals, disapprovals, consents, or refusals of consent is, or will be deemed, a guarantee, warranty, or representation that you, your employees, the Franchised Business, or any aspect of your business complies with, or meets, any present or future law, regulation, or tax, including those referenced in Paragraph 18 above.
- 20.2 **Reasonable business judgement.** Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise reasonable business judgement in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of reasonable business judgement, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally, even if the decision or action also promotes our or our affiliates' financial or other individual interests or promotes one franchisee's or one group of franchisees financial or other interests over your interests. Examples of items that will promote or benefit the System include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System.
- 20.3 **Binding effect.** Upon your and our execution of this Agreement, this Agreement will bind, and inure to the benefit of, you and us and your and our permitted heirs, executors, personal representatives, successors, and assigns.
- 20.4 **Waiver or reduction of obligation.** Either you or we may by written notice unilaterally waive or reduce any obligation of, or restriction upon, the other under this Agreement effective upon delivery of such notice or upon any other effective date stated in such notice. If you or we provide such notice, then you and we must provide it in the manner described in Paragraph 21 below. Any such waiver we grant must be signed by one of our corporate officers and will not prejudice any of our other rights and will be subject to our continual review, and we retain the right to revoke such waiver at any time, effective upon delivery to you of written notice of revocation.
- 20.5 **WAIVER OF CONSUMER RIGHTS.** DURING THE TERM OF THIS AGREEMENT AND FOR ALL TIME AFTERWARDS, YOU WAIVE ANY AND ALL RIGHTS YOU MAY HAVE UNDER ALL PRESENT AND FUTURE FEDERAL AND STATE CONSUMER RIGHTS LAWS AND REGULATIONS AND UNDER ALL PRESENT AND FUTURE FEDERAL AND STATE LAWS AND REGULATIONS THAT GIVE CONSUMERS SPECIAL RIGHTS OR PROTECTIONS. WE MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF YOUR CONSENT TO YOUR WAIVER OF YOUR CONSUMER RIGHTS. YOU ACKNOWLEDGE AND AGREE THAT YOU HAVE HAD FULL AND ADEQUATE OPPORTUNITY TO CONSULT WITH, AND BE ADVISED BY, COUNSEL OF YOUR OWN CHOOSING ABOUT THE TRANSACTION GOVERNED BY THIS AGREEMENT AND SPECIFICALLY ABOUT THE TERMS OF THIS PARAGRAPH 20.5,

WHICH CONCERNS THE WAIVER OF CONSUMER RIGHTS BY YOU. YOU AGREE YOUR REPRESENTATIONS WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR ANY REASON.

- 20.6 **Right to disclose; right to obtain credit report.** You agree we have the right for any business purpose from time to time, without any compensation to you, to use, disclose, and disseminate to any party any report, document, and information we may have obtained by any means whatsoever about you, all Owners, all Guarantors, and all signatories to this Agreement, including the following: (a) any confidential or other application you or your Guarantors or Owners submitted to us in connection with your application to become our franchisee or to apply for a loan; and (b) your Franchisee Description Form; and (c) this Agreement and any other agreement between you or any of your affiliates and us or any of our affiliates; and (d) any report or information you furnished to us under this Agreement or the Huntington Manuals or that we obtain from you or any other party about you or the Franchised Business or that we develop from data you submitted to us or any franchisee or other party; and (e) any correspondence, including any letter, text, email, voicemail, video, or notice, that we sent to you or that you sent to us any time before and any time after you signed this Agreement; and (f) all Franchised Business phone numbers, email addresses, and physical addresses; and all phone numbers, email addresses, and physical addresses of you and your Guarantors and Owners and their contents; and (g) your and your Guarantors' and Owners' names and images; and (h) your and your Guarantors' and Owners' financial information (including profit and loss statements), operating information, results of inspections, and business records; and (i) any application, contract, and lease you executed in connection with Contract Services. Such other parties include federal, state, municipal, and local governmental agencies; former, current, and prospective franchisees; prospective buyers and sellers of the Agreement, Franchised Business (or any portion thereof), or any assets of you or the Franchised Business; your former, current, and prospective vendors; your former, current, and prospective landlords (including current and former Premises Landlords); your former, current, and prospective students and customers; your former, current, and prospective financial institutions; your CoOp; other CoOps; our affiliates; the Huntington Advertising Fund, and the Contract Services Advertising Fund. You agree we have the right from time to time and without compensation to you, to obtain a credit report and background check of you, each of your Owners, and each of your Guarantors. Our rights under this Paragraph 20.6 will survive the expiration or termination of this Agreement and the death or incapacity of you and any Owner.
- 20.7 **Use of name, image, voice.** You hereby consent to the following for any marketing or business purpose, which consent will survive the expiration or termination of this Agreement and the death or incapacity of you and any of your Owners: The use, from time to time, by us and our affiliates and our and their licensees and franchisees, with no compensation to you or your Owners of (a) your and each Owner's names, images, and voices, and any written, spoken, or videotaped statements by you and your Owners; and (b) photographs, videos, and any electronic record of you and your Owners, the Premises, and the Franchised Business. You agree to cooperate fully with each of the foregoing.
- 20.8 **No Waivers.** No failure or delay by us in exercising any right, power, or privilege hereunder will operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power, or privilege hereunder.
- 20.9 **Rights and remedies.** Our rights and remedies in this Agreement are in addition to all other rights and remedies that may be granted by law. Our rights under this Agreement are cumulative. Our actions or failure to act will not constitute a waiver of any term or condition of this Agreement for any preceding or succeeding breach, or a waiver by us of our right, at any time afterwards, to require exact and strict compliance with this Agreement. Such actions and failures to act include any exercise by us of any right under this Agreement, our acceptance of any payment or report from you or from others on your behalf, any training we offer or conduct, any in-person or virtual visits we conduct to your Franchised Business, any advice we provide to you, and any communication we have with you. No exercise or enforcement by us of any right or remedy under this Agreement will preclude the exercise or enforcement by us of any other right or remedy under this Agreement or that we are entitled by law to enforce. Our failure to terminate this Agreement under its terms is not, and will not be construed to

be, a waiver of, and does not affect, our absolute right to terminate this Agreement under its terms. You agree our enforcement of, or failure to enforce, any term of any franchise or other agreement with any of our franchisees will not waive or inhibit our right to enforce the terms of this Agreement or any other agreement between you and any of your affiliates and us and any of our affiliates. You agree that our course of conduct or action with respect to you or any of our other franchisees will in no way be a defense to our enforcement of this Agreement.

- 20.10 **Your prompt performance.** You agree that, if you are required under this Agreement to perform, or cease performing, any action, you will do so promptly and within the time period and in the manner required by this Agreement, or, if permitted or required under this Agreement, within the time period and in the manner we direct by written notice; and you will so perform at your sole cost and expense; we may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. You agree that, if you are required under any present or future federal, state, municipal, or local law or regulation to perform, or cease performing, any action, you will do so promptly and within the time period and in the manner required by such law or regulation, or, if permitted or required under such law or regulation, within the time period and in the manner required under such law or regulation; and you will so perform at your sole cost and expense. You agree to pay us all Third Party Costs we incur in connection with such performance, or cessation of performance.
- 20.11 **No requirement to notify you.** Unless required to the contrary under this Agreement or by applicable present or future law or regulation, we are not obligated to notify you of any requirement or time period to perform or cease performing any action. Any notice we give of any requirement or time period to perform that is not required under this Agreement or applicable law or regulation will not impose on us any future obligation to provide any such or similar notice.
- 20.12 **Delay in our performance.** You agree that any delays in our performance of our duties under this Agreement not due to our fault or not under our reasonable control, including fire, flood, natural disasters, pandemic, riot, war, acts of terrorism, boycott, strike, act of God, governmental act or order, and civil disorder, will not be deemed a default under this Agreement; and you agree to extend the period of time within which we are obligated to so perform for the period of such delay or such other period of time as we require by written notice to you. We may provide such notice in the manner described in Paragraph 21 below or by email to any Email Address we provide to you. The foregoing will not excuse prompt payment of any fees, amounts, penalties, or interest you owe us under this Agreement.
- 20.13 **Release.** Unless permitted by applicable law, you agree neither you nor any of your Owners or Guarantors will have any right to withhold or delay providing to us any Release required or permitted under this Agreement on any grounds, including due to (a) any claim or counter-claim by you, any of your Owners, or any of your affiliates under this Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates; or (b) our delay in demanding you provide any Release required or permitted under this Agreement. You agree we have the right to require you execute a Release, if, after the Agreement Date, we provide you with any material right or other benefit not provided to you in this Agreement. Whenever you or your Owners or Guarantors are required to execute a Release upon your exercising a right under this Agreement, you agree that such requirement is a material condition to your execution of such right. The Release is a document that is separate and distinct from this Agreement.
- 20.14 **Modification by us.** Any modification, consent, approval, authorization, or waiver granted hereunder by us required to be effective by signature will be valid only if in writing and executed by an officer of the Franchisor.

21 NOTICES

- 21.1 Unless otherwise specifically provided in this Agreement, all notices to you and us during the Term and afterwards must be in writing and must be sent to the other party by registered or certified mail,

postage fully prepaid, return receipt requested, or sent by commercial delivery service (such as UPS or Federal Express), other means that affords the sender evidence of delivery, attempted delivery, or rejected delivery, addressed to such party's address for notices or at any other address that you or we designate in writing. Except as expressly provided hereunder, no notices hereunder may be sent by text, email, eFax, or telefax. You must not designate any address for notices that is a post office box. Notices will be deemed delivered and received on the earliest of actual receipt; 5 business days after placement in the U.S. mail; or one business day after mailing, if placed in the U.S. mail or a courier service for next business day delivery.

- 21.2 Your address for notices is in Table 2, above. Unless you notify us to the contrary in the manner required by this Paragraph 21, we also have the right to send notices to the Premises address and any address you or any of your Owners supplied to us before or after the Agreement Date.
- 21.3 Our address for notices is 496 Kinderkamack Road, Oradell, New Jersey 07649, attention Chairman.
- 21.4 You must send all notices to us using the English language. We have the right to send all notices to you using the English language or any other language.

22 ORGANIZATION OF FRANCHISEE

- 22.1 **Partnership Franchisee.** If you, including any of your successors or assignees, are a partnership, you must comply with the following requirements: You must furnish us with a copy of your current partnership agreement as well as such other documents as we may request, with certification that the documents are complete and in full force. If your partnership agreement does not provide that the transfer of interests or issuance of additional interests is restricted by this Agreement, you must amend the applicable documents with the Amendment Agreement, the current version of which is in Exhibit C, or another amendment agreement satisfactory to us in form and substance, to so reflect such restriction. Upon our written request, you must deliver a copy of the executed amendment, with all necessary resolutions and ratifications to us.
- 22.2 **Limited liability company Franchisee.** If you, including any of your successors or assignees, are a limited liability company, you must comply with the following requirements: You must promptly furnish to us copies of your articles of organization, your operating agreement, and other governing documents, and any amendments thereto, with certification that the documents are complete and in full force. If your articles of organization or operating agreement, as applicable, do not provide that the transfer of interests or issuance of additional interests is restricted by this Agreement, you must amend the applicable documents with the Amendment Agreement, the current version of which is in Exhibit C, or another amendment agreement satisfactory to us in form and substance, to so reflect such restriction. Upon our written request, you must deliver a copy of the executed amendment, with all necessary resolutions and ratifications to us.
- 22.3 **Corporate Franchisee.** If you, including any of your successors or assignees, are a corporation, you must comply with the following requirements: Copies of your articles or certificate of incorporation, bylaws, and other governing documents, and any amendments thereto, including the resolution of the board of directors authorizing entry into this Agreement, must be promptly furnished to us with certification that the documents are complete and in full force. If your articles or certificate of incorporation and bylaws, as applicable, do not provide that the transfer of interests or issuance of additional interests is restricted by this Paragraph 22.3, you must amend the applicable documents to so reflect such restriction. Such amendment must be in form and substance satisfactory to us and, upon request, you must deliver a copy of the amendment, with all necessary resolutions and ratifications to us. You must maintain stop-transfer instructions against the transfer on your records of any equity securities; and each of your stock certificates must have conspicuously endorsed upon its face a statement in a form satisfactory to us that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement. The requirements of this Paragraph 22.3 must not apply, however, to a publicly held corporation. You must

cause each share of stock to bear the following legend on its face, printed conspicuously and legibly and completed with the applicable date:

The transfer of this certificate of stock is subject to the terms and conditions of a franchise agreement, dated _____ with Huntington Learning Centers, Inc., which restricts the transfer of any stock of this corporation, except as provided in such franchise agreement. Similar restrictions are set forth in the Articles/Certificate of Incorporation and Bylaws of this corporation.

- 22.4 **Domicile.** If the Franchisee is a legal entity, such as a partnership, limited liability company, or corporation, then such entity must be domiciled in a United States' state or the District of Columbia. Such entity must not be domiciled in Alaska, Hawaii, North Dakota, or South Dakota, unless the Franchised Business is to be located in one of these states. Such entity must not be domiciled in any United States' territory, providing, however, if the Franchised Business is to be located in a United States' territory, it may be domiciled in the territory in which it is to be located.
- 22.5 **Certificate of incorporation; certificate of good standing.** You must provide us with true and accurate copies of the following documents within five days after the date we send you any written notice requesting such documents in the manner provided in Paragraph 21 above or by email to any Email Address we provide to you: your certificate of incorporation, by-laws, partnership documents, charter, and formation documents and a certificate from your state's Secretary of State attesting to your good or other standing in your state.

23 ENTIRE AGREEMENT

- 23.1 **Entire agreement.** This Agreement and all its exhibits constitute the entire, full, and complete agreement between you and us with reference to its subject matter. This Agreement supersedes all prior and contemporaneous negotiations, understandings, representations, and agreements, oral or written, about this Agreement's subject matter. This Agreement supersedes all prior agreements and representations having influenced you to execute this Agreement. There are no representations, inducements, promises, or agreements, oral or otherwise, between you and us not embodied herein that are of any force or effect with reference to this Agreement or otherwise. Our obligations to you are confined exclusively to this Agreement. Any right granted to you by us as to the subject matter hereof is described solely in, and limited to, this Agreement.
- 23.2 **Modification.** Except for those specifically permitted by this Agreement to be made unilaterally by us or you hereunder, no amendment, change, or variance from this Agreement will be binding on either party, unless mutually agreed to by the parties and executed in writing by your authorized officers or agents and by at least one of our corporate officers; nothing in this Agreement or in any related agreement between you and us is intended to disclaim the representations in our Franchise Disclosure Document. Notwithstanding the previous sentences in this Paragraph 23.2, if, in our sole determination, there is a conflict between the standards in the Brand Standards any Public Standards, then we have the right, but not the obligation, to reduce your rights or obligations under this Agreement, without your consent, effective immediately upon your receipt of written notice; and you must comply immediately with any so modified right and obligation, which will be fully enforceable under the terms of this Amendment; we may provide such notice in the manner described in Paragraph 21 above or by email to any Email Address we provide to you.

24 APPLICABLE LAW; FORUM; DISPUTE RESOLUTION

- 24.1 **Applicable law; forum.** You and we agree: This Agreement will be interpreted, construed, and governed in accordance with the laws of the state of Delaware, except for such state's conflict-of-law rules. The New Jersey Franchise Practices Act will not apply to this Agreement. Except as otherwise provided herein, any action, whether or not arising out of, or relating to, this Agreement, whenever

and wherever incurred, whether vested or contingent, whether in law or in equity, whether directly, representatively, derivatively, or in any other capacity, brought by you or any Owner against us must be brought in the judicial district in which we have, at the time of commencement of such action, our principal place of business. We have the right to commence an action against you in any court of competent jurisdiction. You and we hereby waive all objections to personal jurisdiction or venue for the purpose of carrying out the purposes of this Paragraph 24.1. Nothing in this Paragraph 24.1 will be deemed to prevent any party to such action from removing the action from state court to federal court. This Paragraph 24.1 supersedes and governs any contrary obligation about applicable law and forum under any prior or other agreement between you or any of your affiliates and us or any of our affiliates.

- 24.2 Your claims; your required mediation.** Notwithstanding any other provision of this Agreement, neither you nor your Owners have any right to make any claim against any Franchisor Entity at any time in any manner other than the manner described in this Paragraph 24.2.
- 24.2.1 If you have any claim against any Franchisor Entity, including any claim related to Transfer or expiration or termination of the Agreement, any claim that we failed to meet any obligation under this Agreement or at law, defaulted under this Agreement, or did not perform under this Agreement in any manner, then you must notify us of this claim.
- 24.2.2 You must submit your notice to us in writing in the manner required in Paragraph 21 above. Your notice must describe the claim, provide an opportunity to cure, describe the manner in which you request we cure, and provide a cure period of at least 60 days within which we may cure such alleged default. If your notice is not in writing or does not (a) describe the claim, and (b) provide an opportunity to cure, and (c) describe the manner in which you request that we cure, and (d) provide a cure period of at least 60 days, then your notice will be deemed to be deficient, not a claim upon which we are required to act, not an actionable claim, not grounds for you seeking any remedy under this Agreement or otherwise, and not grounds for termination by you of this Agreement.
- 24.2.3 If your notice complies with Paragraph 24.2.2 and we do not cure in the manner and within the time period you demand in your notice, then, before you commence any legal proceeding against any Franchisor Entity, you must submit your claim to in-person, non-binding mediation. If you do not submit your claim to such mediation within 30 days after expiration of the time period within which you demand we cure, then you will have evidenced conclusively that you have no claim against any Franchisor Entity; and you will have evidenced conclusively that any claim you may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for you seeking any remedy under this Agreement or otherwise and is not grounds for termination by you of this Agreement; and you will be deemed to have waived any right you may have had to initiate any future claim against any Franchisor Entity for the same or similar cause.
- 24.2.4 Any mediation permitted under this Paragraph 24.2 must be conducted at our headquarters before one mediator. The mediator must be selected, and must conduct mediation, in accordance with the commercial mediation rules of the American Arbitration Association or any successor organization as determined solely by us. No statement made by you or us in any mediation proceeding and no evidence submitted during, or in connection with, any mediation proceeding will be admissible in any legal proceeding. Each party will pay its own costs of the mediation, but will share the cost of the mediator equally.
- 24.2.5 If you submitted your claim to mediation, as provided in this Paragraph 24.2, and you do not pay your portion of the mediator's costs within ten days after you receive the mediator's invoice, you will have evidenced conclusively that you have no claim against any Franchisor Entity; and you will have evidenced conclusively that any claim you may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for you seeking any remedy under this Agreement or otherwise and is not grounds for termination by

you of this Agreement; and you will be deemed to have waived any right you may have had to initiate any future claim against any Franchisor Entity for the same or similar cause.

24.2.6 If you submitted your claim to mediation as provided in this Paragraph 24.2 and you and we do not resolve your claim through mediation within 90 days after selection of a mediator, then you may file a legal action for such claim.

24.2.7 If you do not file a legal action for such claim within 30 days after conclusion of the mediation proceeding, then you will have evidenced conclusively that you have no claim against any Franchisor Entity; and you will have evidenced conclusively that any claim you may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for you seeking any remedy under this Agreement or otherwise and is not grounds for termination by you of this Agreement; and you will be deemed to have waived any right you may have had to initiate any future claim against any Franchisor Entity for the same or similar cause.

24.2.8 This Paragraph 24.2 supersedes and governs any contrary obligation about your claims against any Franchisor Entity under any prior or other agreement between you or any of your affiliates and us or any of our affiliates.

24.3 Waiver of certain rights

24.3.1 You waive the right to: (a) enforce any oral agreement, promise, warranty, or representation not in this Agreement; and (b) amend, modify, or suspend any provision of this Agreement; and (c) stay the effectiveness of any expiration or termination of this Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates or any pending expiration or termination thereof; and (d) seek damages against us because we insisted upon execution of a Release; and (e) seek damages against us because we gave or refused our consent or approval under this Agreement.

24.3.2 Neither you nor we may litigate or seek to litigate as a representative of, or on behalf of, any other person, class, or entity any dispute, controversy, or claim of any kind arising out of, or relating to, this Agreement, the rights and obligations of the parties, the sale of the franchise, Huntington Advertising Fund, Contract Services Advertising Fund, Huntington Advertising Fund, Inc., or other claims or causes of action relating to the performance, directly or indirectly, of either party to this Agreement, Huntington Advertising Fund, Huntington Advertising Fund, Inc., or Contract Services Advertising Fund.

24.4 **Franchisor affiliates.** You agree that no past, present, or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, insurance company, accountant, attorney, or representative of us will have any liability for (a) any obligation or liability of us relating to, or arising from, this Agreement; (b) any claim against us based on, in respect of, or by reason of, the relationship between you and us; or (c) any claim against us based on any alleged unlawful act or omission of us.

24.5 **NO CLASS OR CONSOLIDATED ACTIONS. NO ACTION OR PROCEEDING UNDER THIS AGREEMENT MAY ADD AS A PARTY, BY CONSOLIDATION, JOINDER, OR IN ANY OTHER MANNER, ANY PERSON OR PARTY OTHER THAN YOU AND US AND ANY PERSON IN PRIVITY WITH, OR CLAIMING THROUGH, IN THE RIGHT OF, OR ON BEHALF OF, YOU OR US, UNLESS BOTH YOU AND WE CONSENT IN WRITING. WE HAVE THE ABSOLUTE RIGHT TO REFUSE SUCH CONSENT FOR ANY REASON OR NO REASON.**

24.6 **LIMITATION ON CLAIMS.** YOU AND WE AGREE THAT ALL CLAIMS BY YOU AGAINST US ARISING OUT OF, OR RELATING TO, DIRECTLY OR INDIRECTLY, THE MAKING OF, INTERPRETATION OF, OR PERFORMANCE, DIRECTLY OR INDIRECTLY, UNDER THIS AGREEMENT MAY NOT BE COMMENCED BY YOU, UNLESS BROUGHT PURSUANT TO THE TERMS OF THIS PARAGRAPH 24 AND UNLESS BROUGHT BEFORE THE EARLIER OF (1) THE EXPIRATION OF ONE YEAR AFTER THE ACT, TRANSACTION, OR OCCURRENCE UPON WHICH SUCH CLAIM IS BASED; OR (2) ONE YEAR AFTER THIS AGREEMENT EXPIRES

OR IS TERMINATED FOR ANY REASON. YOU AGREE THAT ANY CLAIM OR ACTION NOT BROUGHT BY YOU WITHIN THE PERIODS REQUIRED UNDER THIS PARAGRAPH 24.6 WILL FOREVER BE BARRED AS A CLAIM, COUNTERCLAIM, DEFENSE, OR SET OFF.

- 24.7 **WAIVER OF TRIAL BY JURY.** YOU AND WE AGREE TO WAIVE A TRIAL BY JURY IN ANY JUDICIAL PROCEEDING, WHETHER AT LAW OR IN EQUITY, ABOUT ANY AND ALL ISSUES THAT ARISE OUT OF, CONCERN, OR RELATE TO, THIS AGREEMENT, ANY AND ALL TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT, YOUR OR OUR PERFORMANCE, DIRECTLY OR INDIRECTLY, UNDER THIS AGREEMENT, OR OTHERWISE, DURING THE TERM OF THIS AGREEMENT AND AFTERWARDS. YOU AND WE MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF YOUR AND OUR CONSENT TO THE WAIVER OF A TRIAL BY JURY. YOU AND WE AGREE THAT YOUR REPRESENTATIONS WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR ANY REASON.
- 24.8 **Limitation on remedies.** For all time you waive to the fullest extent any right to, or claim for, any punitive, speculative, exemplary, incidental, indirect, special, or consequential damages against each Franchisor Entity arising out of any cause whatsoever that arises out of, concerns, or relates to, the making of, interpretation of, or performance under, directly or indirectly, this Agreement, whether such cause is based in contract, negligence, strict liability, other tort, or otherwise, including your claim or counterclaim that we unreasonably gave, withheld, or delayed our consent or approval to anything.
- 24.9 **No exclusive remedy.** No right or remedy conferred upon or reserved to you or us by this Agreement is intended to be, nor will be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each will be cumulative of every other right or remedy.
- 24.10 **Specific performance.** Notwithstanding any other provision of this Agreement, we have the right to seek specific performance of any of your obligations under this Agreement or injunctive relief against any conduct that will cause us loss or damage, under customary equity rules, to prevent a breach or threatened breach of this Agreement without the need to show monetary damages and without posting a bond. Such conduct includes any use by you relating to the Marks, the System, the Huntington Manuals, or our Confidential Information and any violation by you of Paragraphs 9, 10, 16, or 17 hereof. An application for such a remedy will not be deemed an election or a waiver of any other remedy under this Agreement or at law or in equity. We may file an original counterpart or a copy of this Agreement with any court as written evidence of your consent to the issuance of injunctive relief.
- 24.11 **Recovery of costs and fees.** Except as otherwise specifically provided for herein, in any judicial or administrative action, order, or proceeding hereunder involving you and us during the Term and for all time thereafter, the prevailing party will be entitled to recover its out-of-pocket costs and expenses, including all court costs and attorneys', accountants', and consultants' fees, costs, and expenses. Attorneys', accountants', and consultants' fees or costs mean the full and actual amounts of any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to "reasonable attorneys' fees and costs", "reasonable accountants' fees and costs", or "reasonable consultants' fees and costs" as defined by any present or future federal, state, or local statute or rule of court or court or arbitrator decisions.

25 SEVERABILITY, CONSTRUCTION

- 25.1 **Severability.** Each article, paragraph, subparagraph, term, condition, and covenant of this Agreement and all portions of them are considered severable. If, for any reason, any provision of this Agreement or any portion of any provision of this Agreement is or is determined to be unconscionable or unenforceable or invalid, contrary to, or in conflict with, any applicable present or future law, rule, or regulation in a final unappealed ruling issued by any court, agency, or tribunal with valid jurisdiction in an action or proceeding to which we are a party, that ruling will not impair the operation of, or have any other effect upon, any other portion of this Agreement, all of which will remain binding on you and us and will continue to be given full force and effect. Any invalid portion will be deemed not to be a

part of this Agreement as of the date on which the ruling becomes final, if you are a party to this action or proceeding, or on your receipt of notice of non-enforcement from us. You agree to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision hereof, as though it were separately articulated in, and made a part of, this Agreement, that may result from striking from any of the provisions hereof any portion or portions that a court or agency having valid jurisdiction may hold to be unreasonable and unenforceable in an unappealed final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court or agency order.

- 25.2 **Submitted information.** You represent and agree (a) that all written information (including our confidential application, Franchisee Description Form, and any other form or application you submitted to us) you and each Owner submitted to us in connection with your application to become a franchisee is true and complete; and (b) we are entering into this Agreement relying on such information. You represent and agree that you are entering into this Agreement and make each representation in this Agreement of your own free will and volition and not under any economic, operational, or other threat, coercion, duress, or other cause brought or threatened by us or any other party.
- 25.3 **Document size.** You waive for all time the right to claim that any of the following is a defense in any claim we may have against you or any of your affiliates: (a) the number of pages in the Franchise Disclosure Document, this Agreement, and any other agreement between you and us; and (b) the length of the Franchise Disclosure Document, this Agreement, and any other agreement between you and us; and (c) a clause's position on a page in the Franchise Disclosure Document, this Agreement, and any other agreement between you and us; and (d) the manner, including DocuSign and any similar software, in which you sign this the Franchise Disclosure Document's receipt, this Agreement, and any other document or agreement between you and us.
- 25.4 **Survival.** Any provision or covenant in this Agreement that expressly or by its nature imposes obligations beyond the expiration, termination, or Transfer of this Agreement (regardless of cause for termination), will survive such expiration, termination, or Transfer, including Paragraphs 9, 10, 16, and 17 hereof.
- 25.5 **Construction**
- 25.5.1 **Language.** Article, paragraph, and subparagraph captions are for convenience only and are not part of this Agreement and do not define, limit, or construe their contents. The table of contents and Table 1 are for convenience only and are not part of this Agreement and do not define, limit, or construe this Agreement's contents. Words of any gender will include masculine, feminine, and neuter usages and, where the context requires, words in the singular or plural will include the other. The language in all parts of this Agreement will be construed simply according to its fair and plain meaning and not strictly for or against you or us. 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 will have the meaning that renders it valid. You and we agree: (a) In connection with a HLC, the word "operate" includes Huntington Services, eTutoring, and Contract Services; and (b) The word "data" includes data in all formats, including electronic and non-electronic formats; and (c) The word "day" means a calendar day; and (d) The word "or" is not exclusive; and (e) The words "herein", "hereof", "hereby", "hereto", and "hereunder" refer to this Agreement as a whole and not to any particular section or paragraph hereof; and (f) The words "include," "includes," and "including" are deemed to be followed by the words "without limitation"; and (g) All references to "dollars" and "\$" refer to the legal currency of the United States.
- 25.5.2 **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed an original and all of which, when taken together, shall constitute one and the same agreement.

- 25.5.3 Electronic exchange and signature. This document may be exchanged electronically (by facsimile, e-mail or other means of electronic transmission) and may be signed electronically using a commercially acceptable and verifiable electronic signature tool, such as DocuSign.
- 25.5.4 Attachments. The attachments and exhibits referenced herein will be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. Unless otherwise indicated, all references to exhibits and attachments in this Agreement refer to those exhibits and attachments attached to this Agreement.

26 REPRESENTATIONS, ACKNOWLEDGMENTS

- 26.1 **Your representations, warranties, assurances, and acknowledgements.** For all time, you and each Owner, separately and jointly, represent and warrant to us as follows:
- 26.1.1 Your ability to enter into this Agreement. You represent and agree that the Franchisee is the person, persons, or legal entity identified in Table 2 of this Agreement. If more than one person or legal entity is described therein, each will be liable jointly and severally for your performance under this Agreement. No other person or legal entity, including the Huntington Advertising Fund, the Contract Services Advertising Fund, your CoOp, and any of your Owners or any Guarantor, is entitled to rely on, enforce, or obtain relief for, any breach of this Agreement by us, either directly or by subrogation. You are duly organized, validly existing, and in good standing under the laws of your state. You have full power, right, and authority to enter into, and perform your obligations under, this Agreement. Your execution, delivery, and performance of this Agreement have been duly and properly authorized in accordance with applicable law and your charter, certificate of incorporation, by-laws, partnership documents, and formation documents, as applicable. This Agreement constitutes your valid and binding obligation, enforceable against you in accordance with its terms. Your execution, delivery, and performance of this Agreement and the undertakings contemplated herein, do not and will not conflict with or result in, with or without the giving of notice or lapse of time or both, any violation of, or constitute a breach or default under, your charter, certificate of incorporation, by-laws, partnership documents, or formation documents or any resolution adopted by you or your board of directors or governing board and not rescinded. Your execution of this Agreement does not violate any term of any other agreement or commitment to which you or any of your affiliates are a party or to which any of your Owners or any Guarantor is a party. Your execution of this Agreement does not violate any term of any stockholder, partnership, or member agreement of any legal entity that is the Franchisee or of any amendment thereto.
- 26.1.2 Owner and spousal guarantee. Each Owner and each spouse of each Owner must execute and deliver to us our Guarantee Agreement. The current version of our Guarantee Agreement is in Exhibit A.
- 26.1.3 Individuals as Franchisee. If the Franchisee is two or more individuals, then these individuals are jointly and severally liable under this Agreement, and references to you in this Agreement include all such individuals.
- 26.1.4 Modification of Agreement. (a) You represent and agree you have not modified in any way any term or condition of this Agreement. If you have made any such modification, then you hereby agree that such modification is void, null, and of no effect as of the Agreement Date. (b) If you request we execute any Small Business Association or other government-related document that modifies any term of this Agreement and if we agree to your request, then you must (1) deliver to us a Release signed by you and each of your Owners and Guarantors, to the extent not prohibited by applicable law; and (2) pay us all Third Party Costs we incur in connection with our execution of such document.
- 26.1.5 You perform your obligations at your sole expense. You represent and agree you will perform all your obligations under this Agreement at your sole expense. These obligations include

those obligations in connection with establishing and operating a Franchised Business and using the System, Huntington Services, eTutoring, Contract Services, Franchisor Technology, Supporting Services, Testing Materials and Curricula, Phone Number, and Email Addresses.

- 26.1.6 Exhibits and attachments. You represent and agree that you have read and verified the contents of this Agreement's Table 2 and all exhibits and attachments to this Agreement and their contents are true and correct.
- 26.1.7 Your changes to the System; ownership of changes. You agree to the following: Except as provided in Paragraph 8.6 above, you have no right to change the System in any manner. If you wish to change any aspect of the System, you must notify us in the manner described in Paragraph 21 above of the aspect of the System that you wish to change and the way you wish to change it. You must not implement any such change without our prior written consent, which we may refuse for any reason or no reason. We will own at no cost to us all ownership rights in any change you make, or propose to make, to the System, even if such change is made in violation of this Agreement. We have the right, but not the obligation, to use and incorporate any change you make or propose to make, without any compensation to you, into the System or in any way not prohibited by this Agreement.
- 26.1.8 English language. You agree (a) you are fluent in reading, writing, and speaking the English language; and (b) this Agreement is written in a language you understand fully and completely; and (c) we have the right to provide this Agreement and all other agreements and communications between you and us to you solely in the English language; and (d) we have the right to fulfill all our obligations owing under this Agreement and all other agreements between you and us, and to provide all aspects of the Franchised Business, solely in written or oral communication in the English language; and (e) such aspects include the Huntington Manuals, communication and advice about the Franchised Business, support for the Franchised Business, initial and other training, supplies, materials, instructional programs (including our proprietary instructional programs), and marketing and advertising materials; and (f) we have the right to require you use solely the English language in connection with the Franchised Business, including all marketing, advertising, materials, forms, instruction, academic evaluations, and verbal and written communications with us, your customers, and your staff; and (g) we have the right to require your Primary Owner and all your employees be fluent in reading, writing, and speaking the English language; and (h) we have the right to resolve any dispute about your use of the English language, including any dispute about definition or interpretation, in our sole discretion; and (i) you and we have requested and agreed that the Franchise Disclosure Document, this Agreement, and all documents relating to the transaction governed by this Agreement be drafted in the English language.
- 26.1.9 Your commitment. You agree the Primary Owner will devote sufficient time and resources to ensure full and complete compliance with this Agreement with respect to your obligations to us, your students and customers, and your employees. You agree to organize and operate the Franchised Business so you maintain our standards. You agree to set standards for your employees to follow. You agree the Franchised Business requires the Primary Owner's strong, personal commitment. You understand and acknowledge that, before opening the Franchised Business and throughout the Term, including during the first and second year of the Franchised Business's operation, it will require the Primary Owner devote many long hours to its operation. You agree the Primary Owner must understand and be able to perform all the marketing, sales, operations, management, and maintenance functions required to ensure successful operation of the Franchised Business throughout the Term.
- 26.1.10 No fiduciary relationship. You and we agree there is no formal or informal fiduciary or trustee relationship created by this Agreement or otherwise between us and the Huntington Advertising Fund, between us and the Contract Services Advertising Fund, between us and Huntington Advertising Fund, Inc., between us and you, between you and Huntington Advertising Fund, Inc., between you and the Huntington Advertising Fund, between you and

the Contract Services Advertising Fund, or otherwise. You and we agree there is no formal or informal fiduciary or trustee relationship created by this Agreement or otherwise between us and your CoOp. You and we acknowledge and agree that, except that described in this Agreement, there is no fiduciary, trustee, special, or other relationship between you and us.

- 26.1.11 Substantial expenditures if you sign a Subsequent Franchise Agreement. You agree that we have the right to require you make substantial expenditures in connection with your exercise of your option under Paragraph 3 above, including expenditures for construction, curricula, training, upgrading, and for other requirements related to your execution of a Subsequent Franchise Agreement. You agree to make these expenditures within the time period we require.
- 26.1.12 Your compliance with anti-terrorism laws. You agree that, under applicable U.S. law, including Executive Order 13224 signed on September 23, 2001 (<http://www.state.gov/j/ct/rls/other/des/122570.htm>), we are prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Executive Order. Accordingly, you represent and warrant to us, that as of the Agreement Date, neither you nor any person holding any ownership interest in you, controlled by you, or under common control with you is designated under the Executive Order as a person with whom business may not be transacted by us; and that you (a) do not, and hereafter will not, engage in any terrorist activity; and (b) are not affiliated with, and do not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and (c) are not acquiring the rights granted under this Agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.
- 26.1.13 Our changes to the System; new fees and obligations. You agree we have the right, but not the obligation, in our sole and absolute discretion, to change the System, Huntington Services, eTutoring, and Contract Services from time to time. Such changes may include additions, deletions, and modifications to the System, Huntington Services, eTutoring, and Contract Services. Such changes may include requiring you to offer Contract Services. If we add new products, programs, or services to the System, Huntington Services, eTutoring, and Contract Services, we may impose upon you related standards of operations and initial and on-going fees payable to us or third parties. Upon our written notice to you, you must promptly comply with the changed System, Huntington Services, eTutoring, and Contract Services, comply with the related standards of operations, and pay the related fees in the manner and with the frequency we require; we may provide such notice in the manner described in Paragraph 21 above or by email to any Email Address we provide to you.
- 26.1.14 New technology. You agree to each of the following: (a) We may develop or license from third parties certain technology, which may include eCurricula, Added Software, and other technology. We may not be successful in developing or licensing these items. We do not know if or how we will introduce any of these items into the System; and (b) in connection with any implementation of some or all of this technology, we have the right to require you sign agreements with vendors we specify and comply fully with these agreements; and (c) in connection with any such implementation of some or all of this technology (including eCurricula, Added Software, and other technology), we have the right to require you implement these items in the manner and within the time period we require; and to make substantial initial and on-going expenditures. We have no obligation for any reason to reimburse you for any of these expenditures. Expected initial costs include those you pay us and third parties for set-up, mobile devices, networking equipment, training yourself and your employees, and related items. Expected on-going costs include those you pay us and third parties, including (1) vendors to license any eCurricula, Added Software, and other technology; and (2) vendors to maintain mobile devices, networking equipment, and related items; and (3) other vendors. We cannot, and do not, estimate the future costs of eCurricula, Added

Software, and other technology or their required service or support. We have the right to require you pay us and third parties initial and on-going fees for any eCurricula, Added Software, and other technology. We have not determined the amount of these fees or the manner in which you will pay us for them. You may incur additional, substantial initial and on-going costs related to this technology.

- 26.1.15 Choice of law; venue; waiver of jury trial; limitation on claims. You represent and agree that each of the following are reasonable and you accept them of your own free will and volition and not under any economic, operational, or other threat, coercion, duress, or other cause brought or threatened by us or any other party: This Agreement requires that, if you sue us, you do so in the judicial district in which we have, at the time of commencement of your suit, our principal place of business. Out-of-state litigation may cost you more to sue us in our judicial district than in your judicial district and may require you accept a less favorable dispute resolution. This Agreement states Delaware law governs the Agreement, and Delaware law may not provide you the same protection and benefit as your local law. This Agreement requires you waive any right you may have to a trial by jury. All claims and counterclaims by you against us or our affiliates must be brought before the earlier of the expiration of one year after the act, transaction, or occurrence upon which the claim or counterclaim is based or one year after this Agreement expires or is terminated. You waive all rights and claims for any punitive, speculative, exemplary, incidental, indirect, special, and consequential damages against each Franchisor Entity arising out of any cause whatsoever under this Agreement.
- 26.1.16 Execution of documents. You represent and agree that you will execute, re-execute, and cause any others involved in acquiring the franchise, including the Owners and Guarantors, to execute and re-execute any document or instrument signed in connection with the acquisition of the franchise that was incorrectly signed, as well as any document or instrument that should have been signed at or prior to the signing of the documents or instruments in connection with the acquisition of the franchise, but that was not so signed and delivered. You agree to deliver all such documents and instruments to us. You agree to comply fully at your sole cost with our written request to comply with this Paragraph 26.1.16 within fifteen days after your receipt of such request. You and we agree that electronic signatures will be valid and binding on us and you, including your Owners, Guarantors, and agents. We may provide notices under this Paragraph 26.1.16 in the manner described in Paragraph 21 above or by email to any Email Address we provide to you.
- 26.1.17 Your improvements. You represent and agree to the following: (a) except as provided in Paragraph 8.6 above, you have no right to change the System, Huntington Services, eTutoring, and Contract Services in any manner, at any time, and at any location; and (b) if you wish to implement any of Your Improvements, you must notify us in the manner required in Paragraph 21 above in advance of such implementation. You must not implement any of Your Improvements without our prior written consent, which we may refuse for any reason or no reason; and (c) you must disclose to us all Your Improvements in a timely manner and at no cost to us. You agree that all Your Improvements will be deemed to be our property immediately upon their development or use at no cost to us and you hereby waive all moral rights in any of Your Improvements. You agree to use your best efforts do all the things we require to convey Your Improvements to us at your sole cost within five days of our written request, including execution of any documents we require to give effect to this Paragraph 26.1.17. If a court of competent jurisdiction determines that any ownership, copyright rights, or other aspect of Your Improvements are not transferred to us under this Paragraph 26.1.17, you agree to execute at your sole cost any documents we require to give effect to this Paragraph 26.1.17; and (d) we have the right, but not the obligation, to use Your Improvements in any way not prohibited by this Agreement, including in any aspect of the System and in any operation of any HLC and any other business in which we may have an interest, all without any compensation to you. We have the right, but not the obligation, in

any manner, at any location (including inside the Exclusive Area), at any time, and from time to time (1) to use Your Improvements, and (2) to authorize you, our franchisees, and others to use them; and (e) we may provide notices under this Paragraph 26.1.17 in the manner described in Paragraph 21 above or by email to any Email Address we provide to you.

- 26.1.18 We reserve all our rights. You agree we reserve absolutely all rights not expressly granted to you in this Agreement.
- 26.1.19 REPRESENTATIONS. YOU ACKNOWLEDGE, REPRESENT, AND AGREE THAT YOUR REPRESENTATIONS IN THIS PARAGRAPH 26.1 ARE CLEAR, UNDERSTANDABLE, AND CONSPICUOUS. YOU ACKNOWLEDGE, REPRESENT, AND AGREE THAT YOU HAVE CAREFULLY AND THOROUGHLY READ FULLY EACH OF THE REPRESENTATIONS IN THIS PARAGRAPH 26.1 AND YOU UNDERSTAND EACH AND ALL OF THEM. YOU ACKNOWLEDGE, REPRESENT, AND AGREE THAT YOU UNDERSTAND, ACCEPT, AND AGREE TO THE MEANING AND LEGAL CONSEQUENCES OF THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS AGREEMENT, INCLUDING THOSE IN THIS PARAGRAPH 26.1. YOU AGREE TO INDEMNIFY AND HOLD HARMLESS THE FRANCHISOR ENTITIES IN THE MANNER PROVIDED IN PARAGRAPH 19.3 FROM AND AGAINST ANY AND ALL LOSS, DAMAGE, THIRD PARTY COSTS, AND LIABILITY DUE TO, OR ARISING OUT OF ANY BREACH OF, ANY OF YOUR REPRESENTATIONS OR WARRANTIES IN THIS AGREEMENT, INCLUDING YOUR REPRESENTATIONS AND WARRANTIES IN THIS PARAGRAPH 26.1.
- 26.2 **Our representations.** We make no representation or warranty of any kind about the Franchised Business' success, earnings, revenue, expense, profit, cash flow, or operational results. We make no representation or warranty of any kind about any results of any marketing or advertising you may conduct in any medium, whether or not we developed or approved such marketing or advertising. We make no representation or warranty of any kind about any marketing or advertising materials you may use, whether or not we developed or approved such materials. You agree to each of the following:
- 26.2.1 We make no representation or warranty of any kind about our Websites or about any of our Networking Media Sites or any results you may obtain from them. We make no representation or warranty of any kind that we will monitor any Networking Media Site, including any Networking Media Site you or we may use.
- 26.2.2 We make no representation or warranty of any kind that any design specifications or approval for a Premises complies with any present or future governmental laws or regulations, including those in Paragraph 18 above.
- 26.2.3 We make no representation or warranty of any kind regarding any services or products we provide to you, whether such services or products are required or permitted under this Agreement or otherwise. Such services and products include our advice, out training, the Franchisor Technology, Supporting Services, Testing Materials and Curricula, Phone Number, and Email Addresses. We make no representation or warranty of any kind regarding any services or products any third party provides to you, whether required or permitted under this Agreement or otherwise. We make no representation or warranty of any kind regarding any services or products you provide to your students and customers, whether such services or products are required or permitted under this Agreement or otherwise. Such services and products include Huntington Services, eTutoring, and Contract Services.
- 26.2.4 We make no representation or warranty of any kind that we have or will develop, acquire, or license any eCurricula, Added Software, or any other curricula, testing materials, or software.
- 26.2.5 We make no representation or warranty of any kind that we will develop, acquire, or license any enhancements to the System.
- 26.3 **FRANCHISOR WARRANTY DISCLAIMER AND LIMITATION OF LIABILITY FOR FRANCHISOR TECHNOLOGY.** WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER SUCH WARRANTY BE EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS

FOR A PARTICULAR PURPOSE OR ANY WARRANTY FROM COURSE OF DEALING OR USAGE OF TRADE WITH RESPECT TO ANY OF THE FRANCHISOR TECHNOLOGY. WE MAKE NO REPRESENTATION OR WARRANTY THAT ANY FRANCHISOR TECHNOLOGY WILL BE ERROR FREE OR FREE OF ANY PROBLEM OR EPROBLEM. FRANCHISOR TECHNOLOGY IS PROVIDED "AS IS." WITHOUT LIMITING THE FOREGOING, WE MAKE NO REPRESENTATION OR WARRANTY ABOUT THE FRANCHISOR TECHNOLOGY'S CORRECTNESS, ACCURACY, RELIABILITY, OR CURRENTNESS; MAKE NO REPRESENTATION OR WARRANTY OF NON-INFRINGEMENT OR THAT THE FRANCHISOR TECHNOLOGY'S OPERATION WILL BE UNINTERRUPTED OR ERROR FREE; AND MAKE NO REPRESENTATION OR WARRANTY THAT WE HAVE USED ANY OF THE FRANCHISOR TECHNOLOGY; AND MAKE NO REPRESENTATION OR WARRANTY THAT WE OR ANY THIRD PARTY WILL UPDATE OUR OR ITS PRODUCT, EVEN IF SUCH A CHANGE IS REQUIRED, OR THAT WE OR ANY THIRD PARTY WILL RENEW OR EXTEND ANY LICENSE NEEDED FOR THE FRANCHISOR TECHNOLOGY. IN NO EVENT WILL WE BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, LOSSES OR EXPENSES, INCLUDING LOSS OF USE, LOSS OF PROFITS, LOSS OF DATA, OR LOSS OF GOODWILL RELATING TO YOUR LICENSING OR USE OF ANY FRANCHISOR TECHNOLOGY, EVEN IF WE OR OUR SUPPLIERS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, LOSSES OR EXPENSES. IN NO EVENT WILL WE BE LIABLE FOR ANY DAMAGES CAUSED BY ANY DELAY IN FURNISHING, OR FAILURE TO FURNISH, ANY FRANCHISOR TECHNOLOGY FOR ANY REASON. OUR LIABILITY TO YOU FOR ALL DAMAGES OR MONETARY PAYMENTS OF ANY NATURE FOR ALL TIME UNDER THIS AGREEMENT, WHETHER IN CONTRACT, WARRANTY OR TORT (INCLUDING NEGLIGENCE), WILL IN NO EVENT EXCEED A TOTAL OF \$100 IN AGGREGATE FOR ALL TIME. THE FOREGOING DESCRIBES YOUR SOLE, AND EXCLUSIVE REMEDY FOR DAMAGES OR MONETARY PAYMENTS AS DESCRIBED ABOVE. AS A CONDITION OF ANY PAYMENT WE MAKE TO YOU UNDER THIS PARAGRAPH 26.3, YOU MUST DELIVER TO US A RELEASE SIGNED BY YOU AND EACH OF YOUR OWNERS AND GUARANTORS, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW.

- 26.4 **FRANCHISOR WARRANTY DISCLAIMER AND LIMITATION OF LIABILITY FOR TESTING MATERIALS AND CURRICULA.** WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER SUCH WARRANTY BE EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY FROM COURSE OF DEALING OR USAGE OF TRADE WITH RESPECT TO ANY OF THE TESTING MATERIALS AND CURRICULA. WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND THAT (A) TESTING MATERIALS AND CURRICULA WILL BE ERROR FREE OR FREE OF ANY PROBLEM OR EPROBLEM; AND (B) TESTING MATERIALS AND CURRICULA WILL BE CURRENT OR RELEVANT FOR ANY TESTING OR INSTRUCTION OR FOR ANY STUDENT OR FOR ANY EXAM FOR WHICH THE TESTING MATERIALS AND CURRICULA PROVIDE PREPARATION; AND (C) WE OR ANY THIRD PARTY WILL UPDATE OUR OR ITS PRODUCT, EVEN IF SUCH A CHANGE IS REQUIRED (DUE TO, FOR EXAMPLE, CHANGES IN STATE OR LOCAL STANDARDS OR CHANGES IN EXAM); OR (D) WE WILL IMPLEMENT ANY UPDATE TIMELY, APPROPRIATELY, OR CORRECTLY. YOU ACKNOWLEDGE AND AGREE THAT EITHER WE OR ANY THIRD PARTY MAY TERMINATE OR FAIL TO RENEW FOR ANY REASON OR NO REASON ANY LICENSE FOR ANY TESTING MATERIALS AND CURRICULA. WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER SUCH WARRANTY BE EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY FROM COURSE OF DEALING OR USAGE OF TRADE WITH RESPECT TO TESTING MATERIALS AND CURRICULA AND OUR OR ANY THIRD PARTY'S CONTINUED ABILITY TO OWN OR TO LICENSE OR ACQUIRE ANY TESTING MATERIALS AND CURRICULA OR TO DEVELOP ANY TESTING MATERIALS AND CURRICULA. TESTING MATERIALS AND CURRICULA ARE PROVIDED "AS IS." WITHOUT LIMITING THE FOREGOING, WE MAKE NO REPRESENTATION OR WARRANTY ABOUT TESTING MATERIALS AND CURRICULA RESULTS, CORRECTNESS, ACCURACY, RELIABILITY, OR CURRENTNESS; MAKE NO REPRESENTATION OR WARRANTY OF NON-INFRINGEMENT OR THAT THE OPERATION OF TESTING MATERIALS AND CURRICULA WILL BE UNINTERRUPTED OR ERROR FREE; AND MAKE NO REPRESENTATION OR WARRANTY THAT WE HAVE USED TESTING MATERIALS AND CURRICULA. IN NO EVENT WILL WE BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, LOSSES OR EXPENSES, INCLUDING LOSS OF USE, LOSS OF PROFITS, LOSS OF DATA, OR LOSS OF GOODWILL RELATING TO OUR OR ANY THIRD PARTY'S OWNERSHIP, LICENSING, ACQUISITION, OR DEVELOPMENT OF, OR YOUR USE OF, TESTING MATERIALS AND CURRICULA, EVEN IF WE OR OUR

SUPPLIERS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, LOSSES OR EXPENSES. IN NO EVENT WILL WE BE LIABLE FOR ANY DAMAGES CAUSED BY DELAY IN FURNISHING, OR FAILURE TO FURNISH, TESTING MATERIALS AND CURRICULA FOR ANY REASON. OUR LIABILITY TO YOU FOR ALL DAMAGES OR MONETARY PAYMENTS OF ANY NATURE FOR ALL TIME UNDER THIS AGREEMENT, WHETHER IN CONTRACT, WARRANTY OR TORT (INCLUDING NEGLIGENCE), WILL IN NO EVENT EXCEED A TOTAL OF \$100 IN AGGREGATE FOR ALL TIME. THE FOREGOING DESCRIBES YOUR SOLE, AND EXCLUSIVE REMEDY FOR DAMAGES OR MONETARY PAYMENTS AS DESCRIBED ABOVE. AS A CONDITION OF ANY PAYMENT WE MAKE TO YOU UNDER THIS PARAGRAPH 26.4, YOU MUST DELIVER TO US A RELEASE SIGNED BY YOU AND EACH OF YOUR OWNERS AND GUARANTORS, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW.

- 26.5 **FRANCHISOR WARRANTY DISCLAIMER AND LIMITATION OF LIABILITY FOR SUPPORTING SERVICES.** WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER SUCH WARRANTY BE EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY FROM COURSE OF DEALING OR USAGE OF TRADE WITH RESPECT TO ANY OF THE SUPPORTING SERVICES. WE MAKE NO REPRESENTATION OR WARRANTY THAT (A) THE SUPPORTING SERVICES WILL BE ERROR FREE; AND (B) SUPPORTING SERVICES WILL BE ACCURATE, CURRENT, OR RELEVANT FOR ANY SERVICES THEY PROVIDE; AND (C) VIRTUAL TESTING WILL PROPERLY CONDUCT ANY TESTING; AND (D) COACHING WILL PROPERLY PREPARE YOU OR YOUR EMPLOYEES FOR ANY INITIAL CONFERENCE; AND (E) THE CALL CENTER WILL PROPERLY CONDUCT ANY INQUIRY CONVERSATION; AND (F) THE CALL CENTER WILL DIRECT ANY INQUIRER TO YOUR FRANCHISED BUSINESS; AND (G) VIRTUAL CONFERENCING WILL PROPERLY CONDUCT ANY INITIAL CONFERENCE. WE MAKE NO REPRESENTATION OR WARRANTY FOR ANY RESULTS WE OR YOU MAY OBTAIN BY USING ANY SUPPORTING SERVICES. WE MAKE NO REPRESENTATION OR WARRANTY THAT YOUR USE OF VIRTUAL TESTING OR COACHING WILL RESULT IN YOUR ENROLLING ANY STUDENT OR MAINTAINING THE ENROLLMENT OF ANY STUDENT. WE MAKE NO REPRESENTATION OR WARRANTY THAT YOUR USE OF THE CALL CENTER WILL RESULT IN ANY NUMBER OF ACADEMIC EVALUATIONS OR ANY CONVERSION RATE, INCLUDING ANY CONVERSION RATE FROM INQUIRY TO ACADEMIC EVALUATION. WE MAKE NO REPRESENTATION OR WARRANTY THAT YOUR USE OF VIRTUAL CONFERENCING WILL RESULT IN ANY NUMBER OF ENROLLMENTS OR ANY CONVERSION RATE, INCLUDING ANY CONVERSION RATE FROM ACADEMIC EVALUATION TO ENROLLMENT. WE MAKE NO REPRESENTATION OR WARRANTY THAT WE OR ANY THIRD PARTY WILL UPDATE OUR OR ITS PRODUCT, EVEN IF SUCH A CHANGE IS REQUIRED, OR THAT WE OR ANY THIRD PARTY WILL RENEW OR EXTEND ANY LICENSE NEEDED FOR THE SUPPORTING SERVICES. WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER SUCH WARRANTY BE EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY FROM COURSE OF DEALING OR USAGE OF TRADE WITH RESPECT TO SUPPORTING SERVICES, OUR CONDUCT OF SUPPORTING SERVICES, AND ANY RESULTS SUPPORTING SERVICES MAY OBTAIN. SUPPORTING SERVICES ARE PROVIDED "AS IS." WITHOUT LIMITING THE FOREGOING, WE MAKE NO REPRESENTATION OR WARRANTY ABOUT SUPPORTING SERVICES RESULTS, CORRECTNESS, ACCURACY, RELIABILITY, OR CURRENTNESS; MAKE NO REPRESENTATION OR WARRANTY THAT THE OPERATION OF SUPPORTING SERVICES WILL BE UNINTERRUPTED OR ERROR FREE; AND MAKE NO REPRESENTATION OR WARRANTY THAT WE HAVE USED SUPPORTING SERVICES. IN NO EVENT WILL WE BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, LOSSES OR EXPENSES, INCLUDING LOSS OF USE, LOSS OF PROFITS, LOSS OF DATA, OR LOSS OF GOODWILL RELATING TO OUR OR ANY THIRD PARTY'S OWNERSHIP, LICENSING, ACQUISITION, OR DEVELOPMENT OF, OR YOUR USE OF, SUPPORTING SERVICES, EVEN IF WE OR OUR SUPPLIERS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, LOSSES OR EXPENSES. IN NO EVENT WILL WE BE LIABLE FOR ANY DAMAGES CAUSED BY DELAY IN FURNISHING, OR FAILURE TO FURNISH, SUPPORTING SERVICES FOR ANY REASON. OUR LIABILITY TO YOU FOR ALL DAMAGES OR MONETARY PAYMENTS OF ANY NATURE FOR ALL TIME UNDER THIS AGREEMENT, WHETHER IN CONTRACT, WARRANTY OR TORT (INCLUDING NEGLIGENCE), WILL IN NO EVENT EXCEED A TOTAL OF \$100 FOR ALL TIME. THE FOREGOING DESCRIBES YOUR SOLE, AND EXCLUSIVE REMEDY FOR DAMAGES OR MONETARY PAYMENTS AS DESCRIBED ABOVE. AS A CONDITION OF ANY PAYMENT WE MAKE TO YOU UNDER THIS PARAGRAPH 26.5, YOU MUST DELIVER

TO US A RELEASE SIGNED BY YOU AND EACH OF YOUR OWNERS AND GUARANTORS, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW.

- 26.6 **FRANCHISOR WARRANTY DISCLAIMER AND LIMITATION OF LIABILITY FOR TECHNOLOGY AND DATA SECURITY.** WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER SUCH WARRANTY BE EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY FROM COURSE OF DEALING OR USAGE OF TRADE WITH RESPECT TO ANY SOFTWARE OR TECHNOLOGY YOU USE IN THE FRANCHISED BUSINESS, INCLUDING (A) ANY SOFTWARE OR TECHNOLOGY WE PROVIDE TO YOU, AND (B) ANY SOFTWARE OR TECHNOLOGY WE REQUIRE OR PERMIT YOU TO YOU ACQUIRE, LICENSE, OR USE, AND (C) ANY SOFTWARE OR TECHNOLOGY YOU ACQUIRE, LICENSE, OR USE IN VIOLATION OF THIS AGREEMENT. WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER SUCH WARRANTY BE EXPRESS OR IMPLIED, REGARDING YOUR SOFTWARE AND TECHNOLOGY AND ANY DATA SECURITY, DATA PRIVACY, AND ANY SECURITY BREACHES YOU MAY EXPERIENCE. WE MAKE NO REPRESENTATION OR WARRANTY THAT WE OR ANY THIRD PARTY WILL UPDATE OUR OR ITS PRODUCT, EVEN IF SUCH A CHANGE IS REQUIRED, OR THAT WE OR ANY THIRD PARTY WILL RENEW OR EXTEND ANY LICENSE NEEDED FOR TECHNOLOGY AND DATA SECURITY. YOU AGREE YOU ARE SOLELY RESPONSIBLE FOR YOUR DATA SECURITY, DATA PRIVACY, AND ANY SECURITY BREACHES YOU MAY EXPERIENCE. YOU AGREE WE ARE NOT RESPONSIBLE OR REQUIRED IN ANY WAY TO PROTECT YOU, YOUR OWNERS, YOUR FRANCHISED BUSINESS, OR YOUR EMPLOYEES, CUSTOMERS, STUDENTS, OR PARENTS AGAINST IDENTITY THEFT OR THEFT OR MISUSE OF PERSONAL INFORMATION. YOU AGREE WE ARE NOT RESPONSIBLE OR REQUIRED IN ANY WAY TO UPDATE YOUR SOFTWARE, TECHNOLOGY, COMPUTERS, OR NETWORK EQUIPMENT, INCLUDING IN CONNECTION WITH ANY SECURITY IMPROVEMENTS OR TO NOTIFY YOU OF ANY AVAILABLE UPDATE. YOU AGREE WE ARE NOT RESPONSIBLE IN ANY WAY FOR YOUR COMPLIANCE WITH THE PAYMENT CARD INDUSTRY PRESENT OR FUTURE DATA SECURITY STANDARD AND FOR ANY PRESENT AND FUTURE FEDERAL, STATE, MUNICIPAL, AND LOCAL LAWS AND REGULATIONS REGARDING DATA SECURITY, DATA PRIVACY, AND SECURITY BREACHES. IN NO EVENT WILL WE BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, LOSSES OR EXPENSES, INCLUDING LOSS OF USE, LOSS OF PROFITS, LOSS OF DATA, OR LOSS OF GOODWILL RELATING TO ANY DATA SECURITY, DATA PRIVACY, OR ANY SECURITY BREACHES YOU MAY EXPERIENCE, EVEN IF WE OR OUR SUPPLIERS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, LOSSES OR EXPENSES.
- 26.7 **Our retained rights.** You acknowledge and agree that we and our affiliates will at all times and at all locations have the right to engage in any activities we deem appropriate that are not expressly prohibited by this Agreement, whenever and wherever we desire; and that we retain the following rights, among others, in our and our affiliates' sole and absolute discretion:
- 26.7.1 To establish or operate, and license others to establish or operate, businesses the same as, similar to, or different from the Franchised Business offering Huntington Services or other products or services under the Marks or any other trademarks or service marks, at any location outside the Exclusive Area, notwithstanding such business' proximity to the Premises; and
- 26.7.2 At any location, including within and outside the Site Selection Area and Exclusive Area, and notwithstanding any other provision hereof, to (a) own, market, offer, sell, distribute, provide, and earn revenue from, (b) license and contract with others to own, market, offer, sell, distribute, provide, and earn revenue from, and (c) use our Websites and our Networking Media Sites to own, market, offer, sell, distribute, provide, and earn revenue from any of the following: any product or service that is not part of Huntington Services; and any educational products or services of any kind (including electronic and non-electronic books; audio recordings; video recordings; electronic and non-electronic study aids; computer and other software; testing materials and software; test correction hardware and software; electronic or non-electronic programs we may be testing; electronic and non-electronic curricula; any of our proprietary Testing Materials and Curricula; any of our Training and Technology Services; any

- Added Software; Call Center services; Coaching Services; Virtual Conferencing; Virtual Testing; eTutoring, Group Testing, Home Tutoring, In-school Test Prep, Study Hall, online tutoring, Public-Private Partnership, and testing, tutoring, teaching, training, instruction, test prep, counseling, and guidance services) to any person, organization, public or private entity, or governmental agency using the Marks or other trademarks or service marks, through any channel of distribution, including through any computer service, text, email, the Internet, or any computer, tablet, mobile device, phone, television, or other electronic device; online retailers; bookstores or any other retail outlets; direct marketing sales, mail order; or guidance centers; and
- 26.7.3 At any location, including within and outside the Site Selection Area and Exclusive Area: (1) to own, market, offer, sell, distribute, provide, and earn revenue from (and to contract with, or license, others to own, market, offer, sell, distribute, provide, and earn revenue from) any products and services of any kind (other than Huntington Services) under the Marks or other trademarks or service marks; and (2) to develop and establish other businesses and systems using trademarks and service marks other than the Marks for any products and services (other than Huntington Services); and (3) to grant licenses thereto, without providing any rights therein to you; and
- 26.7.4 At any location, including within and outside the Site Selection Area and Exclusive Area, and notwithstanding any other provision hereof, to acquire, merge with, or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own, market, offer, sell, distribute, provide, and earn revenue from, any educational business or other business of any kind, including any business that offers products or services the same as, similar to, and competitive with, Huntington Services under the System or using the Marks or any other system or trademarks or service marks; and to be acquired by any such educational business or other business of any kind, or by any owner of any such business, which business may own, market, offer, sell, distribute, provide, and earn revenue from products or services the same as, similar to, and competitive with, Huntington Services, and to require you to convert the System and Marks to the system and marks of an acquiring educational business at your expense; and
- 26.7.5 Outside the Exclusive Area, to own, market, offer, sell, distribute, provide, and earn revenue from (and to contract with, or license, others to own, market, offer, sell, distribute, provide, and earn revenue from) any products and services of any kind (including Huntington Services) under the Marks or other trademarks or service marks; and to develop and establish other businesses and systems using trademarks and service marks other than the Marks for any products and services, including Huntington Services, and to grant licenses thereto, without providing any rights therein to you; and
- 26.7.6 To administer and control the Advertising Fund, except to the extent otherwise specifically provided herein; and
- 26.7.7 At any location, including within and outside the Site Selection Area and Exclusive Area, to offer, to use our Websites and Networking Media Sites to offer, and to license to others to offer Added Software, Call Center services, eCenter, eCurricula, eTutoring, Virtual Testing services, Call Center services, Coaching Services, Virtual Conferencing, Group Testing, Home Tutoring, In-school Test Prep, online tutoring, Training and Technology Services, and Public-Private Partnership.
- 26.8 **Government programs.** You acknowledge and agree that, in connection with any tutorial, educational, instructional, professional development, or other services or products, including any services that are the same as, or similar to, Huntington Services, eTutoring, and Contract Services, we and our affiliates have the right, but not the obligation, to market, apply to provide, enter into a contract to provide, and provide any services (including Huntington Services, eTutoring, and Contract Services) in connection with any program offered or funded by any private, public, or other organization, including

governmental and quasi-governmental organizations, Public Entities, cities, counties, states, and the federal government, including under the No Child Left Behind Act, the Every Student Succeeds Act, as amended, the Individuals with Disabilities Education Act, as amended, and any similar present or future city, county, state, or federal law or regulation to any individual, company, school, college, Public Entity, organization, public or private entity, quasi-governmental agency, and governmental agency, at any location, including at any location within the Exclusive Area, and to grant such rights to others, including our franchisees.

- 26.9 **Marks.** You acknowledge and agree that the license of the Marks granted hereunder to you is nonexclusive, and we and our affiliates retain the rights, among others, (1) to use the Marks in the Exclusive Area for any purpose not specifically prohibited by this Agreement; and (2) to develop, establish, operate, and license other businesses and systems in the Exclusive Area using trademarks and service marks other than the Marks for any products and services without providing any rights therein to you; and (3) to develop, establish, operate, and license businesses and systems in the Exclusive Area using similar proprietary marks, or any other proprietary marks, without providing any rights therein to you; and (4) to use and license the Marks and other marks outside the Exclusive Area at any time for any purpose; and (5) to use the Marks in connection with Added Software, eCurricula, eTutoring, Contract Services, Home Tutoring, Training and Technology Services, Supporting Services at any location, including within the Exclusive Area.
- 26.10 **Business activity.** You understand and agree that businesses offering product or services other than Huntington Services (including eCurricula, eTutoring, Contract Services, Home Tutoring, and Huntington Services,) operated by us or our affiliates or franchisees in any manner, including in an office, store, or facility, using the Website, using our Networking Media Sites, or over the internet, may use the Marks and solicit customers at any location, including inside and outside of the Exclusive Area, and may compete against you without compensation of any kind to you.
- 26.11 **Your waiver.** You agree you will make no claim, including any claim of encroachment, loss of business, or damage, for any activities described in Paragraph 26. You agree you will make no claim, including any claim of encroachment, loss of business, or damage, due to the activities of any HLC other than the Franchised Business.
- 26.12 **Survival.** You agree that each and every representation, warranty, and agreement you make in this Agreement, including those in this Paragraph 26, will survive the expiration or termination of this Agreement for any reason. You agree that we provide no warranties, representations, or agreements, except those specifically identified in this Agreement.

ACCEPTANCE AND AGREEMENT

BY SIGNING BELOW, I AGREE TO EACH OF THE FOLLOWING: I UNDERSTAND AND AGREE THAT THIS FRANCHISE AGREEMENT AND ALL ITS EXHIBITS AND ATTACHMENTS CONSTITUTE THE ENTIRE, FULL, AND COMPLETE AGREEMENT BETWEEN ME AND THE FRANCHISOR WITH REFERENCE TO ITS SUBJECT MATTER. I AGREE I REVIEWED AND APPROVED THIS AGREEMENT. I UNDERSTAND AND AGREE THAT THIS FRANCHISE AGREEMENT AND ITS EXHIBITS AND ATTACHMENTS SUPERSEDE ALL PRIOR AND CONTEMPORANEOUS NEGOTIATIONS, UNDERSTANDINGS, REPRESENTATIONS, AND AGREEMENTS, ORAL OR WRITTEN, ABOUT THE SUBJECT MATTER OF THIS FRANCHISE AGREEMENT AND ITS EXHIBITS AND ATTACHMENTS. I FREELY AND WITHOUT DURESS AND AFTER DUE CONSIDERATION ACCEPT AND AGREE TO BE BOUND BY, AND TO PERFORM ACCORDING TO, THIS FRANCHISE AGREEMENT AND EACH AND ALL OF ITS TERMS, WITHOUT RESERVATION.

IN WITNESS WHEREOF, you and we have executed this Franchise Agreement on the Agreement Date.

For the Franchisor, Huntington Learning Centers, Inc.		
Raymond J. Huntington		Chairman
<small>Print name</small>	<small>Signature</small>	<small>Title</small>

For the Franchisee <i>(This is signed by all individuals comprising the Franchisee, if the Franchisee is an individual; or all officers of the corporation, if the Franchisee is a corporation; or all partners or members, if the Franchisee is a partnership or limited liability company.)</i>
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Name of Franchisee <i>(Same as in Table 2 of this Agreement):</i>	
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Print name	Signature	Title
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Print name	Signature	Title
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Print name	Signature	Title
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Guarantee Agreement

Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) executed between the Franchisor and the Franchisee for the Franchisee to operate a franchised Huntington Learning Center® business (“Franchised Business”)	

Directions. Each of the following individuals complete and sign one copy of this Guarantee Agreement and the Franchisee returns it to the Franchisor. These individuals are: The Franchisee, the Franchisee’s spouse, each Owner, and each spouse of each Owner. (An Owner is any owner of any interest, directly or indirectly, in the Franchisee.)

In order to induce the Franchisor to execute the Franchise Agreement, each of the undersigned (“Guarantors”) personally, unconditionally, and irrevocably, jointly and severally, (a) execute this Guarantee Agreement (“Guarantee”); and (b) agree to be bound by, and perform according to, each and all of the provisions, covenants, and conditions of this Guarantee, the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement; and (c) all defined terms are used herein as defined in the Franchise Agreement, unless otherwise herein indicated. Each Guarantor agrees as follows:

1. Guarantor descriptions. Each Guarantor must complete a Guarantor Description in Attachment A to this Guarantee.
2. Confidential Information. For all time, each Guarantor agrees not to communicate, divulge, or use for the benefit of any other person, corporation, partnership, limited liability company, association, or other entity, any (a) Confidential Information; and (b) the Brand Standards; and (c) the Software; and (c) customer, student, parent, or guardian information that may be communicated to any Guarantor or which such Guarantor may be apprised by virtue of such Guarantor’s operation under the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, or this Guarantee. All information, knowledge, know-how, techniques, and other data that we designate as confidential will be deemed confidential for the purposes of this Guarantee. If any Guarantor becomes aware of any unauthorized disclosure or use of the Brand Standards or any of our Confidential Information or trade secrets, such Guarantor must notify us immediately in writing, and we will have the sole and absolute right to take any action we determine. In connection with this Paragraph 2, Guarantors must provide such notice in the manner described in Paragraph 17 below.
3. Covenants. Each Guarantor agrees that he will receive certain valuable information about the System and the Franchised Business, including its development and operation and that this information would not have been given to any Guarantor, without the undersigned execution of this Guarantee. Each Guarantor agrees the Franchisor would not have given this information to the Franchisee, without each Guarantor’s execution of this Guarantee. We developed this information over many years at great effort and expense. Each Guarantor conducted a complete and thorough independent investigation of the Franchise Agreement and Guarantee before signing this Guarantee and had the full opportunity to speak with independent counsel. Each Guarantor read the entire Guarantee and the entire Franchise Agreement and understands fully this Guarantee and its terms and the Franchise Agreement and its terms and had the opportunity to ask the Franchisor all questions about this Guarantee and the Franchise Agreement and the Franchisor answered each question to each Guarantor’s full and complete satisfaction. Each Guarantor agrees to each of the following:
 - 3.1. In-Term Covenant against Competition. Except as we otherwise approve by written notice delivered in the manner described in Paragraph 17 below, each Guarantor covenants and agrees that, during the term

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of this Guarantee, he will not, either directly or indirectly, for himself, or through, on behalf of, or in conjunction with any person or entity: (a) Divert or attempt to divert any present or prospective business or customer of any HLC to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or (b) own, maintain, advise, invest in, operate, engage in, be employed by, be a consultant to, loan money to, provide any assistance to, be a franchisee of, or have any interest in (as owner, guarantor, or otherwise) any brick and mortar, online, in-home, at-home, or other business (1) that is the same as, or similar to, a HLC; or (2) that offers tutoring in reading, phonics, study skills, mathematics, or related areas; or (3) that offers courses or tutoring in any academic subject; or (4) that offers courses or tutoring to prepare for state and standardized exams, including the SAT and ACT; or (5) that offers educational services or products the same as or similar to those offered in a HLC.

3.2. Post-Term Covenant against Competition. Except as we otherwise approve by written notice delivered in the manner described in Paragraph 17 below, each Guarantor will not, for a continuous uninterrupted period of two consecutive years commencing upon the latter of (a) any Transfer having the effect of (1) Transferring the Franchise Agreement, or (2) changing control of the Franchisee, or (3) changing the ownership of all or substantially all of the assets of the Franchised Business; or (b) termination or expiration of the Franchise Agreement (regardless of the cause for termination or expiration); or (c) a final order of a duly authorized court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Paragraph 3, either directly or indirectly, for any Guarantor, or through, on behalf of, or in conjunction with, any person or entity: (x) divert or attempt to divert any present or prospective business or customer of any HLC to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or (y) own, maintain, advise, invest in, operate, engage in, be employed by, be a consultant to, loan money to, provide any assistance to, be a franchisee of, or have any interest (A) in (as owner, guarantor, or otherwise) any brick and mortar, online, in-home, at-home, or other business (i) that is the same as, or similar to, a HLC; or (ii) that offers tutoring in reading, phonics, study skills, mathematics, or related areas; or (iii) that offers courses or tutoring to prepare for state and standardized exams, including the SAT and ACT; or (iv) that offers courses or tutoring in any academic subject; or (v) that offers any educational services or products the same as or similar to those offered in a HLC; and (B) which business is, or is intended to be, located within or serve customers within: (i) the Premises; or (ii) the Exclusive Area; or (iii) a radius of 25 miles from the boundary of the Exclusive Area; or (iv) a radius of 25 miles from the Premises; or (v) a radius of 25 miles from any HLC.

3.3. Modification; No Defense; Costs. We have the right, but not the obligation, from time to time during the term of this Guarantee and afterwards, to reduce the scope of any covenant in this Paragraph 3 or any portion of any covenant in this Paragraph 3, without the consent of any Guarantor, effective immediately upon receipt by the Franchisee or any Guarantor of written notice; and each Guarantor will comply immediately with any covenant as so modified, which will be fully enforceable without regard to any other provision of this Paragraph 3. The existence of any claim the Franchisee or any Guarantor may have against us, whether or not arising from the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, or this Guarantee, will not constitute a defense to our enforcement of the covenants in this Paragraph 3. Each Guarantor agrees to pay us all Third Party Costs we incur in connection with, or related to, enforcement of this Paragraph 3 immediately upon written demand. We may provide such demand in the manner described in Paragraph 17 below or by email to any Email Address we provide to the Franchisee, any Owner, or any Guarantor. No Third Party Cost paid to us is refundable.

4. Term. This Guarantee will remain in full force and effect during the term of the Franchise Agreement and any subsequent franchise agreement. This Guarantee will remain in full force and effect until the termination or expiration of all obligations arising under the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, and this Guarantee. All covenants that by their terms continue in force after the expiration or termination of

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the Franchise Agreement and any subsequent franchise agreement will remain in force according to their terms. Upon the death or incapacity of an individual Guarantor, the estate of such Guarantor will be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death or incapacity; and the obligations of the other Guarantors will continue in full force and effect.

5. **Payment.** If the Franchisee is required to make any payment under (a) the Franchise Agreement or any amendment to the Franchise Agreement; or (b) any subsequent franchise agreement or any amendment to any subsequent franchise agreement; or (c) any other agreement between the Franchisee or any Franchisee affiliate and us or our affiliate related to the Franchised Business or the Premises, then, upon our written notice, each Guarantor will immediately make each such payment to us and to the Franchisee's customers, students, vendors, Premises Landlords, Public Entities, and any other individual or legal entity to whom the Franchisee or its affiliate owes any payment. Each Guarantor hereby waives any right to require us to: (1) proceed against the Franchisee for any payment required under the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, and any amendment to any subsequent franchise agreement; or (2) proceed against or exhaust any security from the Franchisee; or (3) pursue or exhaust any remedy, including any legal or equitable relief, against the Franchisee. Without affecting the obligations of any Guarantor under this Guarantee, we may, without notice to any Guarantor, extend, modify, or release any Franchisee indebtedness or obligation, or settle, adjust, or compromise any claims against the Franchisee. We have the right to require, by written notice from time to time, that each Guarantor make any payment required under the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, and this Guarantee directly to us, our affiliates, or to a bank or such other financial institution account we specify, at the times and with the frequency we designate, by electronic funds transfer, on-line banking, pre-authorized auto-draft arrangement, or such other means as we may specify from time to time, notwithstanding any other provisions of the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, and this Guarantee and each Guarantor agrees to comply with such requirement. We may provide such notices in the manner described in Paragraph 17 below or by email to any Email Address we provide to any Owner or to any Guarantor. Each Guarantor must furnish us, our bank, or other financial institution, and any other recipient of payment with such information and authorizations as may be necessary to permit such persons to make withdrawals by electronic funds transfer, on-line banking, or auto-draft arrangement. Each Guarantor will bear all expenses associated with such authorizations and payments. Each Guarantor will pay us our Third Party Costs in associated with such authorizations and payments. Each Guarantor understands, acknowledges, and agrees that nothing contained in this Guarantee will release him of, or from, any of such Guarantor's obligations under the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, or this Guarantee. No amount any Guarantor pays us in connection with this Paragraph 5 is refundable.
6. **Indemnification.** Each Guarantor agrees to indemnify and hold harmless the Franchisor Entities from and against all claims; demands; obligations; liabilities; debts; and damages of every kind and nature, regardless of whether or not caused in part by any Franchisor Entity, resulting or arising, directly or indirectly, and whether occasioned by the Franchisee's neglect, omission, willful act, or otherwise from the Franchisee's violation of the Franchise Agreement and any amendment thereto, operation of the Franchised Business, use of the Premises, relationship with any Public Entity, and violation of any subsequent franchise agreement and any amendment thereto. Each Guarantor agrees to pay us all Third Party Costs we incur in connection with this Paragraph 6 immediately upon written demand. We may provide such demand in the manner described in Paragraph 17 below or by email to any Email Address we provide to any Owner or to any Guarantor. No amount any Guarantor pays us in connection with this Paragraph 6 is refundable.
7. **Applicable law; forum.** This Guarantee must be interpreted and construed in accordance with the laws of the state of Delaware, except for such state's conflict-of-law rules. Each Guarantor agrees that the New Jersey Franchise Practices Act will not apply to this Guarantee. Except as otherwise provided in this Guarantee, any action, whether or not arising out of, or relating to, the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise

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agreement, or this Guarantee, whenever and wherever incurred, whether vested or contingent, whether in law or in equity, whether directly, representatively, derivatively, or in any other capacity, brought by any Guarantor against us will be brought in the judicial district in which we have, at the time of commencement of such action, our principal place of business. We have the right to commence an action against any Guarantor in any court of competent jurisdiction. Each Guarantor hereby waives all objections to personal jurisdiction or venue for the purpose of carrying out the purposes of this Guarantee, and each Guarantor agrees that nothing in this Guarantee will be deemed to prevent any party to such action from removing the action from state court to federal court.

8. Guarantor claims; required mediation. Notwithstanding any other provision of this Guarantee, no Guarantor has any right to make any claim against any Franchisor Entity at any time in any manner other than the manner described in this Paragraph 8.
 - 8.1. If any Guarantor ("Claimant") has any claim against any Franchisor Entity, then the Claimant must notify us of his claim in writing in the manner required in Paragraph 17 below. Such notice must describe the claim, provide an opportunity to cure, describe the manner in which the Claimant requests we cure, and provide a cure period of at least 60 days within which we may cure such alleged default. If the Claimant's notice is not in writing and does not (a) describe the claim, and (b) provide an opportunity to cure, and (c) describe the manner in which the Claimant requests we cure, and (d) provide a cure period of at least 60 days, then such notice will be deemed to be deficient, not a claim upon which we are required to act, not an actionable claim, not grounds for the Claimant seeking any remedy under this Guarantee or otherwise, and not grounds for termination by the Claimant of this Guarantee.
 - 8.2. If the Claimant's notice complies with Paragraph 8.1 and we do not cure in the manner and within the time period the Claimant demands in his notice, then, before the Claimant commences any legal proceeding against any Franchisor Entity, the Claimant must submit his claim to non-binding mediation. If the Claimant does not submit his claim to such mediation within 30 days after expiration of the time period within which the Claimant demands we cure, then the Claimant will have evidenced conclusively that he has no claim against any Franchisor Entity; and the Claimant will have evidenced conclusively that any claim he may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for the Claimant seeking any remedy under this Guarantee or otherwise and is not grounds for termination by the Claimant of this Guarantee; and the Claimant will be deemed to have agreed to have waived any right he may have had to initiate any future claim against us for the same or similar cause.
 - 8.3. Any mediation permitted under this Paragraph 8 must be conducted at our headquarters before one mediator. The mediator must be selected, and must conduct mediation, in accordance with the commercial mediation rules of the American Arbitration Association or any successor organization as determined solely by us. No statement made by the Claimant or us in any mediation proceeding and no evidence submitted during, or in connection with, any mediation proceeding will be admissible in any legal proceeding. Each party will pay its own costs of the mediation but will share the cost of the mediator equally.
 - 8.4. If the Claimant submitted its claim to mediation, as provided in this Paragraph 8, and the Claimant does not pay its portion of the mediator's costs within ten days after the Claimant receives the mediator's invoice, then the Claimant will have evidenced conclusively that he has no claim against any Franchisor Entity; and the Claimant will have evidenced conclusively that any claim he may have had is not a claim upon which the Franchisor is required to act, is not an actionable claim, is not grounds for the Claimant seeking any remedy under the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, this Guarantee, or otherwise and is not grounds for termination by the Claimant of the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, or this Guarantee; and the Claimant will be deemed to have waived any right he may have had to initiate any future claim against any Franchisor Entity for the same or similar cause.

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- 8.5. If (a) the Claimant's notice complies with Paragraph 8.1, and (b) we do not cure in the manner and within the time period the Claimant demands in his notice, and (c) if the Claimant submitted his claim to mediation as provided in this Paragraph 8 and the Claimant and we did not resolve the Claimant's claim through mediation within 90 days after selection of a mediator, then the Claimant may file a legal action for such claim.
- 8.6. If the Claimant does not file a legal action for such claim within 30 days after conclusion of the mediation proceeding, then the Claimant will have evidenced conclusively that he has no claim against any Franchisor Entity; and the Claimant will have evidenced conclusively that any claim he may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for the Claimant seeking any remedy under this Guarantee or otherwise and is not grounds for termination by the Claimant of the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, or this Guarantee; and the Claimant will be deemed to have agreed to have waived any right he may have had to initiate any future claim against us for the same or similar cause.
9. Waiver of certain rights. Each Guarantor waives notice of amendment of the Franchise Agreement and any subsequent franchise agreement and notice of demand for payment by the Franchisee and agrees to be bound by any and all such amendments and changes to the Franchise Agreement and any subsequent franchise agreement. Each Guarantor waives the right: to enforce any oral agreement, promise, representation, or warranty not in this Guarantee; to amend, modify, or suspend any provision of the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, or this Guarantee; to stay the effectiveness of any expiration or termination of the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, this Guarantee or any other agreement between the Franchisee or any Franchisee affiliate and us or any of our affiliates or any pending expiration or termination thereof; and to seek damages against us because we insisted upon execution of any Release as permitted by the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, and this Guarantee. The Release is a document that is separate and distinct from this Guarantee. No Guarantor may seek to litigate as a representative of, or on behalf of, any other person, class, or entity any dispute, controversy, or claim of any kind arising out of, or relating to, the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, or this Guarantee, the rights and obligations of the parties, sale of the franchise, Huntington Advertising Fund, Contract Services Advertising Fund, Huntington Advertising Fund, Inc., or other claims or causes of action relating to the performance of any party to the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, this Guarantee, Huntington Advertising Fund, Inc., Huntington Advertising Fund, or Contract Services Advertising Fund. No action or proceeding under this Guarantee will add as a party, by consolidation, joinder, or in any other manner, any person or party other than the Guarantor and us and any person in privity with, or claiming through, in the right of, or on behalf of, the Guarantor or us, unless both Guarantor and we consent in writing. We have the absolute right to refuse such consent for any reason or no reason.
10. Limitation on claims. Each Guarantor agrees that any and all claims by any Guarantor against us arising out of, or relating to, directly or indirectly, the making of, interpretation of, or performance under this Guarantee may not be commenced by any Guarantor, unless brought before the earlier of (1) the expiration of one year after the act, transaction, or occurrence upon which such claim is based; or (2) one year after this Guarantee expires or is terminated for any reason. Each Guarantor agrees that any claim or action not brought by any Guarantor within the periods required under this Guarantee will forever be barred as a claim, counterclaim, defense, or set off.
11. **WAIVER OF TRIAL BY JURY.** EACH GUARANTOR AGREES TO WAIVE A TRIAL BY JURY IN ANY JUDICIAL PROCEEDING, WHETHER AT LAW OR IN EQUITY, ABOUT ANY AND ALL ISSUES THAT ARISE OUT OF, CONCERN, OR RELATE TO, THE FRANCHISE AGREEMENT, ANY AMENDMENT TO THE FRANCHISE AGREEMENT, ANY

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SUBSEQUENT FRANCHISE AGREEMENT, ANY AMENDMENT TO ANY SUBSEQUENT FRANCHISE AGREEMENT, OR THIS GUARANTEE, ANY AND ALL TRANSACTIONS CONTEMPLATED IN THE FRANCHISE AGREEMENT, ANY AMENDMENT TO THE FRANCHISE AGREEMENT, ANY SUBSEQUENT FRANCHISE AGREEMENT, ANY AMENDMENT TO ANY SUBSEQUENT FRANCHISE AGREEMENT, AND THIS GUARANTEE, EACH GUARANTOR'S PERFORMANCE UNDER THIS GUARANTEE, OR OTHERWISE, DURING THE TERM OF THIS GUARANTEE AND FOR ALL TIME AFTERWARDS. WE HAVE THE RIGHT TO FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS GUARANTEE WITH ANY COURT AS WRITTEN EVIDENCE OF EACH GUARANTOR'S CONSENT TO WAIVER OF A TRIAL BY JURY. EACH GUARANTOR AGREES THAT HIS REPRESENTATIONS WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS GUARANTEE FOR ANY REASON.

12. Limitation on remedies. During the term of this Guarantee and afterwards, each Guarantor waives to the fullest extent permitted by law any right to, or claim for, any punitive, speculative, exemplary, incidental, indirect, special, or consequential damages against any Franchisor Entity arising out of any cause whatsoever that arises out of, concerns, or relates to, the making of, interpretation of, or performance under, directly or indirectly, the Franchise Agreement, any amendment to the Franchise Agreement, any subsequent franchise agreement, any amendment to any subsequent franchise agreement, and this Guarantee, whether such cause is based in contract, negligence, strict liability, other tort, or otherwise, including any Guarantor's claim or counterclaim that we unreasonably gave, withheld, or delayed our consent or approval to anything.
13. Specific performance. Notwithstanding any other provision of this Guarantee, we have the right to seek specific performance of any Guarantor's obligations under this Guarantee or injunctive relief against any conduct that will cause us loss or damage, under customary equity rules, to prevent a breach or threatened breach of this Guarantee, without the need to show monetary damages and without posting a bond. Such conduct includes any use by any Guarantor relating to the Marks, the System, the Brand Standards, our Confidential Information, or our trade secrets. An application for such a remedy will not be deemed an election or a waiver of any other remedy under this Guarantee or at law or in equity. We may file an original counterpart or a copy of this Guarantee with any court as written evidence of the undersigned's consent to the issuance of injunctive relief.
14. Recovery of costs and fees. Except as otherwise specifically provided for herein, in any judicial or administrative action, order, or proceeding hereunder involving us and any Guarantor during the term of this Guarantee or thereafter, the prevailing party will be entitled to recover its out-of-pocket costs and expenses, including all court costs and attorneys', accountants', and consultants' fees, costs, and expenses. Such court costs and attorneys', accountants', or consultants' fees, costs, and expenses mean the full and actual amounts of all court costs and any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to "reasonable attorneys' fees, costs, and expenses", "reasonable accountants' fees, costs, and expenses", or "reasonable consultants' fees, costs, and expenses" as defined by any present or future federal, state, or local statute or rule of court or court or arbitrator decisions.
15. No duress. Each Guarantor represents and agrees that he is entering into this Guarantee and makes each and all the representations in this Guarantee of his own free will and volition and not under any economic, operational, or other threat, coercion, duress, or other cause brought or threatened by us or any other party.
16. Other important provisions. Each article, paragraph, subparagraph, term, condition, and covenant of this Guarantee and all portions of them will be considered severable. If, for any reason, any portion of this Guarantee is determined to be unconscionable or unenforceable or invalid, contrary to, or in conflict with, any applicable present or future law, rule, or regulation in a final unappealed ruling issued by any court, agency, or tribunal with valid jurisdiction in an action or proceeding to which we are a party, that ruling will not impair the operation of, or have any other effect upon, any other portion of this Guarantee, all of which will remain binding on us and each Guarantor and will continue to be given full force and effect. Any invalid portion will be deemed not to be a part of this Guarantee as of the date on which the ruling becomes final, if any Guarantor is a party to this action or proceeding, or on such Guarantor's receipt of notice of non-enforcement from us. Each Guarantor agrees to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision hereof, as though it were separately articulated in, and made a part of, this Guarantee, that may result from striking from any of the provisions

Guarantee Agreement

hereof any portion or portions that a court or agency having valid jurisdiction may hold to be unreasonable and unenforceable in an unappealed final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court or agency order. Article, paragraph, and subparagraph captions are for convenience only and are not part of this Guarantee and do not define, limit, or construe their contents. Words of any gender include masculine, feminine, and neuter usages and, where the context requires, words in the singular or plural includes the other. The language in all parts of this Guarantee will be construed simply according to its fair and plain meaning and not strictly for or against us or any Guarantor. If any provision of this Guarantee 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 will have the meaning that renders it valid. This Guarantee may be executed in multiple counterparts, each of which will be deemed an original. This Guarantee may be exchanged electronically (by facsimile, e-mail or other means of electronic transmission) and may be signed electronically using a commercially acceptable and verifiable electronic signature tool, such as DocuSign. The attachments and exhibits referenced herein will be construed with and as an integral part of this Guarantee to the same extent as if they were set forth verbatim herein. For purposes of this Guarantee, (a) the words "include," "includes", and "including" are deemed to be followed by the words "without limitation," and (b) the word "or" is not exclusive, and (c) the word "day" means a calendar day, and (d) the words "herein", "hereof", "hereby", "hereto", and "hereunder" refer to this Guarantee as a whole and not to any particular section or paragraph hereof; and (e) in connection with a HLC, the word "operate" includes Huntington Services, eTutoring, and Contract Services; and (f) The word "data" includes data in all formats, including electronic and non-electronic formats. Each signatory to this Guarantee executes it as an individual and not in any capacity as an officer, director, shareholder, or member of the Franchisee or of any other entity. Any title any signatory affixes hereunder is non-binding and is of no effect under this Guarantee.

- 17. Notices. Unless otherwise specifically provided in this Guarantee, all notices to us and any Guarantor during the term of this Guarantee and afterwards must be in writing and must be sent to the other party by registered or certified mail, postage fully prepaid, return receipt requested, or sent by other means that affords the sender evidence of delivery, attempted delivery, or rejected delivery, addressed to such party's address for notices as identified in the Franchise Agreement, or at any other address that we or any Guarantor designates in writing; provided, however, except as provided herein, no notices no notices may be sent hereunder by text, email, or by telefax and no Guarantor may designate any address that is a post office box. Guarantors must send all notices to us using the English language. We have the right to send all notices to any Guarantor using the English language. Notices will be deemed delivered and received on the earliest of actual receipt; 5 business days after placement in the U.S. mail; or one business day after mailing, if placed in the U.S. mail or a courier service for next business day delivery. In addition to the below address, the Franchisor has the right to send notices to the Premises address or any address the Franchisee, any Owner, or any Guarantor supplied to the Franchisor.

Notices to the Franchisor: Huntington Learning Centers, Inc.; 496 Kinderkamack Road; Oradell, New Jersey 7649; Attn: Chairman

Notices to Guarantors:

(Please enter the names and addresses of Guarantors – not a post office box)

Four horizontal lines for entering names and addresses of Guarantors.

Guarantee Agreement

ACCEPTANCE AND AGREEMENT

I HAVE A COPY OF THE FRANCHISE AGREEMENT AND THIS GUARANTEE. I AGREE I APPROVED THIS GUARANTEE. I FREELY AND WITHOUT DURESS AND AFTER DUE CONSIDERATION ACCEPT AND AGREE TO BE BOUND BY, AND TO PERFORM ACCORDING TO, THE FRANCHISE AGREEMENT AND THIS GUARANTEE AND EACH AND ALL OF THEIR TERMS, WITHOUT RESERVATION.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his or her signature.

Print name Signature Date signed

Print name Signature Date signed

Print name Signature Date signed

Print name Signature Date signed

Guarantee Agreement
Attachment A, Guarantor Descriptions

Guarantors. Please complete one table for each Guarantor.

Guarantor 1				
Guarantor's name				
Title or position				
Street address				
Town		State		ZIP Code
Daytime phone number	Evening phone number	Other phone number		Cell number
Personal email address				

Guarantor 2				
Guarantor's name				
Title or position				
Street address				
Town		State		ZIP Code
Daytime phone number	Evening phone number	Other phone number		Cell number
Personal email address				

Guarantor 3				
Guarantor's name				
Title or position				
Street address				
Town		State		ZIP Code
Daytime phone number	Evening phone number	Other phone number		Cell number
Personal email address				

Guarantee Agreement
Attachment A, Guarantor Descriptions

Guarantor 4				
Guarantor's name				
Title or position				
Street address				
Town		State		ZIP Code
Daytime phone number	Evening phone number		Other phone number	Cell number
Personal email address				

Guarantor 5				
Guarantor's name				
Title or position				
Street address				
Town		State		ZIP Code
Daytime phone number	Evening phone number		Other phone number	Cell number
Personal email address				

Guarantor 6				
Guarantor's name				
Title or position				
Street address				
Town		State		ZIP Code
Daytime phone number	Evening phone number		Other phone number	Cell number
Personal email address				

If there are more than six Guarantors, please copy this Attachment A and enter their information on that attachment.

CONFIDENTIALITY AGREEMENT

Name of your employer (“Employer”). The Employer is also known as the “Franchisee”. If your Employer is a corporation or partnership, enter the name of the corporation or partnership. If your Employer is one or more individuals, enter their names. Do not enter “Huntington Learning Center”, “Huntington Learning Centers, Inc.”, or “Franchisor”.		
City and state in which the Employer is located	City	State

Directions. For as long as the Employer operates a Huntington Learning Center® business, each of the following individuals must complete and sign one copy of this Confidentiality Agreement. The Franchisee keeps it in a secure file at his or her Huntington Learning Center® business. These individuals are: The Franchisee, the Franchisee’s spouse, each Owner, each spouse of each Owner, each Guarantor, each spouse of each Guarantor, and each of your employees. (An “Owner” is any owner of any interest, directly or indirectly, in the Franchisee.)

Print your name			
Your address (street, town, state, ZIP Code). Do not enter a post office box.	Street		
	Town		
	State	ZIP Code	
Your phone number (with area code)			
Identify the position you hold or will hold with your Employer			

In consideration of your position with the Employer, and One Dollar, receipt of which is hereby acknowledged, you, the undersigned, hereby acknowledge and agree that:

- Confidentiality.** Your Employer operates a franchised Huntington Learning Center® business (“Center”) under a franchise agreement with Huntington Learning Centers, Inc. (“Franchisor”). The Center offers tutoring in reading, phonics, study skills, mathematics, and related areas; offers tutoring to prepare for state or standardized exams, including the SAT and ACT; and offers tutoring in math, science, and other academic subjects. It offers these subjects at its office, online, and in schools and other public entities. During the term of your employment with your Employer and for all time thereafter, you agree not to communicate, divulge, or use for the benefit of any person or entity (such as a partnership, association, limited liability company, corporation, or other entity) any confidential information, knowledge, or know-how concerning the Franchisor’s system of operation (“System”), including the training you receive and the methods of operation of the Center that may be communicated to you by virtue of your employment or affiliation with your Employer. Any and all information, knowledge, know-how, techniques, and other data that the Franchisor designates as confidential will be deemed confidential for purposes of this Confidentiality Agreement (“Agreement.”)

CONFIDENTIALITY AGREEMENT

2. **Do not assist competitors.** You agree you will receive certain valuable information about the System, and this information would not have been given to you without your execution of this Agreement. You covenant that while you are employed by your Employer and for a continuous uninterrupted period of two consecutive years beginning when your employment or affiliation with your Employer ends, you must not in any way (directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity) (a) divert or attempt to divert any present or prospective business or customer of the Center to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Franchisor's trademarks or its System; and (b) own, maintain, operate, engage in, be employed by, be a consultant to, loan money to, provide any assistance to, be a franchisee of, or have any interest in (as owner, guarantor, or otherwise) any business in competition with the Franchisor, which business is located within a radius of 25 miles from the Center and any other Huntington Learning Center® business. The Employer has the right, but not the obligation, at any time, to reduce the scope of any covenant in this Agreement or any portion of any covenant in this Agreement, without your consent, effective immediately upon receipt by you of written notice; and you must comply immediately with any covenant as so modified, which will be fully enforceable without regard to any other provision of this Agreement.

You may work for any school licensed by, or recognized as, a school by the state or jurisdiction in which such school operates, providing that you or the school does not use for your or its benefit, or for the benefit of others, our confidential information, or disclose any Franchisor trade secret.

3. **Third-party beneficiary.** The Franchisor is a third-party beneficiary of this Agreement and may enforce it, solely or jointly with your Employer at the Franchisor's sole discretion. Any violation of this Agreement will cause the Franchisor and your Employer irreparable harm, and, therefore, the Franchisor or your Employer, or both, may apply for the issuance of an injunction preventing you from violating this Agreement in addition to any other remedies it or they may have hereunder at law or in equity.
4. **Conflict.** If any provision of this Confidentiality Agreement conflicts with any law or regulation, including any National Labor Relations Board regulation, then your Employer and the Franchisor have the right to reduce the scope of any covenant in this Confidentiality Agreement or any portion of any covenant in this Confidentiality Agreement, without your consent, effective immediately upon receipt by you of written notice sent to you by either your Employer or the Franchisor; and you agree to comply immediately with any covenant as so modified, which will be fully enforceable without regard to any other provision of this Confidentiality Agreement.
5. **Acceptance and agreement.** I agree to be bound by this Confidentiality Agreement. I have a copy of this Confidentiality Agreement.

IN WITNESS WHEREOF, I freely and without duress and after due consideration agree to be bound by, and to perform according to, this Confidentiality Agreement, without reservation and affix my signature below.

Print name,

Signature

Date

**AMENDMENT AGREEMENT FOR RESTRICTIONS ON TRANSFERS
(FOR PARTNERSHIP OR LIMITED LIABILITY COMPANY)**

Instructions: If you are a partnership or a limited liability company and if your partnership agreement, articles of organization, or operating agreement (as applicable) does not provide that the transfer of interests or issuance of additional interests is restricted by this Agreement, then you must amend the applicable documents with this Amendment Agreement to reflect such restriction, as follows.

- Complete this amendment.
- All partners or members sign below.
- Retain this amendment with your partnership agreement, articles of organization, or operating agreement (as applicable).

Notwithstanding anything to the contrary contained in the partnership agreement or operating agreement of *(enter the name of the partnership or limited liability company that is the franchisee of Huntington Learning Centers, Inc.)* _____ ("Franchisee"), the undersigned partners or members agree as follows:

The transfer of any partnership interest or membership interest, whichever is applicable, in the Franchisee is subject to the terms and conditions of one or more franchise agreements with Huntington Learning Centers, Inc. ("Franchisor") that restrict the transfer of any direct or indirect interest in Franchisee, except as provided in such franchise agreement(s).

The undersigned represent, warrant, and agree that they constitute all partners or members of the Franchisee necessary to amend the Franchisee's partnership agreement or operating agreement.

IN WITNESS WHEREOF, the undersigned have executed this Amendment Agreement on the date _____

_____	_____	_____
Print name	Signature	Title
_____	_____	_____
Print name	Signature	Title
_____	_____	_____
Print name	Signature	Title
_____	_____	_____
Print name	Signature	Title

CONFESSION OF JUDGEMENT

Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) executed between Huntington Learning Centers, Inc. (“Franchisor”) and you for you to operate a franchised Huntington Learning Center® business	

This CONFESSION OF JUDGEMENT is entered into and made on the date entered below. Upon default of any of the obligations set forth in Paragraph 8.5.6 (complaints), Paragraph 8.5.7 (refunds), or Paragraph 16.1.1L (customers) of the Franchise Agreement, the Franchisee, each individual (each a “Guarantor”) who signed the Franchise Agreement, guarantee (“Guarantee Agreement”) of the Franchise Agreement, and each signatory to this Confession of Judgement hereby appoints, authorizes, and empowers any attorney of any court of competent jurisdiction to appear for the Franchisee and enter judgement by confession against the Franchisee, each Guarantor, and each signatory to this Confession of Judgement in favor of the Franchisor or its assigns, for all amounts payable by the Franchisee to customers under Paragraph 8.5.6, Paragraph 8.5.7, or Paragraph 16.1.1L of the Franchise Agreement, plus the Franchisor’s fees, costs, and expenses of entering this judgement and making payment hereunder, including attorneys’, accounts’, consultants’, agents’, and courts’ fees, costs, and expenses. If the Franchisor’s fees, costs, and expenses include any attorneys’, accountants’, or consultants’ fees or costs, then attorneys’, accountants’, and consultants’ fees or costs mean the full and actual amounts of any legal, accounting, and consulting services rendered in connection with the matters involved and are not limited to “reasonable attorneys’ fees and costs”, “reasonable accountants’ fees and costs”, or “reasonable consultants’ fees and costs” as defined by any present or future federal, state, or local statute or rule of court or court or arbitrator decisions. Such exercise of warrant of attorney will not exhaust any future exercise or entry of judgement or any other right the Franchisor has under the Franchise Agreement or Guarantee Agreement. The Franchisee, each Guarantor, and each signatory to the Confession of Judgement hereby waive any summons or other process, consents to immediate execution of such judgement, and waives demand, protest, notice of default or non-payment, presentment, stay of execution, appeal, all errors, or benefit of any statutory or common law debtor’s exemptions.

IN WITNESS WHEREOF, the Franchisee and each Guarantor has executed this Confession of Judgement on _____

TO BE SIGNED BY THE OWNERS OF THE FRANCHISEE
 By signing below, the below individuals represent they have the power to bind, and hereby bind, the Franchisee

Print name	Signature	Title
Print name	Signature	Title

TO BE SIGNED BY THE GUARANTORS
 By signing below, each Guarantor agrees to this Confession of Judgement

Print name	Signature	

Exhibit E
Assignments and Notifications

Exhibit	Name
E1	Assignments upon Termination of the Franchise Agreement
E2	Franchisee Agreement regarding Primary Owner
E3	Franchisee Acknowledgement Regarding Employees
E4	Notification to Franchisee Employees
E5	Franchisee Data Reporting Request
E6	Your Initial Investment
E7	Notification that the Undersigned Is No Longer Operating a Huntington Learning Center® Business
E8	Termination of Trade Name Registration
E9	Franchisee Acknowledgement Regarding Copyright
E10	Public Entities for Contract Services

**Exhibit E1
ASSIGNMENTS UPON TERMINATION OF THE FRANCHISE AGREEMENT (“ASSIGNMENT”)**

Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) executed between the Franchisor and you for you to operate a franchised Huntington Learning Center® business (“Franchised Business”)	

This Assignment will become effective upon the Franchisor’s written certification of termination or expiration of the Franchise Agreement.

Phone number assignment. The Franchisee hereby unconditionally and irrevocably directs each telephone company servicing any Franchised Business telephone to transfer all such telephone numbers to the Franchisor or to the person or entity and premises the Franchisor directs. These phone numbers are: _____

Phone number redirect. The Franchisee hereby unconditionally and irrevocably directs each telephone and other company servicing any Franchised Business telephone to remove immediately the remote call forwarding to the Franchisor assigned phone number(s). These phone numbers are: _____

Email and internet assignment. The Franchisee hereby unconditionally and irrevocably directs each email and internet provider servicing the Franchised Business to transfer all its email addresses and Internet facilities to the Franchisor or to the person or entity and premises the Franchisor directs. The email addresses and Internet facilities are: _____

Utility assignment. The Franchisee hereby unconditionally and irrevocably directs each utility company servicing the Franchised Business to transfer its service to the Franchisor or to the person or entity the Franchisor directs. The utility companies are: _____

The Franchisee agrees to use its best efforts to cooperate fully and timely with the Franchisor and each telephone company, email and internet provider, utility company, and other company in accomplishing the actions contemplated in this Assignment. For a period of two years from the date of expiration or termination of the Franchise Agreement for any reason, the Franchisee hereby irrevocably appoints the Franchisor or its nominee to be the Franchisee’s attorney-in-fact coupled with an interest, and with power of substitution, to execute and to file for the Franchisee any relevant document to accomplish the acts contemplated in this Assignment. The Franchisor has the right to file an original counterpart or a copy of this Assignment with all companies providing any service to the Franchised Business and with any court, agency, or person as written evidence of the appointment by the Franchisee of the Franchisor or its nominee to be the Franchisee’s attorney-in-fact. The Franchisee agrees to pay all companies any amount or compensation required by them to accomplish the acts required by the Franchisor under this Assignment, or to the Franchisor immediately upon demand, if the Franchisor pays any such required amount. The Franchisee agrees to indemnify and hold harmless the Franchisor and its present and past affiliates and its and their successors and assigns and its and their respective present and past directors, officers, shareholders, employees, and agents in connection with any and all claims, losses, fees, costs, expenses, liabilities, compliance costs, and damages incurred by the indemnified parties as a result of all matters associated with actions untaken or attempted by the Franchisor or its nominees under this Assignment, plus the Franchisor’s related out-of-pocket costs, including attorneys’, accountants’, consultants’, agents’, and courts’ fees, costs, and expenses. The Franchisee represents and warrants it has the full right, power, and authority to make this Assignment and its execution by the individual(s) below on behalf of the Franchisee, and the delivery of this Assignment, have been duly authorized by all necessary action by the Franchisee. This Assignment will inure to the benefit of, and be binding upon, the Franchisee and its successors and assigns. Delivery of an executed counterpart of this Assignment electronically or by facsimile will be effective as delivery of an original executed counterpart of this Assignment. The Franchisee has no right to, and will not, terminate this Assignment before the Franchise Agreement expires or terminates. IN WITNESS WHEREOF, the below parties have executed this Assignment on _____

Name of Franchisee <i>(Enter the same name from the above table):</i>	
---	--

Print name

Signature

Title

Exhibit E2

FRANCHISEE AGREEMENT REGARDING PRIMARY OWNER (“AGREEMENT”)

Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) executed between us and you for you to operate a franchised Huntington Learning Center® business (“Franchised Business”)	
Name of Primary Owner. The “Primary Owner” is an owner of the Franchisee who is responsible for managing the Franchised Business and who we can contact about the Franchise Agreement and the Franchised Business.	

Each Huntington Learning Center® business provides a highly personalized approach to tutoring students, interacting with them and their parents or guardians, communicating with their schools and other professionals, and supporting and managing staff. Your Primary Owner must ensure compliance with your obligations to us, your customers, vendors, and all others; and must learn the business by attending initial training and understanding all aspects of the business.

By signing below, you, the Franchisee, acknowledge and agree with the following requirements regarding the Primary Owner and agree to comply with these requirements: (a) the Primary Owner must be a natural person, not a legal entity; and (b) you must designate an Owner to serve as the Primary Owner; and (c) the Primary Owner must hold an ownership interest in the Franchisee; and (d) the Primary Owner must complete Franchisee Initial Training within the time period we require in the Franchise Agreement; and (e) the Primary Owner must be fluent in reading and writing English; and (f) the Primary Owner must be responsible for managing the Franchised Business; and (g) throughout the term of the Franchise Agreement the Primary Owner must work full-time, year-round in the business during all hours it is open, which, at a minimum, are those hours listed in the Huntington Manuals; and (h) the Primary Owner must not work in any other full- or part-time job or occupation throughout the term of the Franchise Agreement; and (g) the Primary Owner must be the individual who we can contact about the Franchised Business.

IN WITNESS WHEREOF, the Franchisee has executed this Agreement on _____

Name of Franchisee <i>(Enter the name from the above table):</i>	
--	--

Print name	Signature	Title
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Print name	Signature	Title
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Exhibit E3

FRANCHISEE ACKNOWLEDGEMENT REGARDING EMPLOYEES (“ACKNOWLEDGEMENT”)

Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the franchisee (“Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) executed between the Franchisor and the Franchisee for the Franchisee to operate a franchised Huntington Learning Center® business	

The Franchisee hereby acknowledges and agrees for all time to each of the following in connection with the operation of the Franchisee’s Huntington Learning Center® business:

1. The Franchisee is solely responsible for all Franchisee employees and for all issues related to them.
2. The Franchisor is not responsible for any Franchisee employee or for any issues related to any Franchisee employee.
3. The Franchisor has no authority or control over any Franchisee employee.
4. The Franchisor has no authority or control over, and has no right to direct the Franchisee in connection with, any of the following:
 - a. Performance of any Franchisee employee’s work
 - b. To hire or fire any Franchisee employee
 - c. To supervise or control any Franchisee employee’s work schedules or conditions
 - d. To determine pay rate or method of payment for any Franchisee employee
 - e. To maintain any Franchisee employee’s personnel, employment, or pay records
5. All staffing models and related guidance presented in the Franchisor’s written and oral communications to the Franchisee are recommendations, not directives, and are for quality and conformity with the Franchisor’s Brand Standards in operating a franchised Huntington Learning Center® business. Unless required by the Franchise Agreement, implementation of these staffing models and related guidance is within the Franchisee’s sole discretion.
6. Other than rights reserved in the Franchise Agreement, the Franchisor reserves no actual or apparent authority over any Franchisee employee or any issue related to any Franchisee employee, and expressly disclaims any actual or apparent authority over any Franchisee employee and any issue related to any Franchisee employee.
7. IN WITNESS WHEREOF, the Franchisee has executed this Acknowledgement on _____

Name of Franchisee <i>(Enter the name from the above table):</i>	
--	--

Print name	Signature	Title
------------	-----------	-------

Print name	Signature	Title
------------	-----------	-------

**Exhibit E4
NOTIFICATION TO FRANCHISEE EMPLOYEES**

Directions. Each employee signs this form when hired and thereafter at least once a quarter. After signing, give it to the Franchisee and the Franchisee keeps it in a secure file at the Franchisee’s Huntington Learning Center® business.

Name of the franchisee (“Franchisee”) who has a franchise agreement with Huntington Learning Centers, Inc. (“Franchisor”) to operate a franchised Huntington Learning Center® business	
--	--

This notice is to advise you of the following:

1. The Franchisee is the employer of all its employees. The Franchisee is responsible for all issues related to the Franchisee’s employees, including their compensation, management, decisions, work-related terms and conditions, and maintaining their personnel, employment, and pay records.
2. In connection with the Franchisee’s Huntington Learning Center® business: (a) Neither the Franchisor nor any of its affiliates is the employer or joint employer of any of the Franchisee’s employees; and (b) Neither the Franchisor nor any of its affiliates is responsible for any issue related to any of the Franchisee’s employees; and (c) Neither the Franchisor nor any of its affiliates is responsible for any Franchisee employee-related compensation, management, decisions, work-related terms or conditions, or personnel, employment, or pay records.

Employee’s signature

By signing below, I acknowledge that I received this notification:

Print name	Signature	Title	Date signed
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Franchisee’s signature

By signing below, I acknowledge that I received this notification signed by the above employee:

Print name	Signature	Title	Date signed
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Exhibit E5

FRANCHISEE DATA REPORTING REQUEST (“REQUEST”)

Name of the Loan Company	LendingClub Corporation, a Delaware Corporation (“Loan Company”)
Name of the Loan Company’s program (“Loan Program”)	Your Tuition Solution Program or YTS Program
Name of the franchisee (“you”, “Franchisee”, and “Provider”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) executed between Huntington Learning Centers, Inc. (“Franchisor”) and you for you to operate a franchised Huntington Learning Center® business (“Franchised Business”)	

This irrevocable Request amends the Franchise Agreement and is made by the Franchisee (who also is known as the Provider) for the benefit of the Loan Company. The Loan Company and the Provider are known as the "Parties"; each is known as a "Party". The Parties have entered, or will enter, into a Registration Agreement or Registration Provider Agreement that sets forth the terms and conditions for the arrangement of financing by the Loan Company and its lending partners for the Provider’s clients to pay for or purchase certain education or tutoring services (“Services”) from the Provider using the Loan Program. The Provider hereby represents the Provider’s Franchise Agreement includes provisions requiring the Provider to provide the Franchisor access to all data and reporting information (“Loan Data”) related to the Services and the Loan Program, and the Provider wishes for the Loan Company to provide the Loan Data to Franchisor. Further, for as long as the Provider participates in the Franchisor’s Virtual Conferencing, the Provider gives the Franchisor permission to log onto the Loan Company’s dashboard on the Provider’s behalf and submit applications on the Provider’s behalf.

1. Request. Based on the foregoing, the Provider requests the Loan Company provide to the Franchisor any and all Loan Data related to the Services and the Loan Program.
2. Date of effectiveness. This Request is effective on the Effective Date below and applies retroactively to all Loan Data related to the Services and the Loan Program. This Request will be effective for as long as the Provider is a franchisee of the Franchisor. The Provider may not revoke this Request.
3. Representations and warranties. The Provider represents and warrants that it has the full right, power, and authority to make this Request; and the execution of this Request by the individual whose signature is set forth on this Request on behalf of the Provider, and the delivery of this Request by the Provider, have been duly authorized by all necessary action on the part of Provider.
4. Miscellaneous. This Request will inure to the benefit of and be binding upon each of the Parties and each of their respective successors and assigns. Delivery of an executed counterpart of this Request electronically or by facsimile will be effective as delivery of an original executed counterpart of this Request.
5. No termination. The Provider has no right to, and will not, terminate this Request prior to expiration or termination of the Franchise Agreement.
6. IN WITNESS WHEREOF, the Provider has executed this Request as of the following date (“Effective Date”) _____

Name of Provider *(Enter the same name that appears in the above table):*

 Print name Signature Title

 Print name Signature Title

Exhibit E6

YOUR INITIAL INVESTMENT

Directions: Within 60 days after you open the Franchised Business, please summarize your initial investment on this form and email it to your Franchise Business Consultant. Thank you in advance for your cooperation.

YOUR INITIAL INVESTMENT			
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.			
Name of the exclusive area (“Exclusive Area”) in the franchise agreement executed between Huntington Learning Centers, Inc. (“Franchisor”) and you for you to operate a franchised Huntington Learning Center® business			
Date you email this form to your Franchise Business Consultant			
Type of expenditure	Amount you spent	Who did you pay?	Comments
Travel, living expenses for initial training			
Curricula and testing materials			
Furniture, computers			
Start-up supplies			
Advertising			
Architect			
Security and utility deposits; license fees			
Real estate and improvements			
Exterior sign			
Interior graphics			
Professional fees			
Insurance			
Total			

To be completed by your Franchise Business Consultant	
Date you received this form	
Date you sent this form to the Contracts Department	
Date Contracts entered this information	

Exhibit E7

NOTIFICATION THAT THE UNDERSIGNED IS NO LONGER OPERATING A HUNTINGTON LEARNING CENTER® BUSINESS

Directions. Within 5 days after the Franchise Agreement expires or terminates, please notify your landlord and each of your utilities and vendors that the Franchise Agreement has expired and that you no longer operate a Huntington Learning Center® business. Also send a copy to the Franchisor, Huntington Learning Centers, Inc.

Thank you in advance for your cooperation.

To:
Email or physical address:

From ("Franchisee"):
Physical address:
Email address: Phone:

This notice is sent by the Franchisee to inform you that the Franchisee no longer is operating a Huntington Learning Center® business and that the Franchisee's franchise agreement with the Franchisor, Huntington Learning Centers, Inc., is terminated. Please be aware that, because the Franchisee is no longer operating a Huntington Learning Center® business, it no longer has any rights to use the mark, Huntington Learning Center®, or to use any aspects of the Franchisor's system.

Thank you for your cooperation.

Print name Signature Title Date

EXHIBIT E8
TERMINATION OF TRADE NAME REGISTRATION

Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) executed between us and you for you to operate a franchised Huntington Learning Center® business (“Franchised Business”)	
State or states in which the Franchised Business operates	
Names applicable to this Termination of Trade Name Registration	“Huntington”, “Huntington Learning Center”, and “Huntington Learning Center (with design)”

This Termination of Trade Name Registration will become effective upon written certification by the Franchisor that the Franchise Agreement has terminated or expired.

The Franchisee and each of its owners (each an “Owner”) hereby unconditionally and irrevocably direct the Secretary of State in the above indicated state or states to cancel any assumed name registration or equivalent registration obtained by the Franchisee or any Owner that contains any of the marks (“Marks”) owned by the Franchisor or its parent, affiliates, or subsidiaries, including the marks “Huntington”, “Huntington Learning Center”, and “Huntington Learning Center (with design)”.

For a period of two years from the date of expiration or termination of the Franchisee’s rights under the Franchise Agreement for any reason, the Franchisee and each Owner hereby irrevocably appoints the Franchisor or its nominee to be the Franchisee’s and each Owner’s attorney-in-fact coupled with an interest, and with power of substitution, to execute and to file for the Franchisee and each Owner any relevant document to accomplish the acts contemplated in this Termination of Trade Name Registration. The Franchisor has the right to file an original counterpart or a copy of this Termination of Trade Name Registration with each Secretary of State and any other individuals; and with any court, agency, or person as written evidence of the appointment by the Franchisee and each Owner of the Franchisor or its nominee to be the Franchisee’s attorney-in-fact. The Franchisee and each Owner agree to pay any entity, including each Secretary of State, any amount or compensation required by such entities to accomplish the acts required by the Franchisor under this Termination of Trade Name Registration, or to the Franchisor immediately upon demand, if the Franchisor pays any such required amount. The Franchisee and each Owner agree to indemnify and hold harmless the Franchisor and its present and past affiliates and its and their successors and assigns and its and their respective present and past directors, officers, shareholders, employees, and agents in connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages (“Fees and Costs”) incurred by the indemnified parties as a result of all matters associated with actions untaken or attempted by the Franchisor or its nominees under this Termination of Trade Name Registration, as well as the Franchisor’s related out-of-pocket costs, including attorneys’, accountants’, consultants’, agents’, and courts’ fees, costs, and expenses. The Franchisee represents and warrants it has the full right, power, and authority to make this Termination of Trade Name Registration and its execution by the individual(s) below on behalf of the Franchisee, and the delivery of this Termination of Trade Name Registration, have been duly authorized by all necessary action by the Franchisee. This Termination of Trade Name Registration will inure to the benefit of, and be binding upon, the Franchisee and its successors and assigns. Delivery of an executed counterpart of this Termination of Trade Name Registration electronically or by facsimile will be effective as delivery of an original executed counterpart of this Termination of Trade Name Registration. The Franchisee has no right to, and will not, terminate this Termination of Trade Name Registration before the Franchise Agreement expires or terminates.

SIGNATURES APPEAR ON THE NEXT PAGE.

EXHIBIT E8
TERMINATION OF TRADE NAME REGISTRATION

IN WITNESS WHEREOF, the Franchisee and each Owner has executed this Termination of Trade Name Registration on _____

OWNERS SIGN

NamePrin1

Print name

Signature

NamePrin2

Print name

Signature

Print name

Signature

Print name

Signature

Exhibit E9

FRANCHISEE ACKNOWLEDGEMENT REGARDING COPYRIGHT

Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) executed between us and you for you to operate a franchised Huntington Learning Center® business (“Franchised Business”)	

In connection with copyright law and any services you provide at the Franchised Business, you agree you will not use, or permit any of your employees or agents to use, any material (“Copyrighted Material”) copyrighted by a third party (“Third Party”) for which the Franchisor does not have a license to use. Such Third Parties include College Board and Khan Academy and such Copyrighted Material includes material developed and copyrighted by the College Board and Khan Academy, including material developed by them to prepare for the SAT, ACT, standardized exams, and state exams. If you fail to comply with the preceding requirement or copyright law, you are subject to heavy fines and penalties from Third Parties, as well as potential defaults under the Franchise Agreement. These copyright restrictions apply to all Third Party Copyrighted Materials, including the following paper-based and online resources by College Board and Kahn Academy:

- The Official SAT Study Guide
- College Board online practice tests
- College Board question banks
- College Board’s Bluebook App
- All Khan Academy print and online resources

By signing below, you acknowledge the copyright restrictions in connection with Third Party Copyrighted Material and agree to comply fully with these restrictions.

Name of Franchisee *(Enter the same name from the above table):*

Print name Signature Title

Print name Signature Title

Exhibit E10

PUBLIC ENTITIES FOR CONTRACT SERVICES

Directions: List all Public Entities that may or will pay you directly or indirectly (i.e., the Public Entity gives customers all or a portion of the funds that customers give to you) for any Contract Services you may or will provide. "Public Entities" mean schools, school districts, governmental and non-governmental organizations, corporate entities, and other non-profit and for-profit organizations. Email this form to your Franchise Business Consultant.

Public Entities for Contract Services						
Franchisee name					Exclusive Area name	
Date you email this form to your Franchise Business Consultant						
Organization name	Type of organization*	Where will you provide services?	Contact person	Organization address	Organization phone	Email

*Types of organizations include schools, school districts, and for-profit and not-for-profit organizations.

To be completed by your Franchise Business Consultant	
Date you received this form	
Date you sent this form to the Contracts Department	
Date Contracts entered this information	

SITE SELECTION AREA DESCRIPTION

Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the Site Selection Area	

The “Site Selection Area” is that geographic area proposed by us and accepted and agreed to by you within which you must locate the Premises, if, as of the Agreement Date, you have not either (a) acquired the Premises or (b) you have not executed a lease for the Premises. You may open outside the Site Selection Area solely with our written permission. The Franchisor has not made, and does not make, any representation or forecast about the Site Selection Area or Franchised Business or their success, revenue, expenses, or profitability. After you acquire the Premises or you sign a lease for the Premises, the Site Selection Area is null and of no effect.

Did you acquire the Premises or did you and the Premises Landlord execute a lease for the Premises? (Circle “YES” or “NO”)	YES I either acquired the Premises or I and the Premises Landlord executed a lease for the Premises. <u>In this case, ENTER “NA” FOR THE SITE SELECTION AREA DESCRIPTION IN THE NEXT TABLE.</u>
	NO I did not acquire the Premises or execute lease with the Premises Landlord for the Premises. <u>In this case, COMPLETE SITE SELECTION AREA DESCRIPTION IN THE NEXT TABLE.</u>

Site Selection Area Description
Enter this description if you circled “NO” in the above table; if you circled “YES”, then enter “NA”

IN WITNESS WHEREOF, the Franchisee and the Franchisor have executed this Site Selection Area Description on _____

For the Franchisor, Huntington Learning Centers, Inc.,		
Raymond J. Huntington		Chairman
<small>Print name</small>	<small>Signature</small>	<small>Title</small>

For the Franchisee <i>(This is executed by all individuals comprising the Franchisee, if the Franchisee is an individual; or all officers of the corporation, if the Franchisee is a corporation; or all partners or members, if the Franchisee is a partnership or limited liability company.)</i>
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Name of Franchisee <i>(Enter the same name that appears in the above table):</i>	
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<small>Print name</small>	<small>Signature</small>	<small>Title</small>
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<small>Print name</small>	<small>Signature</small>	<small>Title</small>
---------------------------	--------------------------	----------------------

<small>Print name</small>	<small>Signature</small>	<small>Title</small>
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<small>Print name</small>	<small>Signature</small>	<small>Title</small>
---------------------------	--------------------------	----------------------

EXCLUSIVE AREA DESCRIPTION

Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) executed between us and you for you to operate a franchised Huntington Learning Center® business (“Franchised Business”)	

The Exclusive Area is that geographic area proposed by us and accepted and agreed to by you and us that is within a _____ mile radius from the Premises’ primary customer entrance. The Franchisor has not made, and does not make, any representation or forecast about the success, revenue, expenses, or profitability of the Exclusive Area or Franchised Business. You and we determine the name of the Exclusive Area as of the Agreement Date. If you request to change the name of the Exclusive Area for any reason after the Agreement Date, including in connection with relocation of the Premises, we have the right to decline your request for any business reason. We may change the name of the Exclusive Area from time to time for any reason.

The Exclusive Area (*circle one*) **IS IS NOT** modified in a manner determined by you and us. If the Exclusive Area is so modified, then you and we describe the description of any modification as follows.

IN WITNESS WHEREOF, the Franchisee and the Franchisor have executed this Exclusive Area Description on _____

For the Franchisor, Huntington Learning Centers, Inc.,		
Raymond J. Huntington		Chairman
<small>Print name</small>	<small>Signature</small>	<small>Title</small>

For the Franchisee <i>(This is executed by all individuals comprising the Franchisee, if the Franchisee is an individual; or all officers of the corporation, if the Franchisee is a corporation; or all partners or members, if the Franchisee is a partnership or limited liability company.)</i>	
Name of Franchisee <i>(Enter the same name that appears in the above table):</i>	

<small>Print name</small>	<small>Signature</small>	<small>Title</small>
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<small>Print name</small>	<small>Signature</small>	<small>Title</small>
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<small>Print name</small>	<small>Signature</small>	<small>Title</small>
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<small>Print name</small>	<small>Signature</small>	<small>Title</small>
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ACH Automatic Withdrawal Authorization

1. Directions: For each bank in which the Franchisee does business, the Franchisee completes and signs two copies of this Authorization and returns them to the Lender.

2. This ACH Automatic Withdrawal Authorization ("Authorization") is made and entered into on _____ ("Authorization Date") by _____ ("Franchisee") with its principal office at _____ and _____ ("Lender").

3. Franchisee agrees to pay the Lender electronically through Franchisee's bank account described below on the terms and conditions described in this Authorization:

Bank Name: _____

Bank Address: _____

9 Digit Bank Routing #: _____

Account Number: _____

Name(s) on Account: _____

Withdrawal Amount: To be determined by the Lender below based on the monthly payments that are due and payable by Franchisee under its Note and Security Agreement with Lender (collectively, "Lender Agreements") at the time of the withdrawal.

Withdrawal Date (1st through 28th): To be determined and/or specified by the Lender based on when monthly payments are due and payable

Type of Account (circle one): Checking Savings

Franchisee's name(s): _____

Street address: _____

City: _____ State: _____ ZIP: _____

The Franchisee hereby acknowledges that it has entered into the Lender Agreements with Lender that provide for direct payment to the Lender from Franchisee's bank accounts and that the account referenced above is an account Franchisee has designated for this purpose (a "Designated Account"). In this connection and to carry out the purposes of this Authorization, Franchisee authorizes the Lender to withdraw monies from the Designated Account. The Franchisee has reviewed and agrees with all of the provisions of this Authorization agreement and does hereby indemnify and hold harmless the Lender and its affiliates from any damages that may occur subsequent to or as a result of this Authorization. The Franchisee agrees to deposit all monies received in connection with its franchise agreement(s) with Huntington Learning Centers, Inc. ("Franchisor") in the Designated Account; to use such monies only for operation of the Franchisee's franchised business under its agreement(s) with the Franchisor;; not to divert any monies in the Designated Account to any other account; and not to close the Designated Account during the term of the Lender Agreements without the Lender's prior written approval. The Franchisee consents to the Lender directly transacting business with the Franchisee's bank above to fully effectuate the terms of this Authorization.

Please attach a voided check for processing

IN WITNESS WHEREOF, each of the undersigned has affixed his signature on the Authorization Date.

For the Lender		
Raymond J. Huntington		Chairman

Print name	Signature	Title
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For the Franchisee		
Name of Franchisee:		

Print name	Signature	Title
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EXHIBIT C
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
DEVELOPMENT AGREEMENT

Table 1. Identifying Information and Defined Terms	
Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the developer (“you” and “Developer”). If the Developer is a legal entity, enter that legal entity’s name. If the Developer is one or more individuals, enter each of their names.	
The Developer is (circle one)	Individual(s) Corporation Partnership Limited liability company
Developer’s state. <i>If the Developer is an individual(s), this is/are the state(s) in which the individual(s) reside. If the Developer is a legal entity, this is the state in which the entity is organized.</i>	
Developer address, which is not a post office box	
Developer address for notices, which is not a post office box	
Number of Franchise Agreements you agree to execute under this development agreement (“Agreement”). “Franchise Agreement” means our then-current form of franchise agreement at the time you execute the grant described in Paragraph 2.1 below. A copy of the Franchise Agreement current as of the date we sign this Agreement is attached as Exhibit C. Unless otherwise indicated, all exhibits are attached to this Agreement.	
Total of all initial franchise fees (each an “Initial Franchise Fee”) for all Franchise Agreements you agree to execute under this Agreement. The Initial Franchise Fee payable under each such Franchise Agreement is \$20,000. The total of these fees is the “Total Franchise Fee” and is recorded to the right.	
Effective date (“Agreement Date”) of this Agreement, which is the date the Franchisor signs this Agreement	

This DEVELOPMENT AGREEMENT is made, entered into, and effective on the Agreement Date between the Franchisor and you, the Developer.

RECITALS

- A. We or our affiliates, over a period of time and as a result of the expenditure of time, skill, effort, and money, have developed and own a distinct instructional format and operating system relating to the establishment, development, and operation of Huntington Learning Center® businesses (each a “HLC”) to deliver uniform, high quality tutoring in a personal and professional manner in reading, phonics, study skills, mathematics, and related subjects principally to students in grades kindergarten through grade 12; and tutoring to prepare students for standardized and state entrance examinations, principally the SAT and ACT; all of which we may change, improve, and further develop at any time and from time to time; and
- B. Our distinct instructional format and operating system (“System”) consists of uniform standards and procedures for the marketing and operation of, and procedures, business practices, and management methods for, a franchised HLC, which include use of the Marks and the offer and sale of Huntington Services, eTutoring, and Contract Services; preparation of customer, school, doctor, psychologist, and Public Entity contacts lists; procedures for student administration; sales and marketing materials; testing and instructional materials and curricula, including any testing and instructional materials and curricula we own or license;

computer software; selective personnel policies; training procedures for you; standards and specifications for inventory, supplies, equipment, furniture, and fixtures for a franchised HLC; standards and specifications for the construction and decoration of a franchised HLC; promotional materials; marketing and advertising techniques and materials; design specifications; and accounting, business, and administrative systems (including accounting, bookkeeping, payroll, cash control, and finance procedures and systems); all of which we may change, improve, and further develop at any time and from time to time; and

- C. The System's distinguishing characteristics include distinctive exterior and interior design, décor, layout, and color scheme; specialized equipment, furnishings, materials, curricula, testing, programs, and materials; our Brand Standards, Call Center Standards, Conference Services Standards, and Virtual Testing Standards; uniform operating methods, procedures, and techniques; other confidential operations procedures; and methods and procedures for record keeping and reporting, purchasing, marketing, and advertising, all of which we may change, improve, and further develop at any time and from time to time; and
- D. The System is identified by means of certain trade names, service marks, trademarks, trade dress, logos, logotypes, emblems, and indicia of origin ("Marks"). The Marks include the name "Huntington Learning Center®" and the mark "Huntington Learning Center® (with design)", and such other trade names, service marks, and trademarks as are now designated (and which we may designate in writing at any time and from time to time) for use in connection with the System; and
- E. We grant qualified persons franchise rights to own and operate franchised HLCs (each a "Franchised Business") that provide year-round tutoring and test prep services in your HLC facility, online, and in Public Entities that we authorize and approve and to use the System and the Marks; and
- F. You have carefully read all of this Agreement and all its exhibits and attachments. You understand fully this Agreement and all its exhibits and attachments in their entirety. You have carefully read all of the Franchise Disclosure Document and all its exhibits and attachments. You understand fully the Franchise Disclosure Document and all its exhibits and attachments in their entirety. You have carefully read all of the Franchise Agreement in Exhibit C and all its exhibits and attachments. You understand fully the Franchise Agreement and all its exhibits and attachments in their entirety. You have had full and adequate opportunity to consult with, and be advised by, counsel and other professionals of your own choosing about the Franchise Disclosure Document, this Agreement, the Franchise Agreement, and the transaction governed by this Agreement; and
- G. You have applied to us to obtain from us the option to obtain the franchise rights to own and operate one or more Franchised Businesses within an agreed-upon Development Area and to exercise this option according to an agreed-upon Development Schedule. "Development Area" means that area described in Exhibit A within which you must locate all the Franchised Businesses to be developed under this Agreement. "Development Schedule" means the schedule set forth in Exhibit A according to which you undertake the obligation to establish and operate the number of Franchised Businesses identified in Table 1 above; and
- H. We have approved your application relying on your Owners' skills, qualifications, and representations and the trust and confidence we place in you and your Owners; and on all your representations, warranties, and acknowledgements contained in such application and this Agreement.

NOW, THEREFORE, you and we acknowledge and agree the Recitals set forth above are true and accurate; and each Recital is incorporated into this Agreement by reference and is made part of this Agreement. In consideration of the undertakings and commitments of each party to the other party set forth in this Agreement and all of the above representations and acknowledgements, including the above Recitals and the identifying information and defined terms in the Recitals and Table 1 above, all of which are incorporated by reference herein, the parties, who each intend to be legally bound by this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, agree as follows:

1. **DEFINED TERMS.** You and we agree to the following:
 - 1.1. **Added Software.** "Added Software" means any software we may own or license from third parties now or in the future that we may, in our sole discretion, introduce into the System. Added Software

may include Customer Relationship Management Software, Scheduling Software, and Text Messaging Software.

- 1.2. **Brand Standards Manual.** “Brand Standards Manual” means the electronic and non-electronic documents containing our Brand Standards.
- 1.3. **Brand Standards.** “Brand Standards” means the description of the System, including both mandatory and elective standards, specifications, policies, and procedures relating to the Marks and System, all of which we may change from time to time.
- 1.4. **Call Center Standards.** “Call Center Standards” means the written description of the Call Center, including mandatory and elective standards, specifications, policies, and procedures relating to it.
- 1.5. **Call Center.** “Call Center” means a call center we or our affiliate operates.
- 1.6. **Coaching Services.** “Coaching Services” or “Coaching” means a department we or our affiliate operates to help prepare you and your full-time staff for initial conferences for Learning Center Services and Test Prep Services.
- 1.7. **Conference Services Standards.** “Conference Services Standards” mean the written description of Conference Services, including mandatory and elective standards, specifications, policies, and procedures relating to them.
- 1.8. **Conference Services.** “Conference Services” means Coaching and Virtual Conferencing.
- 1.9. **Contract Services.** “Contract Services” means Tutoring or Test Prep provided at the Premises or a Public Entity using Group Testing Marketing, In-school Exam Prep, or Public-Private Partnership.
- 1.10. **Customer Relationship Management Software.** “Customer Relationship Management Software” means customer relationship management software that we may own or license from third parties that we may, in our sole discretion, introduce into the System.
- 1.11. **Developer Members.** “Developer Members” means all owners of any interest, directly or indirectly, in the Developer.
- 1.12. **Development Area.** “Development Area” is defined in the Recitals and described in Exhibit A.
- 1.13. **Development Schedule.** “Development Schedule” is defined in the Recitals and described in Exhibit A.
- 1.14. **eCenter.** “eCenter” means a portal to a collection of web-based tools and services that works in conjunction with LCOS. eCenter and LCOS comprise the Software.
- 1.15. **eCurricula.** “eCurricula” means electronic-based or electronic-delivered curricula and testing material and programs that we may own or third parties may license to us now or after the Agreement Date. If we make any eCurricula available to you, we have the right to require you pay us and vendors initial and on-going fees for its use.
- 1.16. **eTutoring Service.** “eTutoring Service” or “eTutoring” means Tutoring and Test Prep provided online.
- 1.17. **Franchise Agreement.** “Franchise Agreement” is defined in Table 1. Each Franchise Agreement will grant the right and obligation to open and operate one Franchised Business.
- 1.18. **Franchised Business.** “Franchised Business” is defined in the Recitals.
- 1.19. **Franchisor Entities.** “Franchisor Entities” means us and our past, present, and future affiliates and our and their respective past, present, and future directors, officers, shareholders, employees, and agents.
- 1.20. **Franchisor Technology.** “Franchisor Technology” means any present and future software, hardware, networking, and technology and their related utilities, documentation, training, and assistance that we use, or, by written notice, require or permit you to use, in connection with the Franchised Business, and includes Training and Technology Services, eTutoring, our extranet, Websites, our

Networking Media Sites, Supporting Services, Online Training Facility, Software, and any Added Software.

- 1.21. **Franchisor.** “Franchisor” is defined in Table 1.
- 1.22. **Group Testing.** “Group Testing”, “Group Testing Marketing”, or “GTM” means group testing and conferences for the SAT or ACT.
- 1.23. **Guarantor.** “Guarantor” is any individual who signs the Guarantee Agreement in Exhibit D.
- 1.24. **HLC.** “HLC” means a Huntington Learning Center® business.
- 1.25. **Home Tutoring.** “Home Tutoring” means Tutoring, Test Prep, and any testing, tutoring, homework help, test preparation, and other academic assistance that (a) is conducted in person in any manner at any location outside the Franchised Business’s premises, including a student’s, tutor’s, or other individual’s home or at a public place, such as a library or coffee shop; and (b) is in any academic or other subject, including reading, phonics, study skills, mathematics, science, or other subjects; or consists of preparation for any state or standardized entrance examination, including the SAT and ACT. Home Tutoring is not part of the franchise rights granted under any Franchise Agreement.
- 1.26. **Huntington Learning Center®.** “Huntington Learning Center®” is a Mark under which each Franchised Business must operate.
- 1.27. **Huntington Services.** “Huntington Services” means Tutoring and Test Prep provided in person at the Premises to students while those students and their tutors are physically located at the Premises.
- 1.28. **Initial Franchise Fee.** “Initial Franchise Fee” is defined in Table 1.
- 1.29. **In-school Test Prep.** “In-school Test Prep”, “In-school Exam Prep”, or “ISEP” means courses to prepare for the SAT or ACT.
- 1.30. **LCOS.** “LCOS” or “Learning Center Operations System” means software that works in conjunction with eCenter. LCOS and eCenter comprise the Software.
- 1.31. **Learning Center Service.** “Learning Center Service” or “LC” means tutoring in reading, phonics, study skills, mathematics, and related areas provided in person to students by teachers.
- 1.32. **Marks.** “Marks” are defined in the Recitals.
- 1.33. **Material Item.** A “Material Item” is any interest in the Franchisee, the franchise agreement, any asset of your Franchised Business, any share of stock in a corporate Franchisee, any membership interest in a limited liability company Franchisee, any partnership interest in a partnership Franchisee, or any other material item or change in the Franchisee or the Franchised Business.
- 1.34. **Networking Media Site.** “Networking Media Site” means any account, page, or other presence that you, we, or others establish on a social, education, business, or other networking website or electronic communications portal, including Facebook, Twitter, LinkedIn, Google+, Myspace, YouTube, Pinterest, Instagram, Instagram, Patch, Yelp, Glassdoor, and online blogs, webinars, and forums.
- 1.35. **Online Training Facility.** “Online Training Facility” means a web-based portal through which we offer online courses.
- 1.36. **Public Entity.** “Public Entity” means a school, school district, governmental agency, quasi-governmental agency, non-governmental agency, corporate entity, and any other non-profit and for-profit organization.
- 1.37. **Public-Private Partnership.** “Public-Private Partnership” or “PPP” means Tutoring or Test Prep provided at the Premises or a Public Entity in connection with any local, city, state, or federal government law or program, including the federal No Child Left Behind Act (NCLB), the Every Student Succeeds Act (ESSA), as amended, the Individuals with Disabilities Education Act (IDEA), as amended,

and any similar local, city, state, and federal law or program.

- 1.38. **Renew.** To “Renew” means to execute a subsequent franchise agreement.
- 1.39. **Scheduling Software.** “Scheduling Software” means scheduling software we may own or license from third parties now or in the future that we may, in our sole discretion, introduce into the System.
- 1.40. **Software.** “Software” means LCOS and eCenter.
- 1.41. **Subject Tutoring Services.** “Subject Tutoring Services”, “Subject Tutoring”, or “ST” means in-person tutoring in the subjects of junior high school, high school, and college math, science, and such other subjects as we determine from time to time.
- 1.42. **Supporting Services.** “Supporting Services” means the Call Center, Conference Services, and Virtual Testing.
- 1.43. **System.** “System” is defined in the Recitals.
- 1.44. **Test Prep Service.** “Test Prep Service”, “Test Prep”, “Exam Prep Service”, or “EP” means in-person tutoring to prepare for state examinations or high school or college standardized entrance examinations, including the SAT and ACT, or such other standardized examinations, as we determine.
- 1.45. **Testing Materials and Curricula.** “Testing Materials and Curricula” means any testing materials or curricula (including electronically-based, non-electronically-based, electronically-delivered, and non-electronically-delivered) that we require or permit you to use in the Franchised Business, including any testing materials or curricula we own or license from third parties and including any related documentation, instructional procedures, material, training, and assistance. “Testing Materials and Curricula” includes our eCurricula, math programs, study skills program, writing program, and Test Prep program.
- 1.46. **Text Messaging Software.** “Text Messaging Software” means text messaging software we may own or license now or in the future from third parties that we may, in our sole discretion, introduce into the System.
- 1.47. **Third Party Costs.** “Third Party Costs” means all costs, expenses, and losses we incur in connection with the matters involved; will not be limited by any present or future federal, state, or municipal statute or rule of any court; and includes those costs, expenses, and losses we incur for, and in connection with, attorneys, accountants, consultants (including architects, brokers, accrediting bodies, investment bankers, investigating agencies, agents, and other consultants), expert witness fees, costs of investigation and proof of facts, travel and living expenses, escrow costs, court costs, litigation costs, arbitration costs, mediation costs, and costs of alternative dispute resolution, regardless of whether litigation, arbitration, mediation, or alternative dispute resolution is commenced; and includes all costs, expenses, and losses we incur in connection with any damages associated with the matters involved. If “Third Party Costs” include any attorneys’, accountants’, or consultants’ fees or costs, then attorneys’, accountants’, and consultants’ fees or costs means the full and actual amounts of any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to “reasonable attorneys’ fees and costs”, “reasonable accountants’ fees and costs”, or “reasonable consultants’ fees and costs” as defined by any present or future federal, state, municipal statute, rule of court, or court or arbitrator decisions. No Third Party Cost you pay to us is refundable.
- 1.48. **Total Franchise Fee.** “Total Franchise Fee” is defined in Table 1.
- 1.49. **Training and Technology Services.** “Training and Technology Services” means our Software and other services we provide, all of which we may change, improve, and further develop at any time and from time to time.
- 1.50. **Transfer.** “Transfer” means the direct, indirect, or contingent sale, assignment, transfer, conveyance,

gift, pledge, mortgage, or other encumbrance (whether by or among any of your Owners or others and whether by agreement or by law) of any Material Item to a buyer who may include you, your Owners, or third parties.

- 1.51. **Tutoring.** “Tutoring” or “Tutoring Services” means Learning Center Services and Subject Tutoring.
- 1.52. **Virtual Conferencing.** “Virtual Conferencing” means a service we offer to conduct your conferences and consultations remotely.
- 1.53. **Virtual Testing Standards.** “Virtual Testing Standards” mean the written description of Virtual Testing, including mandatory and elective standards, specifications, policies, and procedures relating to them.
- 1.54. **Virtual Testing.** “Virtual Testing” means Coaching and Virtual Conferencing.
- 1.55. **Website.** “Website” means one or more World Wide Web sites we have the right, but not the obligation, to establish and maintain.

2. **GRANT**

- 2.1. **Grant.** Subject to the terms and conditions of this Agreement, we grant to you, and you accept, the development rights, and you undertake the obligation, to execute the number of Franchise Agreements set forth in Table 1 and to open and operate Franchised Businesses under those Franchise Agreements within the Development Area pursuant to the Development Schedule. You must establish and operate each such Franchised Business pursuant to a separate Franchise Agreement to be entered into between you and us in accordance with Paragraph 4 below.
- 2.2. **No rights granted in the Marks or System; no sub-franchising.** This Agreement is not a Franchise Agreement. This Agreement does not grant you any franchise rights. This Agreement does not grant you any right to use the Marks or the System. Only a Franchise Agreement entered into pursuant to Paragraph 4 below grants you any right to use in any manner the Marks or the System. You have no right under this Agreement to license others to use in any manner the Marks or the System.
- 2.3. **Execution requirements.** You agree that each of the following is a material requirement to your execution of any Franchise Agreement:
 - 2.3.1. **No uncured default.** Neither you nor any of your affiliates are in receipt of an uncured notice of default under any franchise agreement or other agreement between you or any of your affiliates and us or any of our affiliates. If you are, or your affiliate is, in receipt of an uncured notice of default, we have the absolute right to decline execute any Franchise Agreement permitted under this Agreement; and
 - 2.3.2. **Comply with monetary and other obligations.** You and your affiliates must have satisfied fully and timely all monetary and all other obligations to us and our affiliates within the required time periods. If you have, or your affiliate has, not satisfied fully and timely all monetary and other obligations, we have the absolute right to decline to execute any Franchise Agreement permitted under this Agreement.
 - 2.3.3. **No past-due amount.** Neither you nor any of your affiliates owe us any past-due amount. If you or any of your affiliates owe us any past-due amount, we have the absolute right to decline to execute any Franchise Agreement permitted under this Agreement.
 - 2.3.4. **Guarantee.** Each Guarantor must execute each Franchise Agreement’s guarantee agreement. If any Guarantor does not execute any Franchise Agreement’s guarantee agreement, we have the absolute right to decline to execute such Franchise Agreement.
- 2.4. **Development Area; retained rights.** You acknowledge and agree that we and our affiliates at all times and at all locations have the right to engage in any activities we deem appropriate that are not expressly prohibited by this Agreement, whenever and wherever we desire; and that we retain the following rights, among others, in our and our affiliates’ sole and absolute discretion:

- 2.4.1. Outside. Outside the Development Area, we have the right to establish or operate, and license others to establish or operate, businesses the same as, similar to, or different from the Franchised Business under the Marks or any other trademarks or service marks, at any location; and to own, market, offer, sell, distribute, provide, and earn revenue from (and to contract with, or license, others to own, market, offer, sell, distribute, provide, and earn revenue from) any products and services of any kind (including Huntington Services, eTutoring, and Contract Services) under the Marks or other trademarks or service marks; and to develop and establish other businesses and systems using trademarks and service marks other than the Marks for any products and services, including Huntington Services, eTutoring, and Contract Services, and to grant licenses thereto, without providing any rights therein to you; and
- 2.4.2. At any location for services other than Huntington Services. At any location, including within and outside the Development Area, and notwithstanding any other provision hereof, we have the right (A) to (1) own, market, offer, sell, distribute, provide, and earn revenue from, and (2) license and contract with others to own, market, offer, sell, distribute, provide, and earn revenue from, and (3) use our Websites and our Networking Media Sites to own, market, offer, sell, distribute, provide, and earn revenue in connection with eTutoring, Contract Services, Call Center services, Coaching Services, Virtual Conferencing, Home Tutoring, Testing Materials and Curricula, Training and Technology Services, Added Software, any product or service that is not part of Huntington Services, and any educational products or services of any kind (including electronic and non-electronic books, audio recordings, video recordings, electronic and non-electronic study aids, computer and other software, testing materials and software, test correction hardware and software, electronic or non-electronic programs we may be testing, electronic and non-electronic curricula, and testing, tutoring, teaching, training, instruction, test prep, counseling, and guidance services) to any person, organization, or Public Entity using the Marks or other trademarks or service marks, through any channel of distribution, including through any computer service, text, email, and the Internet using any electronic device, online or brick-and-mortar retailer; bookstore; and (B) to develop and establish other businesses and systems using trademarks and service marks other than the Marks for any products and services (other than Huntington Services); and
- 2.4.3. At any location. At any location, including within and outside the Development Area, and notwithstanding any other provision hereof, (A) to acquire, merge with, or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own, market, offer, sell, distribute, provide, and earn revenue from, any educational business or other business of any kind, including any business that offers products or services the same as, similar to, and competitive with, those offered at the Franchised Business, including Huntington Services, eTutoring, and Contract Services, under the System or using the Marks or any other system or trademarks or service marks; and to be acquired by any such educational business or other business of any kind, or by any owner of any such business, which business may own, market, offer, sell, distribute, provide, and earn revenue from products or services the same as, similar to, and competitive with, the products or services offered at the Franchised Business, including Huntington Services, eTutoring, and Contract Services, and to require you to convert the System and Marks to the system and marks of an acquiring educational business at your expense; and (B) to offer eTutoring and conduct Contract Services.

3. **FEES**

- 3.1. **Fees.** You must pay us the nonrefundable Total Franchise Fee identified in Table 1 concurrently with your execution of this Agreement, receipt of which we hereby acknowledge. The Total Franchise Fee

is fully earned in consideration of administrative and other expenses incurred by us in entering into this Agreement and for our lost or deferred opportunity to enter into this Agreement with others.

- 3.2. **Your exercise of your option; credit available.** You may exercise your option under this Agreement providing you and your affiliates have complied fully with each of the following: (a) You are in full compliance with the terms of this Agreement, including its Development Schedule; and (b) You and your affiliates are in full compliance with the terms of any franchise agreement you and they have with us; and (c) You and your affiliates have cured any default for which you or they have received a notice of default under any franchise agreement between you or them and us; and (c) You are in full compliance with the requirements in Paragraph 2.3 above; and (d) Neither you nor any of your affiliates have received three or more notices of default under any franchise agreement between you or them and us (whether or not these defaults are cured and whether or not these defaults are the same or similar defaults). If you exercise your option under this Agreement, we credit the portion of the Total Franchise Fee to the initial franchise fee payable under the franchise agreement you execute under this Agreement.
- 3.3. **Third Party Costs.** Whenever you are obligated under this Agreement to pay our Third Party Costs, you will do so within the time period and in the manner we require in writing. We may provide such notice in the manner described in Paragraph 9 below or by email to any Email Address we provide to you. No Third Party Cost is refundable.
4. **DEVELOPMENT OBLIGATIONS.** You agree to execute our then-current forms of Franchise Agreements by the dates identified in the Development Schedule and the Guarantors must personally guarantee your obligations under each such Franchise Agreement using our then-current form of Guarantee Agreement. You agree time is of the essence in your complying with the Development Schedule. If you fail to enter into a Franchise Agreement permitted under this Agreement within the time period required in the Development Schedule, this Agreement will terminate according to its terms. The Franchise Agreement you execute will be our then-current form of franchise agreement being offered for new franchisees; such Franchise Agreements may contain terms, obligations, continuing royalty, advertising fees, and other fees, costs, and expenses significantly different from, in addition to, and less favorable to you, than those in the Franchise Agreement in Exhibit C, providing, however, the amount of the Initial Franchise Fee for each Franchised Business is set forth in Table 1.
5. **TERM.** Except as otherwise provided in this Agreement, the term of this Agreement and all rights granted under it expire immediately upon the earliest of: (1) the date you satisfy the development obligations in the Development Schedule; or (2) the last date identified in the Development Schedule, or (3) termination, non-Renewal, or expiration of any franchise agreement between you and us; or (4) termination, non-Renewal, or expiration of any franchise agreement between any of your affiliates and us; or (5) our refusal to permit you to execute any Franchise Agreement pursuant to Paragraphs 2.3 above or 3.2 above.
6. **GUARANTEE AGREEMENT.** Your spouse, Developer Members, and spouses of the Developer Members must execute the Guarantee Agreement attached as Exhibit D.
7. **TRANSFER; RENEWAL.** This Agreement is personal to you. We enter into this Agreement in reliance upon, and in consideration of, your skills, qualifications, and representations and the trust and confidence reposed in you by us. Neither you nor any of your Developer Members may Transfer any interest in the Developer or this Agreement. Any purported Transfer will be null and void and will constitute a material breach of this Agreement, for which we may immediately terminate without opportunity to cure. We have the absolute right to transfer, assign, or sell, with or without your consent, by agreement or by law, directly, indirectly, or contingently, this Agreement and any right or obligation under this Agreement to any individual or legal entity, including any individual or legal entity that provides or proposes to provide products or services the same as, or similar to, those provided at the Franchised Business. To the extent that the purchaser or assignee assumes our covenants and obligations under this Agreement, we shall thereupon and without further agreement, be freed and relieved of all liability with respect to such covenants and obligations. You have no right to renew or extend this Agreement.

8. **DEFAULT AND TERMINATION**

- 8.1. **Non-curable defaults.** If you fail to comply with any term of this Agreement, such action will constitute a default under this Agreement, upon which we, in our sole and absolute discretion, may terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, effective immediately upon receipt by you of written notice of termination. If you fail to execute any Franchise Agreement by the date identified in the Development Schedule, this Agreement and all rights granted hereunder will automatically terminate without any notice to you or opportunity to cure. You will be deemed in default under this Agreement, and all rights granted herein will automatically terminate, without notice to you, if you or any of your Developer Members become insolvent or make a general assignment for the benefit of creditors; or you or any of your Developer Members file a petition in bankruptcy; or a petition is filed against, and consented to, by you or any of your Developer Members; or you or any of your Developer Members are adjudicated a bankrupt; or a bill in equity or other proceeding for the appointment of a receiver of you or any of your Developer Members or other custodian for your or their business or assets is filed and consented to by you or them; or a receiver or other custodian (permanent or temporary) of any part of the assets or property of you or any of your Developer Members or the assets or property of any of you or any of your Developer Members is appointed by any court of competent jurisdiction; or proceedings for a composition with creditors under any state or federal law is instituted by, or against, you or any of your Developer Members; or a final judgement against you or any of your Developer Members remains unsatisfied of record for 30 days or longer (unless supersedeas bond is filed); or execution which would materially affect the Franchised Business is levied against you, any of your Developer Members, the Franchised Business, or any property of you or any of your Developer Members; or suit to foreclose any lien or mortgage against the Franchised Business's premises furniture, fixtures, or equipment is instituted against you or any of your Developer Members and not dismissed within 30 days; or the real or personal property of you is sold after levy upon it by any sheriff, marshal, or constable; and upon any of these happenings, this Agreement is not, and will not be deemed, an asset subject to sale, levy, lien, or transfer and we have the absolute right immediately to terminate this Agreement as of such event. If you commit a non-curable default under any Franchise Agreement, then this Agreement terminates immediately upon the occurrence of such non-curable default. If you commit a curable default under any Franchise Agreement and do not cure within the cure period permitted by us or by law, then this Agreement terminates immediately upon the expiration of such cure period.
- 8.2. **Post-term obligations.** Upon termination of this Agreement for any reason, you will have no right to establish or operate any Franchised Business for which a Franchise Agreement has not been executed by you and us at the time of termination; and we will have the right to establish or operate, and to franchise and license others to establish or operate, any business, including HLCs, within the Development Area.
- 8.3. **Cross default.** No default under this Development Agreement will constitute a default under any Franchise Agreement between us and you or any of your affiliates. Default under any Franchise Agreement between us and you or any of your affiliates will constitute a default under this Agreement. Default under this Development Agreement will constitute default under any other development agreement between us and you or any of your affiliates.

9. **NOTICES.** Unless otherwise specifically provided in this Agreement, all notices to you and us during the term of this Agreement and afterwards must be in writing and must be sent to the other party by registered or certified mail, postage fully prepaid, return receipt requested, or sent by other means which affords the sender evidence of delivery, attempted delivery, or rejected delivery, addressed to such party's principal business address as identified in this Paragraph 9, or at any other address that you or we designate in writing; provided, however, except as provided herein, no notices may be sent hereunder by email, text, or by telefax and you must not designate any address that is a post office box. Notices will be deemed delivered and received on the earliest of actual receipt; 5 business days after placement in the U.S. mail; or one business day

after mailing, if placed in the U.S. mail or a courier service for next business day delivery. Our address for notices is: 496 Kinderkamack Road, Oradell, New Jersey 07649, Attention: Chairman. Your address for notices is set forth in Table 1. We have the right to send notices to the Franchised Business's premises address, any address you or any of your Owners supplied to us, and your address for notices in any agreement executed by you and us.

10. **OTHER IMPORTANT PROVISIONS**

- 10.1. **Applicable law; forum.** This Agreement will be interpreted and construed in accordance with the laws of the state of Delaware, except for such state's conflict-of-law rules. You and we agree that the New Jersey Franchise Practices Act will not apply to this Agreement. Except as otherwise provided herein, any action, whether or not arising out of, or relating to, this Agreement, whenever and wherever incurred, whether vested or contingent, whether in law or in equity, whether directly, representatively, derivatively, or in any other capacity, brought by you or any Developer Member against us will be brought in the judicial district in which we have, at the time of commencement of such action, our principal place of business. We will have the right to commence an action against you in any court of competent jurisdiction. You and we hereby waive all objections to personal jurisdiction or venue for the purpose of carrying out the purposes of this Paragraph 10.1, and you and we agree that nothing in this Paragraph 10.1 will be deemed to prevent any party to such action from removing the action from state court to federal court.
- 10.2. **Your claims; your required mediation.** Notwithstanding any other provision of this Agreement, you have no right to make any claim against any Franchisor Entity at any time in any manner other than the manner described in this Paragraph 10.2.
- 10.2.1. If you have any claim against any Franchisor Entity, including any claim that we failed to meet any obligation under this Agreement, defaulted under this Agreement, or did not perform under this Agreement in any manner, then you must notify us of this claim.
- 10.2.2. You must submit your notice to us in writing in the manner required in Paragraph 9 above; and your notice must describe the claim, provide an opportunity to cure, describe the manner in which you request we cure, and provide a cure period of at least 60 days within which we may cure such alleged default.
- 10.2.3. If your notice is not in writing or does not (a) describe the claim, (b) provide an opportunity to cure, (c) describe the manner in which you request that we cure, or (d) provide a cure period of at least 60 days, then your notice will be deemed to be deficient, not a claim upon which we are required to act, not an actionable claim, not grounds for you seeking any remedy under this Agreement or otherwise, and not grounds for termination by you of this Agreement.
- 10.2.4. If your notice complies with this Paragraph 10.2 and we do not cure in the manner and within the time period you demand in your notice, then, before you commence any legal proceeding against any Franchisor Entity, you must submit your claim to non-binding mediation. If you do not submit your claim to mediation within 30 days after expiration of the time period within which you demand we cure, then you will have evidenced conclusively that you have no claim against any Franchisor Entity; and you will have evidenced conclusively that any claim you may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for you seeking any remedy under this Agreement or otherwise and is not grounds for termination by you of this Agreement; and you will be deemed to have agreed to have waived any right you may have had to initiate any future claim against us for the same or similar cause.
- 10.2.5. Any mediation permitted under this Paragraph 10.2 will be conducted at our headquarters before one mediator. The mediator will be selected, and will conduct mediation, in accordance with the commercial mediation rules of the American Arbitration Association or

any successor organization as determined solely by us. No statement made by you or us in any mediation proceeding and no evidence submitted during, or in connection with, any mediation proceeding will be admissible in any legal proceeding. Each party will pay its own costs of the mediation proceeding but will share the cost of the mediator equally.

- 10.2.6. If you submitted your claim to mediation, as provided in this Paragraph 10.2, and you do not pay your portion of the mediator's costs within ten days after you receive the mediator's invoice, you will have evidenced conclusively that you have no claim against any Franchisor Entity; and you will have evidenced conclusively that any claim you may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for you seeking any remedy under this Agreement or otherwise and is not grounds for termination by you of this Agreement; and you will be deemed to have waived any right you may have had to initiate any future claim against any Franchisor Entity for the same or similar cause.
- 10.2.7. If (a) your notice complies with Paragraph 9 above, and (b) we do not cure in the manner and within the time period you demand in your notice, and (c) if you submitted your claim to mediation as provided in this Paragraph 10.2 and you and we did not resolve your claim through mediation within 60 days after selection of a mediator, then you may file a legal action for such claim.
- 10.2.8. If you do not file a legal action for such claim within 30 days after conclusion of the mediation proceeding, you will have evidenced conclusively that you have no claim against any Franchisor Entity; and you will have evidenced conclusively that any claim you may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for you seeking any remedy under this Agreement or otherwise and is not grounds for termination by you of this Agreement; and you will be deemed to have agreed to have waived any right you may have had to initiate any future claim against us for the same or similar cause.
- 10.3. **Waiver of certain rights.** You waive each of the following rights: to enforce any oral agreement and any promise, representation, or warranty not in this Agreement; to amend, modify, or suspend any provision of this Agreement; to stay the effectiveness of any expiration or termination of this Agreement or any other agreement between you and us and of any pending expiration or termination of this Agreement or any other agreement between you and us; and to seek damages against us because we insisted upon the execution of a general release in our favor or refused our consent or approval under this Agreement. The release is a document that is separate and distinct from this Agreement. Neither you nor we will seek to litigate as a representative of, or on behalf of, any other person, class, or entity any dispute, controversy, or claim of any kind arising out of, or relating to, this Agreement, the rights and obligations of the parties, the sale of the franchise, or other claims or causes of action relating to the performance of either party to this Agreement. No action or proceeding under this Agreement may add as a party, by consolidation, joinder, or in any other manner, any person or party other than you and us and any person in privity with, or claiming through, in the right of, or on behalf of, you or us, unless both you and we consent in writing. We have the absolute right to refuse such consent for any reason or no reason. Either you or we may by written notice unilaterally waive or reduce any obligation of, or restriction upon, the other under this Agreement effective upon delivery of such notice or upon any other effective date stated in such notice. Any such waiver we grant must be signed by our corporate officer and will not prejudice any other of our rights and will be subject to our continually review, and we retain the right to revoke such waiver at any time, effective upon delivery to you of written notice of revocation.
- 10.4. **Limitation on claims.** You and we agree that any and all claims by you against us arising out of, or relating to, directly or indirectly, the making of, interpretation of, or performance under this Agreement may not be commenced by you, unless brought before the earlier of (1) the expiration of one year after the act, transaction, or occurrence upon which such claim is based; or (2) one year after

this Agreement expires or is terminated for any reason. You agree that any claim or action not brought by you within the periods required under this Paragraph 10.4 will forever be barred as a claim, counterclaim, defense, or set off. During the term of this Agreement and afterwards, you waive to the fullest extent permitted by law any right to, or claim for, any punitive, speculative, exemplary, incidental, indirect, special, or consequential damages against us and all of our affiliates and each of our and their stockholders, directors, officers, employees, and agents arising out of any cause whatsoever that arises out of, concerns, or relates to, the making of, interpretation of, or performance under, directly or indirectly, this Agreement, whether such cause is based in contract, negligence, strict liability, other tort, or otherwise, including your claim or counterclaim that we unreasonably gave, withheld, or delayed our consent or approval to anything.

- 10.5. **WAIVER OF TRIAL BY JURY.** YOU AND WE AGREE TO WAIVE A TRIAL BY JURY IN ANY JUDICIAL PROCEEDING, WHETHER AT LAW OR IN EQUITY, ABOUT ANY AND ALL ISSUES THAT ARISE OUT OF, CONCERN, OR RELATE TO, THIS AGREEMENT, ANY AND ALL TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT, YOUR OR OUR PERFORMANCE, DIRECTLY OR INDIRECTLY, UNDER THIS AGREEMENT, OR OTHERWISE, DURING THE TERM OF THIS AGREEMENT AND AFTERWARDS. YOU AND WE MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF YOUR AND OUR CONSENT TO THE WAIVER OF A TRIAL BY JURY. YOU AND WE AGREE THAT YOUR REPRESENTATIONS WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.
- 10.6. **Specific performance.** Notwithstanding any other provision of this Agreement, we have the right to seek specific performance of any of your obligations under this Agreement or injunctive relief against any conduct that will cause us loss or damage, under customary equity rules, to prevent a breach or threatened breach of this Agreement without the need to show monetary damages and without posting a bond. An application for such a remedy will not be deemed an election or a waiver of any other remedy. We may file an original counterpart or a copy of this Agreement with any court as written evidence of your consent to the issuance of injunctive relief.
- 10.7. **No exclusive remedy.** No right or remedy conferred upon or reserved to you or us by this Agreement is intended to be, nor will be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each will be cumulative of every other right or remedy.
- 10.8. **Relationship.** In all matters pertaining to this Agreement, you are, and will be deemed, an independent party. We and our affiliates and our and their directors, stockholders, employees, and agents will have no fiduciary obligation to you. You and we acknowledge and agree that, except that described in this Agreement, there is no fiduciary, special, or other relationship between you and us. You are not, and will not be deemed, our agent, legal representative, joint venturer, partner, or employee for any purpose whatsoever. We are not liable for your debts, obligations, acts, or refusals to act. You have no right to bind us in any way, and you will not represent that you have any right to do so. You must conduct all your obligations in your own name and not in our name.
- 10.9. **Approvals.** Whenever this Agreement requires our prior approval or consent, you must make a timely written request to us for such approval or consent, and you must obtain such approval or consent in writing from one of our corporate officers. You agree that, except as otherwise specifically stated herein, we have the absolute right to exercise our own judgement on various matters about this Agreement and the Brand Standards, and have the right to approve, disapprove, give our consent, and refuse our consent to your requests in our sole and absolute discretion. You agree we have the absolute right to refuse to grant any approval or consent permitted or required in this Agreement if you are in default of this Agreement; or if you or any of your affiliates are in default of any agreement between you and any of your affiliates and us and any of our affiliates; or if you owe us or any of our affiliates any past-due amount. Any failure by us to respond to your request in a timely manner or within any time period required or permitted in this Agreement is not, and will not be construed as, a default under this Agreement. You agree that our action, refusal to act, approval, disapproval, consent, or refusal of consent is not, and will not be deemed, a representation, warranty, certification,

or guarantee by us about that which is acted upon or refused to be acted upon or that which is approved or disapproved or that which is consented to or refused consent, or about any appropriateness, legality, profitability, or success related thereto. None of our acts, refusals to act, approvals, disapprovals, consents, or refusals of consent is, or will be deemed, a guarantee, warranty, or representation that you, your employees, the Franchised Business, or any aspect of your business complies with, or meets, any law or regulation.

- 10.10. **Reasonable business judgment.** Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise reasonable business judgment in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the franchise system generally, even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the franchise system include enhancing the value of the trademarks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the franchise system.
- 10.11. **Your indemnification of us.** You, and not we, are solely responsible for all losses, damages, and liabilities to all your customers, employees, agents, Public Entities, and vendors and to all others, and for all damages to property, and for all physical and mental injury and illness and death of persons arising out of, or with, your acts and omissions; and for your compliance with all present and future federal, state, city, municipal, and local laws, rules, ordinances, codes, building codes, zoning classifications, permits, and clearances, including each of the following: (a) the Americans with Disability Act, as amended, and similar federal, state, and local rules governing public accommodations and commercial facilities for persons with disabilities; and (b) the Children's Online Privacy Protection Act of 1998, as amended; and (c) Family Educational Rights and Privacy Act of 1974, as amended; and (d) those concerning health, sanitation, building, utility, sign permits, and certificates of occupancy; and (e) those concerning any construction or renovation of the Franchised Business's premises; and (f) those concerning education, exam preparation, teaching, tutoring, teacher certification, learning center operation, tutoring operation, and test administration; and (g) those concerning acceptance of credit cards, including the Payment Card Industry Data Security Standard; and (h) those concerning loan and credit transactions and various other credit related statutes like the Equal Credit Act, as amended, and Fair Debt Collection Practices Act, as amended; and (i) those concerning data privacy that affect the safekeeping of student and parent information and regulations, including those that apply to electronic marketing, like faxes, emails, text messaging, and telemarketing; and (j) those concerning employees, staffing, workman's compensation, unemployment insurance, safety rules and requirements, non-discrimination statutes, and record keeping, including those made by the National Labor Relations Board and any other present and future governmental agencies and regulators; and (k) the Fair Labor Standards Acts, Occupational Safety and Health Act, and Family and Medical Leave Act; and (l) all present and future laws and regulations concerning the use and collection of consumer personal information, including the California Consumer Privacy Act, as amended, and all similar present and future federal, state, municipal, and local laws and regulations. For all time, you must indemnify and hold harmless us and our affiliates and our and their respective present and past directors, stockholders, officers, employees, and agents from and against all claims, demands, losses, obligations, and damages of every kind and nature resulting or arising, directly or indirectly, from your acts and omissions, the conduct of your business hereunder, from any violation of any present or future federal, state, or local laws, statute, code, rule, regulation, and standard by you, your business, your Franchised Business, your employees and agents, and from claims by any federal, state, or local governmental agency, bureau, or board and by any person, vendor, landlord, or other individual or entity, whether occasioned by neglect, omission, willful act, or otherwise, including all costs, including attorneys' and accountants' fees and expenses, of defending against them. You must pay us our related Third Party

Costs we incur in connection with this Paragraph 10.11; any related investigation or remediation we, governmental authorities (including the National Labor Relations Board), or third parties undertake in connection with your employees; and any payment, penalty, and interest imposed on us by any government authority (including the National Labor Relations Board) in connection with your employees. You must advise us if a notice is received that a claim has been or may be filed with respect to a matter covered by this Agreement, and you must immediately assume the defense thereof at your sole cost and expense. At your sole expense, we will endeavor to cooperate with you and your counsel in the defense and settlement, if any, of all such claims. In any event, we will have the right, through counsel of our choice, to control any matter to the extent it could directly or indirectly affect us or our affiliates or our or their present or past officers, directors, employees, agents, successors, or assigns. We may defend, settle, arbitrate, and litigate such action in the manner it deems appropriate and you must, immediately upon written demand, pay to us all related Third Party Costs incurred by us in effecting such defense, in addition to any sum we may pay by reason of any settlement or judgment against us.

- 10.12. **Fees and costs.** Except as otherwise specifically provided for herein, in any judicial or administrative action, order, or proceeding hereunder involving you and us during the term of this Agreement or thereafter, the prevailing party will be entitled to recover its damages, costs and expenses, including all court costs and attorneys' and accountants' fees and expenses. For all time, you agree to pay us or our designee all our Third Party Costs incurred by us and our affiliates and our and their successors and assigns: (1) to issue any notice to remedy any default by you under this Agreement; and (2) to issue any notice to remedy any default by you or any of your affiliates under any other agreement between you and any of your affiliates and us or any of our affiliates; and (3) to enforce any rights under this Agreement or under any other agreement between you and any of your affiliates and us or any of our affiliates; and (4) to effect termination of this Agreement; and (5) to effect termination of any other agreement between you and any of your affiliates and us or any of our affiliates; and (6) to collect any amounts due under this Agreement; and (7) to collect any amounts due under any other agreement between you and any of your affiliates and us or any of our affiliates.
- 10.13. **Taxes imposed on us.** If any present or future taxing authority, wherever located, imposes any tax, levy, or assessment on any payment made by you to us, then, in addition to all payments due to us, you must pay upon demand such tax, levy, assessment, penalty, interest, and our related Third Party Costs, including any additional taxes, levies, assessments, penalties, and interest imposed on such additional amounts. You agree to pay all federal, state, local, and other taxes, including sales, use, service, occupation, employment related, excise, gross receipts, income, property or other taxes, that may be imposed on us as a result of our receipt or accrual of all fees that are referenced in this Agreement, whether assessed against you through withholding or other means or whether paid by us directly, unless the tax is credited against income tax otherwise payable by us. In such event, you will pay to us (or to the appropriate governmental authority, as we require) such additional amounts as are necessary to provide us, after taking such taxes into account (including any additional taxes imposed on such additional amounts), with the same amounts that we would have received or accrued had such withholding or other payment, whether by you or by us, not been required.
- 10.14. **Severability.** Each article, paragraph, subparagraph, term, condition, and covenant of this Agreement and all portions of them will be considered severable. If, for any reason, any portion of this Agreement is determined to be unconscionable or unenforceable or invalid, contrary to, or in conflict with, any applicable present or future law, rule, or regulation in a final unappealed ruling issued by any court, agency, or tribunal with valid jurisdiction in an action or proceeding to which we are a party, that ruling will not impair the operation of, or have any other effect upon, any other portion of this Agreement, all of which will remain binding on you and us and will continue to be given full force and effect. Any invalid portion will be deemed not to be a part of this Agreement as of the date on which the ruling becomes final, if you are a party to this action or proceeding, or on your receipt of notice of non-enforcement from the Franchisor.

- 10.15. **Construction.** Article, paragraph, and subparagraph captions are for convenience only and are not part of this Agreement and do not define, limit, or construe their contents. Words of any gender will include masculine, feminine, and neuter usages and, where the context requires, words in the singular or plural will include the other. The language in all parts of this Agreement will be construed simply according to its fair and plain meaning and not strictly for or against you or us. 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 will have the meaning that renders it valid. This Agreement may be executed in multiple counterparts, each of which will be deemed an original. The attachments and exhibits referenced herein are construed with and as an integral part of this Agreement to the same extent as if they were set forth verbatim herein. The word, "or", is not exclusive. The words "herein", "hereof", "hereby", "hereto", and "hereunder" refer to this Agreement as a whole and not to any particular section or paragraph hereof. The words "include," "includes", and "including" are deemed to be followed by the words "without limitation".
- 10.16. **Representations.** We make no representation or warranty about the Development Area, Development Schedule, or the number of Franchise Agreements you will execute under this Agreement. We make no representation or warranty about the success, earnings, revenue, expense, profit, or cash flow of any Franchised Business you may operate under any Franchise Agreement. You represent and warrant the following: You are duly organized, validly existing, and in good standing under the laws of your state; the individuals executing this Agreement for you have full power, right, and authority to bind you; you have full power, right, and authority to enter into, and perform your obligations under, this Agreement; the execution, delivery, and performance of this Agreement by you has been duly and properly authorized in accordance with applicable law and your charter, certificate of incorporation, by-laws, partnership documents, and formation documents, as applicable; and this Agreement constitutes a valid and binding obligation of you, enforceable against you in accordance with its terms; and the execution, delivery, and performance by you of this Agreement and the undertakings contemplated herein, do not and will not conflict with or result in, with or without the giving of notice or lapse of time or both, any violation of, or constitute a breach or default under your charter, certificate of incorporation, by-laws, partnership documents, or formation documents or any resolution adopted by you or your board of directors or governing board and not rescinded. The Development Area is that geographic area proposed by us and accepted by you within which you must locate the Franchised Businesses. The Development Schedule is that schedule proposed by us and accepted by you within which you must execute the Franchise Agreements. You represent and agree that you are entering into this Agreement and make each and all of the representations in this Agreement and this Paragraph 10.16 of your own free will and volition and not under any economic, operational, or other threat, coercion, duress, or other cause brought or threatened by us or any other party.
- 10.17. **Binding Effect.** Upon its execution by you and us, this Agreement will bind, and inure to the benefit of, you and us and your and our permitted heirs, executors, personal representatives, successors, and assigns.
- 10.18. **Entire agreement.** This Agreement and all its exhibits constitute the entire agreement between you and us with reference to its subject matter. This Agreement supersedes all contemporaneous and prior negotiations, understandings, representations, and agreements, oral or written, about this Agreement's subject matter. Our obligations to you are confined exclusively to this Agreement. Any right we grant to you as to the subject matter hereof is described solely in, and limited to, this Agreement. Except for those specifically permitted to be made unilaterally by us or you hereunder, no amendment, change, or variance from this Agreement will be binding on either party, unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

ACCEPTANCE AND AGREEMENT

I AGREE TO EACH OF THE FOLLOWING: I UNDERSTAND AND AGREE THAT THIS DEVELOPMENT AGREEMENT AND ITS EXHIBITS AND ATTACHMENTS SUPERSEDE ALL PRIOR AND CONTEMPORANEOUS NEGOTIATIONS, UNDERSTANDINGS, REPRESENTATIONS, AND AGREEMENTS, ORAL OR WRITTEN, ABOUT THE SUBJECT MATTER OF THIS DEVELOPMENT AGREEMENT AND ITS EXHIBITS AND ATTACHMENTS. I AGREE I APPROVED THIS DEVELOPMENT AGREEMENT. I FREELY AND WITHOUT DURESS AND AFTER DUE CONSIDERATION ACCEPT AND AGREE TO BE BOUND BY, AND TO PERFORM ACCORDING TO, THIS DEVELOPMENT AGREEMENT AND EACH AND ALL OF ITS TERMS, WITHOUT RESERVATION.

IN WITNESS WHEREOF, the Developer and Franchisor have duly executed this Development Agreement on the date Agreement Date.

For the Franchisor, Huntington Learning Centers, Inc.,

Raymond J. Huntington		Chairman
Print name	Signature	Title

For the Developer. *(This is executed by all individuals comprising the Developer, if the Developer is an individual; or all officers of the corporation, if the Developer is a corporation; or all partners or members, if the Developer is a partnership or limited liability company.)*

Name of Developer <i>(Enter the same name that appears in Table 1 of this Agreement):</i>	
---	--

Print name	Signature	Title

Print name	Signature	Title

Print name	Signature	Title

Huntington Learning Centers Inc. Development Agreement

EXHIBIT A

DEVELOPMENT AREA; DEVELOPMENT SCHEDULE

1. The Development Area is that geographic area proposed by us and accepted by you within which you must locate the Franchised Businesses. You agree that each franchised Huntington Learning Center® business developed under this Development Agreement must be located within the boundaries of the Development Area described as follows:

Development Area	

2. The Development Schedule is that schedule proposed by us and accepted by you within which you must execute the Franchise Agreements. You must sign the first Franchise Agreement within two years of the date you and we sign Development Agreement. The initial franchise fees and dates by which you must execute the Franchise Agreements are listed below. Recognizing that time is of the essence, you agree to satisfy the below Development Schedule:

Development Schedule			
Huntington Learning Centers, Inc. Franchise Agreement	Initial franchise fee	Radius, if any, of the exclusive area about your approved location	Date by which Franchise Agreement must be signed
1 st	\$20,000		
2 nd	\$20,000		

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit A contemporaneously with the Development Agreement.

For the Franchisor, Huntington Learning Centers, Inc.,		
Raymond J. Huntington		Chairman
<small>Print name</small>	<small>Signature</small>	<small>Title</small>

For the Developer. <i>(This is executed by all individuals comprising the Developer, if the Developer is an individual; or all officers of the corporation, if the Developer is a corporation; or all partners or members, if the Developer is a partnership or limited liability company.)</i>	
Name of Developer <i>(Enter the same name that appears in Table 1 of this Agreement):</i>	

<small>Print name</small>	<small>Signature</small>	<small>Title</small>
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<small>Print name</small>	<small>Signature</small>	<small>Title</small>
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<small>Print name</small>	<small>Signature</small>	<small>Title</small>
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Huntington Learning Centers Inc. Development Agreement

EXHIBIT B

MARKET DEVELOPMENT PLAN

By signing this Exhibit B, I acknowledge receipt of the market development plan within which the Development Area is located. A copy of this market development plan is attached to this Exhibit B.

For the Developer. <i>(This is executed by all individuals comprising the Developer, if the Developer is an individual; or all officers of the corporation, if the Developer is a corporation; or all partners or members, if the Developer is a partnership or limited liability company.)</i>
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Name of Developer <i>(Enter the same name that appears in Table 1 of this Agreement):</i>	
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Print name	Signature	Title
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Print name	Signature	Title
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Print name	Signature	Title
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EXHIBIT C

FRANCHISE AGREEMENT

The form of Huntington Learning Centers, Inc. Franchise Agreement current as of the Agreement Date is attached.

Exhibit D
Guarantee

Name of the franchisor (“we”, “us”, “our”, and the “Franchisor”)	Huntington Learning Centers, Inc.
Name of the developer (“Developer”)	
Date on which we executed the development agreement (“Agreement”) with the Developer	

In consideration of, and in order to induce the Franchisor to execute the Agreement, each of the undersigned (“Guarantors”) personally, unconditionally, and irrevocably, jointly and severally, accept and agree that they will be bound by, and perform according to, each and all of the provisions, covenants, and conditions of the Agreement and this Guarantee Agreement (“Guarantee”). Unless specifically stated otherwise, the terms used in this Guarantee have the same meaning as in the Agreement. Each Guarantor personally, unconditionally, and irrevocably, jointly and severally, accepts and agrees as follows:

1. Upon demand by the Franchisor, each Guarantor will immediately make each payment required of the Developer under the Agreement. Each Guarantor hereby waives any right to require the Franchisor to: (a) proceed against the Developer for any payment required under the Agreement; (b) proceed against or exhaust any security from the Developer; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against the Developer. Without affecting the obligations of any Guarantor under this Guarantee, the Franchisor may, without notice to any Guarantor, extend, modify, or release any indebtedness or obligation of the Developer, or settle, adjust, or compromise any claims against the Developer. The Franchisor has the right to require each Guarantor make any payment required under the Agreement and this Guarantee directly to it, its affiliates, or to a bank or such other financial institution account specified by the Franchisor, at the times and with the frequency designated by the Franchisor, by electronic funds transfer, on-line banking, pre-authorized auto-draft arrangement, or such other means as the Franchisor may specify from time to time, notwithstanding any other provisions of the Agreement, and each Guarantor agrees to comply fully and timely with such requirement. Each Guarantor will furnish the Franchisor, the Franchisor’s bank, or other financial institution, and any other recipient of payment with such information and authorizations as may be necessary to permit such persons to make withdrawals by electronic funds transfer, on-line banking, or auto-draft arrangement. Each Guarantor will bear all expenses, if any, associated with such authorizations and payments.
2. Each Guarantor waives notice of amendment of the Agreement and notice of demand for payment by the Developer and agrees to be bound by any and all such amendments and changes to the Agreement.
3. Each Guarantor agrees to defend, indemnify, and hold the Franchisor harmless against any and all losses, damages, liabilities, and Third Party Costs resulting from, consisting of, or arising out of or in connection with any failure by the Developer to perform any obligation of the Developer under the Agreement, any amendment thereto, or any other agreement executed by the Developer referred to therein. No Third Party Costs are refundable.
4. Term. This Guarantee will terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of any Guarantor that arose from events that occurred on or before the effective date of such termination will remain in full force and effect until satisfied or discharged by each Guarantor, and all covenants that by their terms continue in force after the expiration or termination of the Agreement will remain in force according to their terms. Upon the death of an individual Guarantor, the estate of such Guarantor will be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other Guarantors will continue in full force and effect.
5. Confidential Information. For all time, each Guarantor agrees he will not communicate, divulge, or use for the benefit of any other person, corporation, partnership, limited liability company, association, or other entity, any confidential information, knowledge, or know-how concerning the methods of operation of the Franchised Business (including the Brand Standards and Software) that may be communicated to any Guarantor or of which such Guarantor may be apprised by virtue of such Guarantor’s operation under the

Exhibit D
Guarantee

Agreement or Guarantee. All information, knowledge, know-how, techniques, and other data that the Franchisor designates as confidential will be deemed confidential for purposes of the Agreement and this Guarantee. If any Guarantor becomes aware of any unauthorized disclosure or use of Brand Standards or any confidential information or trade secret of the Franchisor, such Guarantor will notify Franchisor immediately in writing, and the Franchisor will have the sole and absolute right to take any actions it determines.

6. Representations. Each Guarantor conducted a complete and thorough independent investigation of the Guarantee and Agreement before signing this Guarantee and had the full opportunity to speak with independent counsel about this Guarantee and the Agreement. Each Guarantor read this entire Guarantee and the Agreement and understands fully this Guarantee and each of its terms and the Agreement and each of its terms and had the opportunity to ask the Franchisor all questions about this Guarantee and the Agreement and the Franchisor answered each such question to each Guarantor's full and complete satisfaction.
7. Applicable Law; Forum. This Guarantee will be interpreted and construed in accordance with the laws of the state of Delaware, except for such state's conflict-of-law rules. Each Guarantor agrees that the New Jersey Franchise Practices Act will not apply to this Guarantee. Except as otherwise provided in this Guarantee, any action, whether or not arising out of, or relating to, the Agreement or this Guarantee, whenever and wherever incurred, whether vested or contingent, whether in law or in equity, whether directly, representatively, derivatively, or in any other capacity, brought by any Guarantor against the Franchisor will be brought in the judicial district in which the Franchisor has, at the time of commencement of such action, its principal place of business. The Franchisor will have the right to commence an action against any Guarantor in any court of competent jurisdiction. Each Guarantor hereby waives all objections to personal jurisdiction or venue for the purpose of carrying out the purposes of this Guarantee, and each Guarantor agrees that nothing in this Guarantee will be deemed to prevent any party to such action from removing the action from state court to federal court.
8. Guarantor claims; required mediation. Notwithstanding any other provision of this Guarantee, no Guarantor has any right to make any claim against any Franchisor Entity at any time in any manner other than the manner described in this Paragraph 8.
 - 8.1. If any Guarantor ("Claimant") has any claim against any Franchisor Entity, the Claimant will notify the Franchisor of his claim in writing in the manner required in Paragraph 15 below. Such notice will describe the claim, provide an opportunity to cure, describe the manner in which the Claimant requests the Franchisor cure, and provide a cure period of at least 60 days within which the Franchisor may cure such alleged default. If the Claimant's notice is not in writing and does not (a) describe the claim, (b) provide an opportunity to cure, (c) describe the manner in which the Claimant requests the Franchisor cure, and (d) provide a cure period of at least 60 days, such notice will be deemed to be deficient, not a claim upon which the Franchisor is required to act, not an actionable claim, not grounds for the Claimant seeking any remedy under this Guarantee or otherwise, and not grounds for termination by the Claimant of this Guarantee.
 - 8.2. If the Claimant's notice complies with Paragraph 15 below and the Franchisor does not cure in the manner and within the time period the Claimant demands demand in his notice, then, before the Claimant commences any legal proceeding against any Franchisor Entity, the Claimant will submit his claim to non-binding mediation. If the Claimant does not submit his claim to such mediation within 30 days after expiration of the time period within which the Claimant demand the Franchisor cure, the Claimant will have evidenced conclusively that he has no claim against any Franchisor Entity; and the Claimant will have evidenced conclusively that any claim he may have had is not a claim upon which the Franchisor is required to act, is not an actionable claim, is not grounds for the Claimant seeking any remedy under this Guarantee or otherwise and is not grounds for termination by the Claimant of this Guarantee; and the Claimant will be deemed to have agreed to have waived any right he may have had to initiate any future claim against any Franchisor Entity for the same or similar cause.
 - 8.3. Any mediation permitted under this Paragraph 8 will be conducted at the Franchisor's headquarters before one mediator. The mediator will be selected, and will conduct mediation, in accordance with the

Exhibit D
Guarantee

commercial mediation rules of the American Arbitration Association or any successor organization as determined solely by us. No statement made by the Claimant or the Franchisor in any mediation and no evidence submitted during, or in connection with, any mediation proceeding will be admissible in any legal proceeding. Each party will pay its own costs of the mediation but will share the cost of the mediator equally.

- 8.4. If the Claimant submitted its claim to mediation, as provided in this Paragraph 8 and the Claimant does not pay his portion of the mediator's costs within ten days after the Claimant receives the mediator's invoice, the Claimant will have evidenced conclusively that it has no claim against any Franchisor Entity; and the Claimant will have evidenced conclusively that any claim it may have had is not a claim upon which the Franchisor is required to act, is not an actionable claim, is not grounds for the Claimant seeking any remedy under this Agreement or otherwise and is not grounds for termination by the Claimant of this Agreement; and the Claimant will be deemed to have waived any right it may have had to initiate any future claim against any Franchisor Entity for the same or similar cause.
- 8.5. If (a) the Claimant's notice complies with Paragraph 8, (b) the Franchisor does not cure in the manner and within the time period the Claimant demands in his notice, and (c) if the Claimant submitted his claim to mediation as provided in this Paragraph 8 and the Claimant and the Franchisor did not resolve the Claimant's claim through mediation within 90 days after selection of a mediator, the Claimant may file a legal action for such claim.
- 8.6. If the Claimant does not file a legal action for such claim within 30 days after conclusion of the mediation proceeding, the Claimant will have evidenced conclusively that he has no claim against any Franchisor Entity; and the Claimant will have evidenced conclusively that any claim he may have had is not a claim upon which the Franchisor is required to act, is not an actionable claim, is not grounds for the Claimant seeking any remedy under this Guarantee or otherwise and is not grounds for termination by the Claimant of this Guarantee; and the Claimant will be deemed to have agreed to have waived any right he may have had to initiate any future claim against any Franchisor Entity for the same or similar cause.
9. Waiver of Certain Rights. Each Guarantor waives the right to enforce any oral agreement, promise, representation, or warranty not in this Guarantee; to amend, modify, or suspend any provision of the Agreement or this Guarantee; to stay the effectiveness of any expiration or termination of the Agreement or this Guarantee or any other agreement between any Guarantor and the Franchisor or any of its affiliates or any pending expiration or termination thereof; and to seek damages against the Franchisor because the Franchisor insisted upon the execution of a general release in the Franchisor's favor. The release is a document that is separate and distinct from this Agreement. No Guarantor may seek to litigate as a representative of, or on behalf of, any other person, class, or entity any dispute, controversy, or claim of any kind arising out of, or relating to, the Agreement or this Guarantee, the rights and obligations of the parties, the sale of the franchise, or other claims or causes of action relating to the performance of any party to the Agreement or this Guarantee. No action or proceeding under this Guarantee may add as a party, by consolidation, joinder, or in any other manner, any person or party other than the Guarantor and the Franchisor and any person in privity with, or claiming through, in the right of, or on behalf of, the Guarantor or the Franchisor, unless both Guarantor and the Franchisor consent in writing. The Franchisor has the absolute right to refuse such consent.
10. Limitation on Claims. Each Guarantor agrees that any and all claims by any Guarantor against the Franchisor arising out of, or relating to, directly or indirectly, the making of, interpretation of, or performance under the Agreement or this Guarantee may not be commenced by any Guarantor, unless brought before the earlier of (1) the expiration of one year after the act, transaction, or occurrence upon which such claim is based; or (2) one year after the Agreement or this Guarantee expires or is terminated for any reason. Each Guarantor agrees that any claim or action not brought by any Guarantor within the periods required under this Guarantee will forever be barred as a claim, counterclaim, defense, or set off.
11. WAIVER OF TRIAL BY JURY. EACH GUARANTOR AGREES TO WAIVE A TRIAL BY JURY IN ANY JUDICIAL PROCEEDING, WHETHER AT LAW OR IN EQUITY, ABOUT ANY AND ALL ISSUES THAT ARISE OUT OF, CONCERN,

Exhibit D
Guarantee

OR RELATE TO, THE AGREEMENT OR THIS GUARANTEE, ANY AND ALL TRANSACTIONS CONTEMPLATED IN THE AGREEMENT AND THIS GUARANTEE, EACH GUARANTOR'S PERFORMANCE UNDER THIS GUARANTEE, OR OTHERWISE, DURING THE TERM OF THIS GUARANTEE AND AFTERWARDS. EACH GUARANTOR AND THE FRANCHISOR MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS GUARANTEE WITH ANY COURT AS WRITTEN EVIDENCE OF EACH GUARANTOR'S AND THE FRANCHISOR'S CONSENT TO THE WAIVER OF A TRIAL BY JURY. EACH GUARANTOR AGREES THAT HIS REPRESENTATIONS WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS GUARANTEE.

12. Limitation on Remedies. During the term of this Guarantee and afterwards, each Guarantor waives to the fullest extent permitted by law any right to, or claim for, any punitive, speculative, exemplary, incidental, indirect, special, or consequential damages against the Franchisor Entities arising out of any cause whatsoever that arises out of, concerns, or relates to, the making of, interpretation of, or performance under, directly or indirectly, the Agreement and this Guarantee, whether such cause is based in contract, negligence, strict liability, other tort, or otherwise, including any Guarantor's claim or counterclaim that the Franchisor unreasonably gave, withheld, or delayed its consent or approval to anything.
13. Specific Performance. Notwithstanding any other provision of this Guarantee, the Franchisor has the right to seek specific performance of any Guarantor's obligations under this Guarantee or injunctive relief against any conduct that will cause it loss or damage, under customary equity rules, to prevent a breach or threatened breach of this Guarantee, without the need to show monetary damages and without posting a bond. Such conduct includes any use by any Guarantor relating to the Marks, System, Brand Standards, or Franchisor trade secrets. An application for such a remedy will not be deemed an election or a waiver of any other remedy under this Guarantee or at law or in equity. The Franchisor may file an original counterpart or a copy of this Guarantee with any court as written evidence of the undersigned's consent to the issuance of injunctive relief.
14. Costs and fees. Except as otherwise specifically provided for herein, in any judicial or administrative action, order, or proceeding hereunder involving any Guarantor and the Franchisor during the term of this Guarantee or thereafter, the prevailing party will be entitled to recover its out-of-pocket costs and expenses, including all court costs and attorneys', accountants', and consultants' fees, costs, and expenses. If "costs and expenses" include any attorneys', accountants', or consultants' fees or costs, then attorneys', accountants', and consultants' fees or costs means the full and actual amounts of any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to "reasonable attorneys' fees and costs", "reasonable accountants' fees and costs", or "reasonable consultants' fees and costs" as defined by any present or future federal, state, or municipal statute or rule of court or court or arbitrator decisions. No such cost or expense you pay to us is refundable.
15. Notices. All notices to any Guarantor and the Franchisor during the term of this Guarantee and afterwards must be in writing and must be sent to the other party by registered or certified mail, postage fully prepaid, return receipt requested, or sent by other means that affords the sender evidence of delivery, attempted delivery, or rejected delivery, addressed to such party's address for notices as identified in the Agreement, or at any other address that any Guarantor or the Franchisor designates in writing, provided, however, that, except as provided herein, no notices may be sent hereunder by text, email, or by telefax and no Guarantor may designate any address that is a post office box. Notices will be deemed delivered and received on the earliest of actual receipt; 5 business days after placement in the U.S. mail; or one business day after mailing, if placed in the U.S. mail or a courier service for next business day delivery. In addition to the below address, the Franchisor has the right to send notices to the Franchised Business's premises address or any address any Guarantor or Owner supplied to the Franchisor.

Huntington Learning Centers Inc. Development Agreement
Exhibit D
Guarantee

Notices to the Franchisor: Huntington Learning Centers, Inc.; 496 Kinderkamack Road; Oradell,
New Jersey 7649; Attn: Chairman

Notices to Guarantors: _____

*(Please enter the names and addresses
of Guarantors – not a post office box)* _____

16. Signatories sign as individuals. Each signatory to this Guarantee executes it as an individual and not in any capacity as an officer, director, shareholder, or member of the Franchisee or of any other entity. Any title any signatory affixes hereunder is non-binding and is of no effect under this Guarantee.

ACCEPTANCE AND AGREEMENT

I AGREE TO BE BOUND BY, AND TO PERFORM ACCORDING TO, THE AGREEMENT AND THIS GUARANTEE. I AGREE I APPROVED THIS GUARANTEE. I FREELY AND WITHOUT DURESS AND AFTER DUE CONSIDERATION ACCEPT AND AGREE TO BE BOUND BY, AND TO PERFORM ACCORDING TO, THIS GUARANTEE AND EACH AND ALL OF ITS TERMS, WITHOUT RESERVATION. I HAVE A COPY OF THE AGREEMENT AND THIS GUARANTEE.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed her or his signature.

_____	_____	_____
Print name	Signature	Date signed
_____	_____	_____
Print name	Signature	Date signed
_____	_____	_____
Print name	Signature	Date signed
_____	_____	_____
Print name	Signature	Date signed
_____	_____	_____
Print name	Signature	Date signed
_____	_____	_____
Print name	Signature	Date signed

EXHIBIT D
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
OTHER AGREEMENTS

This exhibit contains the following documents	
Exhibit	Purchase order
D1	General Release
D2	Royalty Amendment
D3	Territory Amendment
D4	Asset Purchase Agreement for use in purchasing Company-Owned Centers
D5	Sublease for use in subleasing Company-Owned Centers
D6	Letter of Intent for use in purchasing Company-Owned Centers

EXHIBIT D1
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
OTHER AGREEMENTS
General Release

Table 1. Identifying Information and Defined Terms	
Name of the franchisor (“we”, “us”, “our”, and “Franchisor”)	Huntington Learning Centers, Inc. We are a corporation with principal office at 496 Kinderkamack Road, Oradell, New Jersey 07649
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
The Franchisee is (circle one)	Individual Corporation Partnership Limited liability company
State or states (“Franchisee State”) in which the Franchisee is legally organized, if the Franchisee is a corporation, partnership, or limited liability company; or in which he, she, or they live, if the Franchisee is one or more individuals	
The date the Franchisee signs this General Release (“Effective Date”)	

This GENERAL RELEASE is made and entered into on the Effective Date by the Franchisee and each individual who signs this General Release; each such individual is a “Signatory”. The Franchisee, each Signatory, and the Releasor (defined in 1 below) freely, voluntarily, and knowingly represent, warrant, and agree as follows:

1. Definitions

- 1.1. The “Released Party” means collectively us and our past, present, and future direct and indirect parent organizations, subsidiaries, divisions, affiliated entities and our and their shareholders, contractors, agents, legal representatives, owners, members, partners, officers, directors, trustees, administrators, fiduciaries, employment benefit plans and/or pension plans or funds, executors, attorneys, employees, insurers, reinsurers, and/or agents and their successors and assigns, individually and in their official capacities.
- 1.2. The “Releasor” means collectively you and your Owners and Guarantors (in your and their corporate and individual capacities) each on behalf of himself/herself/itself, and, as applicable, each of his/her/its present and past affiliates and his/her/its present and past owners, investors, guarantors, shareholders, members, directors, officers, employees, contractors, agents, and legal representatives, and the predecessors, successors, heirs, executors, administrators, and assigns of the foregoing in their corporate and individual capacities, jointly and severally. “Owner” is an owner of the Franchisee. “Guarantor” is any individual who has guaranteed any of the Franchisee’s obligations under any Prior Agreement and includes all individuals who have signed any guarantee agreement in connection with any Prior Agreement.
- 1.3. "Prior Agreements" means all agreements, oral and written, acknowledged and not acknowledged, current and former, expired and not expired, terminated and not terminated, between the Franchisee and the Franchisor and between any of the Releasor and any of the Released Party; and, without limiting the foregoing, includes each of the following: (a) all aspects of the relationship between the Franchisee and the Franchisor; and (b) all aspects of the relationship between the Releasor and the Released Party; and (c) any representation, warranty, or oral or written communication regarding any

oral or written agreement between any of the Releasor by any of the Released Party; and (d) any representation, warranty, or oral or written communication regarding this General Release made to any of the Releasor by any of the Released Party. Without limiting the foregoing, the Prior Agreements include each of the following that have been entered into between any of the Releasor with any of the Released Party: franchise agreement, development agreement, software license agreement, phone number license agreement, call center license agreement, coaching agreement, virtual conference agreement, virtual/coaching agreement, combined services amendment, conference service license agreement, territory amendment, royalty amendment, school services amendment, public-private partnership amendment, contract services amendment, publicly funded services amendment, services amendment, GTM amendment, ISEP amendment, supplemental amendment, subsequent franchise amendment, eTutoring amendment, eTutoring/contract services amendment, OLT Amendment, study hall amendment, learning support amendment, Navigator amendment, proctor amendment, loan payment suspension amendment, suspension of minimums amendment, termination agreement, asset purchase agreement, lease, sublease, promissory note, security agreement, forbearance agreement, SBA addendum, split territory agreement, and consent to transfer agreement. The Prior Agreements include any amendment, extension, renewal, and side letter to any of the foregoing.

2. Release

- 2.1. Effective immediately upon the Effective Date, the Releasor freely and without any influence, threat, coercion, or duress completely, irrevocably, and absolutely releases and forever discharges, without any limitation or reservation, the Released Party from all claims, liabilities, allegations, demands, obligations, actions, suits, causes of action, debts, costs, expenses, and controversies, whether class, individual, or otherwise in nature, whenever and wherever incurred, whether known or unknown, whether vested or contingent, whether suspected or unsuspected, and from all liabilities of any nature whatsoever, including costs, expenses, penalties, and attorneys' and accountants' fees and costs, asserted or unasserted, in law or in equity, that any Releasor, whether directly, indirectly, representatively, derivatively, or in any other capacity, ever had or now has, or now owns or holds, or has at any time heretofore owned or held, or may at any time in the future own or hold, against any Released Party, arising prior to and including the Effective Date, whether arising out of, or relating to, all Prior Agreements between any Releasor and any Released Party, or any other aspect of the parties' relationship ("Release").
- 2.2. You represent that you (on behalf of all Releasors) expressly waive and relinquish all rights and benefits afforded by Section 1542 of the Civil Code of California and any other similar state and local laws and do so understanding and acknowledging the significance and consequences of such specific waiver of Section 1542 and any other similar state and local laws. The Releasors have been made aware of, and fully understand, each and all of the provisions of California Civil Code Section 1542 ("Section 1542"), which provides "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY." The Releasors expressly, knowingly, and intentionally waive fully any and all rights, benefits, and protections of Section 1542 and of any other state or federal statute or common law principle limiting the scope of a general release. You represent that the Releasors acknowledge that the Releasors may later discover claims or facts that, if known or suspected at the time of executing this General Release, may have materially affected this Paragraph 2.2. Nonetheless, notwithstanding the provisions of California Civil Code Section 1542 and any other similar federal, state, and local laws, and for the purpose of implementing a full and complete release and discharge of all claims, you represent (on behalf of the Releasors) that you (on behalf of the Releasors) expressly acknowledge that this Paragraph 2.2 is also intended to include in its effect, without limitation, all claims that any Releasors do not know or expect to exist in your or their favor at the time of execution hereof, and that this Paragraph 2.2 contemplates the extinguishment of any such claim or claims. You represent that you (on behalf of the Releasors) waive fully any right, claim or cause of action that might arise as a result of such different or additional claims or facts.

- 2.3. If any claim is not subject to release, then, to the greatest extent permitted by law, the Releasor waives any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which any Released Party identified in this General Release is a party.
- 2.4. Effective immediately upon the Effective Date, each and all of the Releasor irrevocably and absolutely withdraws and terminates any notice to cure, legal action, arbitration, or mediation demand filed or pending by the Releasor against the Released Party; and, if the Releasor is a party to any notice to cure, legal action, arbitration, or mediation demand filed or pending against the Released Party by the Releasor and other, third parties, the Releasor withdraws and terminates such participation in such notice to cure, legal action, arbitration, and mediation ("Withdrawal of Any Action").
- 2.5. The Releasor may after the Effective Date discover facts other than, or different from, those the Releasor knows or believes to be true with respect to the subject matter of this General Release, the Prior Agreements, the Release, the Withdrawal of Any Action, or otherwise, but the Releasor hereby expressly agrees that, as of the Effective Date, it will have waived and fully, finally, and forever settled and released any known or unknown, suspected or unsuspected, asserted or unasserted, contingent or non-contingent claim with respect to the General Release, the Prior Agreements, the Release, the Withdrawal of Any Action, and otherwise, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such other or different facts.
- 2.6. The Releasor agrees that nothing in this General Release will act to release the Releasor from any obligation or liability to the Released Party under this General Release or under any of the Prior Agreements; and that none of the Released Party assumed any obligation or liability to any third party during any term of any of the Prior Agreements.
- 2.7. The Releasor agrees that nothing in this General Release will act to release the Releasor from any liability to the general public, landlords, vendors, or other third parties or from any agreement, understanding, or liability that the Releasor may have incurred to any other person, landlord, vendor, or other third party.
- 2.8. The Releasor agrees that nothing in this General Release will release the Releasor from any obligation under this General Release, including any obligation to any of the Released Parties.
- 2.9. The Releasor agrees that this Paragraph 2 will be a complete defense for the Released Party to any claim that is subject to the terms of this General Release; and the Releasor covenants and agrees to indemnify and hold harmless each and all of the Released Party from and against any and all claims, losses, expenses (including attorneys', accountants', and consultants' fees and costs), obligations, damages, costs, and liabilities suffered or incurred by the Released Party that arise out of, result from, or are related to, any breach or failure of the Releasor to perform or comply with any of the commitments or obligations of such parties hereunder. In connection with this Paragraph 2.9, attorneys', accountants', and consultants' fees or costs mean the full and actual amounts of any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to "reasonable attorneys' fees and costs", "reasonable accountants' fees and costs", or "reasonable consultants' fees and costs" as defined by any present or future federal, state, or local statute or rule of court or court or arbitrator decisions.
- 2.10. To the fullest extent permitted by law, the Releasor agrees not to disclose, either directly or indirectly, any information whatsoever relating to the existence or substance of this General Release to any person or entity, including members of the media; past, present, or future employees and franchisees of Released Party; or attorneys or private investigators representing other employees or entities or franchisees. However, the Releasor may disclose the terms of the General Release to: (a) Releasor's accountant, counsel, or spouse with whom Releasor chooses to consult or seek advice regarding Releasor's consideration of the decision to execute the General Release, provided, however, that those to whom Releasor makes such disclosure agree to keep such information confidential and not disclose it to others; or (b) if required to do so by any regulatory body or agency.

- 2.11. Upon inquiry regarding any matter covered under this General Release, Releasor either will not respond or state only that such matter has been resolved.
- 2.12. If the Releasor or Releasor's counsel believes either is compelled to provide or disclose information about this General Release or described in this General Release, the Releasor will provide written notice of such belief in the manner required in Paragraph 5 below to the Franchisor's Chairman no later than ten business days prior to said production or disclosure.
- 2.13. The Released Party has the right to file an original counterpart or copy of this General Release with any court, arbitrator, mediator, or agency as written evidence of the appointment by the Franchisee, the Releasor, and each Signatory or of the Released Party's nominee to be the Franchisee's, the Releasor's, and each Signatory's attorney-in-fact with regard to the Release and Withdrawal of Any Action.
- 3. Binding Nature.** Upon its execution, this General Release will be binding in all respects upon the Releasor, each Signatory, and the Releasor's employees, agents, successors and assigns, and will inure to the benefit of all of the same.
- 4. Representations and warranties.** The Franchisee, the Releasor, and each Signatory represent and warrant to the Released Party each of the following: The Franchisee, the Releasor, and each Signatory and each of them agrees to abide fully by the terms of this General Release; and the Franchisee represents and warrants it is duly organized, validly existing and in good standing under the laws of the Franchisee State; and each Signatory represents and warrants that he or she has the full power, right, and authority to bind the Franchisee and Releasor under this General Release; and this General Release constitutes a valid and binding obligation against the Franchisee, the Releasor, and each Signatory, enforceable against the Franchisee, the Releasor, and each Signatory; and the Franchisee's execution, delivery, and performance of this General Release have been duly and properly authorized in accordance with applicable law, and the Franchisee's charter and by-laws; and nothing contained in this General Release constitutes a waiver by the Franchisor or any Franchisor affiliate of any of their rights under any agreement between the Franchisee and the Franchisor and between any Franchisee affiliate and the Franchisor or any Franchisor affiliate, including each of the Prior Agreements; and there are no oral or other written understandings or agreements between the Releasor and the Released Party about this General Release; and execution of this General Release is not unreasonable. Execution of this General Release is not a standard of performance; and the Franchisee, the Releasor, and each Signatory are entering into this General Release of their own free will and volition, and not under any economic, operational, or other threat, coercion, duress, or other cause brought or threatened by any of the Released Parties or any other party; and the Franchisee, the Releasor, and each Signatory make each and all of the representations in this Paragraph 4 of their own free will and volition; and not under any economic, operational, or other threat, coercion, duress, or other cause brought or threatened by any of the Released Parties or any other party.
- 5. Notices.** All notices to any Signatory, the Releasor, the Released Party, and the Franchisor must be in writing and must be sent to the other party by registered or certified mail, postage fully prepaid, return receipt requested, or sent by other means that affords the sender evidence of delivery, attempted delivery, or rejected delivery. Notices to any of the Releasor, the Released Party, and the Franchisor must be sent to any address in any of the Prior Agreements or to any other address that the Releasor, the Released Party, or the Franchisor subsequently designate in writing. Notices to any Signatory must be sent to any address in any of the Prior Agreements or to any other address that the Releasor subsequently designates in writing. Except as expressly provided hereunder, no notices hereunder may be sent by text, email, eFax, or telefax. None of the Releasor and no Signatory will designate any address for notices that is a post office box. Notices will be deemed delivered and received on the earliest of actual receipt; 5 business days after placement in the U.S. mail; or one business day after mailing, if placed in the U.S. mail or a courier service for next business day delivery.
- 6. Applicable Law; Forum; Dispute Resolution**
- 6.1. Applicable Law; Forum. This General Release will be interpreted and construed in accordance with, and all disputes arising out of or relating to this General Release will be governed by, the laws of the state of

Delaware, except for such state's conflict-of-law rules. The Releasor agrees that the New Jersey Franchise Practices Act will not apply to this General Release. Except as otherwise provided herein, any action, whether or not arising out of, or relating to, this General Release, whenever and wherever incurred, whether vested or contingent, whether in law or in equity, whether directly, representatively, derivatively, or in any other capacity, brought by the Releasor or Signatories against the Released Party must be brought in the judicial district in which the Franchisor has, at the time of commencement of such action, its principal place of business. The Released Party will have the right to commence an action against the Releasor or Signatories in any court of competent jurisdiction. All parties hereby waive all objections to personal jurisdiction or venue for the purpose of carrying out the purposes of this Paragraph 6.1, and all parties agree that nothing in this Paragraph 6.1 will be deemed to prevent any party to such action from removing the action from state court to federal court.

6.2. Costs and Fees. Except as otherwise specifically provided for herein, in any judicial or administrative action, order, or proceeding hereunder involving the Releasor and the Released Party, the prevailing party will be entitled to recover its damages, costs, and expenses, including all court costs and attorneys' and accountants' fees and expenses. If "damages, costs, and expenses" include any attorneys', accountants', or consultants' fees or costs, then attorneys', accountants', and consultants' fees or costs means the full and actual amounts of any legal, accounting, and consulting services rendered in connection with the matters involved and will not be limited to "reasonable attorneys' fees and costs", "reasonable accountants' fees and costs", or "reasonable consultants' fees and costs" as defined by any present or future federal, state, or municipal statute or rule of court or court or arbitrator decisions. No Third Party Cost you pay to us is refundable.

7. **Miscellaneous.** The titles and subtitles of the various paragraphs of this General Release are inserted for convenience and will not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, and conditions of this General Release. If any provision of this General Release is held invalid or illegal by any court, such a finding will not invalidate any other provision in this General Release, but, if such provision cannot be modified by the court so as to preserve its legality and enforceability, the provision declared invalid or illegal will be considered severed from the remainder of this General Release, and the remainder of this General Release will remain in full force and effect. This General Release may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will be deemed to be one and the same instrument. This General Release may be exchanged electronically (by facsimile, email, or other means of electronic transmission) and may be signed electronically using a commercially acceptable and verifiable electronic signature tool. An "affiliate" is any legal entity controlling, controlled by, or under common control with, directly or indirectly, another legal entity. The words "include," "includes", and "including" are deemed to be followed by the words "without limitation".

Signatures are on the next page.

ACCEPTANCE AND AGREEMENT

I AGREE TO EACH OF THE FOLLOWING: I UNDERSTAND AND AGREE THAT THIS GENERAL RELEASE SUPERSEDES ALL PRIOR AND CONTEMPORANEOUS NEGOTIATIONS, UNDERSTANDINGS, REPRESENTATIONS, AND AGREEMENTS, ORAL OR WRITTEN, ABOUT THIS GENERAL RELEASE'S SUBJECT MATTER. I AGREE I APPROVED THIS GENERAL RELEASE. I FREELY, KNOWINGLY, AND WITHOUT DURESS AND AFTER DUE CONSIDERATION ACCEPT AND AGREE TO BE BOUND BY, AND TO PERFORM ACCORDING TO, THIS GENERAL RELEASE AND EACH AND ALL OF ITS TERMS, WITHOUT RESERVATION, INTENDING TO RELEASE ALL CLAIMS AGAINST THE RELEASED PARTY UP TO AND THROUGH THE EFFECTIVE DATE OF THIS GENERAL RELEASE.

IN WITNESS WHEREOF, the below parties have executed this General Release on the Effective Date jointly and severally.

For the Franchisee:

NamePrin1

Print name

Signature

NamePrin2

Print name

Signature

Individually:

NamePrin1

Print name

Signature

NamePrin2

Print name

Signature

EXHIBIT D2
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
OTHER AGREEMENTS
Royalty Amendment

Table 1. Identifying Information and Defined Terms	
<u>This amendment is for those who acquire a Huntington Learning Center® business through transfer.</u>	
Name of the franchisor (“Franchisor”, “Huntington”, “we”, “us”, and “our”)	Huntington Learning Centers, Inc.
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Are you the First Buyer or Second Buyer? Please” circle. The Recitals define these terms.	First Buyer Second Buyer
Original Expiration Date. Paragraph 2 below defines this term.	
Name of the exclusive area (“Exclusive Area”)	
Date (“Franchise Agreement Date”) on which you and we executed a franchise agreement (“Franchise Agreement”) for you to operate a franchised Huntington Learning Center® business (“Franchised Business”) within the Exclusive Area. <i>We enter this date after you sign this Royalty Amendment</i>	
Date (“Amendment Date”) we sign this Royalty Amendment. <i>The Amendment Date typically is the same as the Franchise Agreement Date. We enter this date after you sign this Royalty Amendment</i>	

This ROYALTY AMENDMENT FOR TRANSFERS (“Royalty Amendment” or “Amendment”) is made, entered into, and effective on the Amendment Date between you and us or our successors and assigns.

RECITALS

- A. WHEREAS, we and the Original Franchisee executed a royalty amendment to the Original Franchise Agreement to permit the Original Franchisee to pay Royalty at the rate of 8% of Gross Revenue through the Original Expiration Date. Paragraph 2 below defines Original Franchisee, Original Franchise Agreement, and Original Expiration Date; and
- B. WHEREAS, in connection with any Transfer of the Original Franchise Agreement or any Material Item under the Original Franchise Agreement to any buyer (“First Buyer”), we and the Original Franchisee agreed we would permit the First Buyer to pay Royalty for a limited period of time at the rate of 8% of Gross Revenue under the First Buyer’s franchise agreement with us (“First Buyer Franchise Agreement”), providing the First Buyer amended the First Buyer Franchise Agreement with a royalty amendment concurrently with execution of the First Buyer Franchise Agreement. Paragraph 2 below defines Transfer and Material Item; and
- C. WHEREAS, in connection with any Transfer of the First Buyer Franchise Agreement or any Material Item under the First Buyer Franchise Agreement to any buyer (“Second Buyer”), we and the Original Franchisee agreed we would permit the Second Buyer to pay Royalty for a limited period of time at the rate of 8% of Gross Revenue under the Second Buyer’s franchise agreement with us (“Second Buyer Franchise Agreement”), providing the Second Buyer amended the Second Buyer Franchise Agreement with a royalty amendment concurrently with execution of the Second Buyer Franchise Agreement; and
- D. WHEREAS, you have requested to pay Royalty at the rate of 8% of Gross Revenue through the Original

Expiration Date or as provided in this Royalty Amendment; and

- E. WHEREAS, we hereby agree to your request, subject to the Franchise Agreement, as amended by this Royalty Amendment, providing you sign this Royalty Amendment concurrently with the Franchise Agreement.

NOW, THEREFORE, you and we acknowledge and agree that the entries in Table 1 and the Recitals set forth above are true and accurate; and Table 1 and each of the Recitals are incorporated into this Agreement by reference and are made a part of this Agreement. In consideration of the undertakings and commitments of each party to the other party set forth in this Royalty Amendment and the above Recitals and Table 1's *Identifying Information and Defined Terms*, you and we, who each intend to be legally bound by this Royalty Amendment, and for good and valuable consideration, the receipt of which is hereby acknowledged, agree as follows:

1. **Amended Franchise Agreement.** The "Amended Franchise Agreement" means the Franchise Agreement, as amended by this Royalty Amendment. You and we agree to be bound by the Amended Franchise Agreement. Any capitalized term used but not defined in this Royalty Amendment has the meaning ascribed to such term by the Franchise Agreement. If there is any conflict between the Franchise Agreement and this Royalty Amendment, this Royalty Amendment will govern. Except as specifically amended herein, you and we agree all the other terms and conditions of the Amended Franchise Agreement are hereby unmodified, ratified, and confirmed.
2. **Definitions**
 - 2.1. Solely in connection with this Royalty Amendment, (a) "Transfer" means the direct, indirect, or contingent sale, assignment, transfer, conveyance, gift, pledge, mortgage, or any other encumbrance of any kind of any Material Item to any buyer. Without limiting the preceding sentence, such buyer may be or include you, your spouse, your natural or adopted children, your Owners, spouses of your Owners, natural or adopted children of your Owners, your Guarantors, spouses of your Guarantors, natural or adopted children of your Guarantors, any individual, any group of individuals, a corporation or other legal entity formed for any purpose (including for convenience), or third parties. Such buyer may be affiliated or not affiliated with, or related or not related to, in any manner, you, your Owners, your Guarantors, your affiliates, spouses or natural or adopted children of you, spouses or natural or adopted children of your Owners, spouses or natural or adopted children of your Guarantors, spouses or natural or adopted children of your affiliates, your affiliates' owners, or spouses or natural or adopted children of your affiliates' owners. For the avoidance of doubt, "Transfer" includes those Transfers described in the Franchise Agreement's Paragraph 14.4, which consist of any Transfer for convenience, any Transfer among Owners, spouses, children, and any Transfer of less than 20% interest to a third party; and (b) "Material Item" means any interest of any kind, amount, percentage, or value (including no value) in you, your Owners, the Franchise Agreement, any asset of you or of the Franchised Business, any share of stock in a corporate franchisee, any membership interest in a limited liability company franchisee, any partnership interest in a partnership franchisee, any share of stock in your Owners, any membership interest in your Owners, any partnership interest in your Owners, any share of stock in your Guarantors, any membership interest in your Guarantors, any partnership interest in your Guarantors, or any other material change in the Franchisee or the Franchised Business.
 - 2.2. "Original Franchisee" means the franchisee who executed a royalty amendment with us in 2022.
 - 2.3. "Original Franchise Agreement" means the Original Franchisee's franchise agreement.
 - 2.4. "Original Expiration Date" means the date the Original Franchise Agreement was scheduled to expire.
 - 2.5. "First Buyer" means the buyer to whom the Original Franchisee Transferred the Original Franchise Agreement or any Material Item under the Original Franchise Agreement.
 - 2.6. "Second Buyer" means the buyer to whom the First Buyer Transferred the First Buyer Franchise Agreement or any Material Item under the First Buyer Franchise Agreement, which Material Item may be the same as, or different from, the Material Item the Original Franchisee Transferred to the First Buyer.
3. **Term.** Subject to the terms of this Royalty Amendment, the term of this Royalty Amendment will begin on, and be effective as of, the Amendment Date and will expire upon the earlier of (a) Original Expiration Date; or

(b) expiration or termination for any reason of this Royalty Amendment; or (c) expiration or termination for any reason of the Franchise Agreement; or (d) execution by you of a subsequent franchise agreement.

4. 8% Royalty

- 4.1. You and we agree you may pay Royalty at the rate of 8% of Gross Revenue through the earlier of (a) Original Expiration Date; or (b) expiration or termination for any reason of this Royalty Amendment; or (c) expiration or termination for any reason of the Franchise Agreement; or (d) execution by you of a subsequent franchise agreement.
- 4.2. If you are the First Buyer and you make any Transfer of any Material Item under the Franchise Agreement to a Second Buyer, we will offer the Second Buyer our then-current royalty amendment, providing this Royalty Amendment is not terminated and the effective date of the Transfer occurs before the Original Expiration Date; and our then-current royalty amendment may contain terms, obligations, and conditions significantly different from, in addition to, and less favorable than those in this Royalty Amendment; and you and the Second Buyer comply fully and timely with each of the following material requirements:
 - 4.2.1. You and the Second Buyer comply fully with the terms governing Transfer in the Franchise Agreement; and
 - 4.2.2. This Royalty Amendment has not expired or been terminated at any time before the effective date of the Transfer; and
 - 4.2.3. As of the effective date of the Transfer neither you nor any of your affiliated HLCs are in receipt of an uncured default notice; and neither you nor any of your affiliated HLCs owes us, the Huntington Advertising Fund, Contract Services Advertising Fund, or your CoOp any past-due amount; and
 - 4.2.4. You have not received two defaults (whether or not these defaults are the same or similar defaults and whether or not these defaults are cured) during the term of the Amended Franchise Agreement; and
 - 4.2.5. You have not owed us, Huntington Advertising Fund, Contract Services Advertising Fund, or your CoOp during the term of the Amended Franchise Agreement any past-due amount totaling \$5,000 or more for 30 days; and
 - 4.2.6. As of the effective date of the Transfer, your Premises size is 1,600 square feet or more in size. Measurement of the Premises is from interior wall to interior wall and excludes any structural and other columns; and
 - 4.2.7. The Second Buyer signs the then-current form of royalty amendment upon the effective date of the Transfer, which amendment may contain terms, obligations, and conditions significantly different from, in addition to, and less favorable than those in this Royalty Amendment.
- 4.3. If you are the Second Buyer, then you agree to the following: If you make any Transfer of any Material Item to any buyer at any time, including on or before the Original Expiration Date, this Royalty Amendment will terminate upon the effective date of such Transfer; and if you execute a subsequent franchise agreement at any time, including on or before the Original Expiration Date, this Royalty Amendment will terminate upon the effective date of such subsequent franchise agreement.

5. Your representations and warranties. You represent and warrant to us each of the following:

- 5.1. You are duly organized, validly existing, and in good standing under the laws of your state. You have full power, right, and authority to enter into, and perform your obligations under, this Royalty Amendment. Your execution, delivery, and performance of this Royalty Amendment has been duly and properly authorized in accordance with applicable law and your charter, certificate of incorporation, by-laws, partnership documents, and formation documents, as applicable. This Royalty Amendment constitutes your valid and binding obligation, enforceable against you in accordance with its terms. Your execution, delivery, and performance of this Royalty Amendment and the undertakings

contemplated herein, do not and will not conflict with or result in, with or without the giving of notice or lapse of time or both, any violation of, or constitute a breach or default under, your charter, certificate of incorporation, by-laws, partnership documents, or formation documents or any resolution adopted by you or your board of directors or governing board and not rescinded. Your execution of this Royalty Amendment does not violate any term of any other agreement or commitment to which you or any of your affiliates are a party or to which any of your Owners or Guarantors are a party. Your execution of this Royalty Amendment does not violate any term of any stockholder, partnership, or member of any legal entity that is the Franchisee or of any Royalty Amendment thereto.

- 5.2. You have read this entire Royalty Amendment. You fully understand this Royalty Amendment and each of its terms. You have had ample opportunity to ask us all questions about us, the Franchise Agreement, this Royalty Amendment, and the business contemplated under this Royalty Amendment and we answered each and all of your questions to your full and complete satisfaction. You had full opportunity to consult with, and be advised by, counsel of your own choosing about this Royalty Amendment and the transaction governed by this Royalty Amendment. You are not obligated under any oral or written agreement with us or otherwise to enter into this Royalty Amendment. You did not receive from us or any of our affiliates or from any of our or their officers, directors, shareholders, employees, or agents any written or oral statements, representations, or warranties inconsistent with, or contradictory to, anything in the Royalty Amendment, Franchise Agreement, or any other agreement between you or any of your affiliates and us or any of our affiliates. You did not receive from us or any of our affiliates or our or their employees or agents any written or oral statements, representations, or warranties inconsistent with, or contradictory to, anything in (a) the Amended Franchise Agreement, or (b) any other agreement between you or any of your affiliates and us or any of our affiliates, or (c) any federal, state, or local health, safety, employment, or civil rights law or regulation that are applicable to the services to be provided under this Royalty Amendment. We and affiliates and our and their employees and agents have given you no oral or written statement, representation, or warranty, express or implied or quantitative or qualitative, as to any actual or projected success, earnings, revenue, expense, profit, or cash flow you may derive under the Amended Franchise Agreement.
- 5.3. The rights and obligations granted to you under this Royalty Amendment comprise a new and distinct body of rights and obligations not granted to you under the Franchise Agreement. Nothing contained in this Royalty Amendment constitutes a waiver by us or any of our affiliates of any of our rights under the Franchise Agreement or of any of our and their rights under any agreement between you or any of your affiliates and us or any of our affiliates. You represent you are not in violation of the Franchise Agreement and are current with all payments to us. You represent we never have been in violation of the Franchise Agreement and, as of the Amendment Date, we are not in violation of the Franchise Agreement. As of the Amendment Date, you have no claim or pending claim against us for any reason. You acknowledge and agree that time is of the essence in your performance of each and all your obligations under this Royalty Amendment. You hereby confirm the entries in Table 1 above, including the name of the Franchisee, whether you are the First Buyer or Second Buyer, Original Expiration Date, and name of Exclusive Area. You represent you are either the First Buyer or the Second Buyer.
- 5.4. This Paragraph 5 will survive termination or expiration of this Royalty Amendment for any reason.
- 6. Transfer or renewal of this Royalty Amendment.** Your rights under this Royalty Amendment are personal to you and may not be transferred, assigned, or renewed under any circumstance, and any attempt by you or your Owners to do so will render this Royalty Amendment void immediately upon such attempt; and, although the remainder of the Amended Franchise Agreement will remain in effect, this Royalty Amendment will not apply. We have the absolute right to transfer, assign, or sell, without your consent, by agreement or by law, directly, indirectly, or contingently, this Royalty Amendment and the Amended Franchise Agreement and any right or obligation under this Royalty Amendment and the Amended Franchise Agreement to any individual or legal entity, including any individual or legal entity that provides or proposes to provide products or services the same as, or similar to, Huntington Services, eTutoring, Contract Services, or any products or services you offer at your franchised Huntington Learning Center® business. To the extent that the purchaser or assignee assumes our covenants and obligations under this Royalty Amendment or the Amended Franchise Agreement,

we will thereupon and without further agreement, be freed and relieved of all liability with respect to such covenants and obligations. You have no right to renew or extend this Royalty Amendment in any manner whatsoever.

7. **Termination of this Royalty Amendment.** This Royalty Amendment and all rights granted hereunder will terminate upon any of the following defaults without further notice to you and without giving you any opportunity to cure the default and without prejudice to any of our other rights or remedies provided by law or the Amended Franchise Agreement, if:
 - 7.1. **Uncurable default.** If you are notified of an uncurable default during the term of the Amended Franchise Agreement, then immediately upon the occurrence of such default and without further notice to you, this Royalty Amendment and all rights granted hereunder will terminate; or
 - 7.2. **Two defaults.** If you are notified of two defaults (whether or not these defaults are the same or similar defaults and whether or not these defaults are cured) during the term of the Amended Franchise Agreement, then immediately upon the occurrence of the second default and without further notice to you, this Royalty Amendment and all rights granted hereunder will terminate; or
 - 7.3. **Past-due amount.** If you owe us, Huntington Advertising Fund, Contract Services Advertising Fund, or your CoOp any past-due amount totaling \$5,000 or more for 30 days at any time during the term of the Amended Franchise Agreement, then immediately upon the 31st day and without further notice to you, this Royalty Amendment and all rights granted hereunder will terminate; or
 - 7.4. **Premises size.** If you reduce the Premises size, whether through renovation, relocation, reduction in size, or otherwise, to less than 1,600 square feet in size, whether temporarily or permanently, then, immediately upon such reduction in Premises size and without further notice to you, this Royalty Amendment and all rights granted hereunder will terminate. In connection with any dispute related to Premises size and any dispute about the effective date of such reduction, we have the right to retain an architect, engineer, or other professional of our choice to resolve such dispute. The determination of such architect, engineer, or other professional will be final and conclusive with respect to such dispute. You must pay us all our Third Party Costs in connection with such dispute, except the cost of any such architect, engineer, or other professional, providing, however, if such architect, engineer, or other professional determines the Premises size is less than 1,600 square feet in size, you must pay the cost of such architect, engineer, or other professional. Measurement of the Premises is from interior wall to interior wall and excludes any columns; or
 - 7.5. **Gross Revenue.** If your Gross Revenue from Huntington Services and eTutoring does not equal or exceed \$350,000 for each 12 full-month period following the first anniversary of the Agreement Date, then, immediately upon the first day of the 13th month following such 12 full-month period, this Royalty Amendment and all rights granted hereunder will terminate.
8. **Obligations upon termination.** Immediately upon expiration or termination of this Royalty Amendment for any reason, the Royalty rate in the Franchise Agreement will be the greater of 9.5% or the then-current Royalty rate being offered to new franchisees; and for all time after such expiration or termination you may not request to execute any document or amendment giving you Royalty rights as described in this Royalty Amendment; and we have no obligation to execute with you any such document or amendment.
9. **Cross default.** Any default by you under any other franchise agreement or royalty amendment between us as one party and you or any of your affiliates as the other party that is so material as to permit us to terminate, or declare a default under, such other franchise agreement or royalty amendment will be deemed to be a default of this Royalty Amendment.
10. **Entire agreement.** The Amended Franchise Agreement constitutes the entire agreement between you and us with reference to its subject matter. The Amended Franchise Agreement supersedes all prior and contemporaneous negotiations, understandings, representations, and agreements, oral or written, about the Amended Franchise Agreement's subject matter. Our obligations to you are confined exclusively to the Amended Franchise Agreement. Any right granted to you by us as to the subject matter hereof is described

solely in, and limited to, the Amended Franchise Agreement. Except for those specifically permitted to be made unilaterally by us or you hereunder, no amendment or change to, or variance from, the Amended Franchise Agreement will be binding on either party, unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. Except as expressly modified by this Royalty Amendment, the Franchise Agreement remains unmodified and in full force and effect. After negotiations, you and we have agreed to certain modifications to the Franchise Agreement at your request and for your benefit; and this Royalty Amendment contains the agreements between you and us based on those negotiations.

- 11. Counterparts; electronic exchange.** You and we agree this Royalty Amendment may be executed in multiple counterparts, each of which will be deemed an original and all of which, when taken together, shall constitute one and the same agreement. You and we agree that this Royalty Amendment may be exchanged electronically (by facsimile, email or other means of electronic transmission) and may be signed electronically using a commercially acceptable and verifiable electronic signature tool.
- 12. Release.** You agree to execute the General Release in Attachment A contemporaneously with your execution of this Royalty Amendment. The General Release is a document that is separate and distinct from this Royalty Amendment.

ACCEPTANCE AND AGREEMENT

I AGREE TO EACH OF THE FOLLOWING: I UNDERSTAND AND AGREE THIS ROYALTY AMENDMENT CONSTITUTES THE ENTIRE, FULL, AND COMPLETE AGREEMENT BETWEEN ME AND THE FRANCHISOR WITH REFERENCE TO ITS SUBJECT MATTER. I AGREE I APPROVED THIS ROYALTY AMENDMENT. I UNDERSTAND AND AGREE THIS ROYALTY AMENDMENT SUPERSEDES ALL PRIOR AND CONTEMPORANEOUS NEGOTIATIONS, UNDERSTANDINGS, REPRESENTATIONS, AND AGREEMENTS, ORAL OR WRITTEN, ABOUT THIS ROYALTY AMENDMENT’S SUBJECT MATTER. I FREELY AND WITHOUT DURESS AND AFTER DUE CONSIDERATION ACCEPT AND AGREE TO BE BOUND BY, AND TO PERFORM ACCORDING TO, THIS ROYALTY AMENDMENT AND EACH AND ALL OF ITS TERMS, WITHOUT RESERVATION.

IN WITNESS WHEREOF, you and the Franchisor have executed this AMENDMENT on the above Amendment Date.

For the Franchisor, Huntington Learning Centers, Inc.,

Raymond J. Huntington	Chairman
Print name	Signature
	Title

For the Franchisee *(This is executed by all individuals comprising the Franchisee, if the Franchisee is an individual; or all officers of the corporation, if the Franchisee is a corporation; or all partners or members, if the Franchisee is a partnership or limited liability company.)*

Name of Franchisee <i>(from Table 1)</i> :	
--	--

Print name	Signature	Title
Print name	Signature	Title
Print name	Signature	Title

Attachment A

General Release

EXHIBIT D3
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
OTHER AGREEMENTS
Territory Amendment

Table 1. Identifying Information and Defined Terms	
Name of the franchisor (“Franchisor”, “Huntington”, “we”, “us”, and “our”)	Huntington Learning Centers, Inc.
Name of the franchisee (“you” and “Franchisee”). If the Franchisee is a legal entity, enter that legal entity’s name. If the Franchisee is one or more individuals, enter each of their names.	
Name of the exclusive area (“Exclusive Area”)	
Date (“Franchise Agreement Date”) on which we executed the franchise agreement (“Franchise Agreement”) with you for you to operate a franchised Huntington Learning Center® business (“Franchised Business”) within the Exclusive Area	
Date (“Amendment Date”) the Franchisor signs this Amendment. If blank the Amendment Date is the Franchise Agreement Date.	

This TERRITORY AMENDMENT (“Territory Amendment” or “Amendment”) is made, entered into, and effective on the Amendment Date between you and us or our successors and assigns.

RECITALS

- A. WHEREAS, in connection with your execution of the Franchise Agreement, you have requested to convert the Exclusive Area to a Territory; and
- B. WHEREAS, we hereby agree to your request, subject to the Franchise Agreement, as amended by this Territory Amendment, providing you sign this Territory Amendment concurrently with the Franchise Agreement.

NOW, THEREFORE, you and we acknowledge and agree that the entries in Table 1 and the Recitals set forth above are true and accurate; and Table 1 and each of the Recitals are incorporated into this Agreement by reference and are made a part of this Agreement. In consideration of the undertakings and commitments of each party to the other party set forth in this Territory Amendment and the above Recitals and Table 1’s identifying information and defined terms, the parties, who each intend to be legally bound by this Territory Amendment, and for good and valuable consideration, the receipt of which is hereby acknowledged, agree as follows:

1. **Amended Franchise Agreement.** This Territory Amendment amends the Franchise Agreement. The “Amended Franchise Agreement” means the Franchise Agreement, as amended by this Territory Amendment. You and we agree to be bound by the Amended Franchise Agreement. This Territory Amendment will terminate when the Franchise Agreement terminates or expires, unless sooner terminated according to this Territory Amendment’s terms. Any capitalized term used but not defined in this Territory Amendment has the meaning ascribed to such term by the Franchise Agreement. If there is any conflict between the Franchise Agreement and this Territory Amendment, this Territory Amendment will govern. Except as specifically amended herein, all other terms and conditions of the Franchise Agreement are hereby ratified and confirmed.
2. **Term.** Subject to the terms of this Territory Amendment, the term of this Territory Amendment will begin on, and be effective as of, the Amendment Date and will expire upon the earlier of (a) expiration or termination

for any reason of this Territory Amendment; or (b) expiration or termination for any reason of the Franchise Agreement.

- 3. Amendment.** You and we agree to amend the Franchise Agreement as follows:
- 3.1. Each reference to “Exclusive Area” in the Franchise Agreement is deemed to mean “Territory,” except as otherwise provided in this Territory Amendment; Exhibit A to this Territory Amendment describes the “Territory”.
 - 3.2. The following is deleted from Paragraphs 3.1.1 and 14.3.6 of the Franchise Agreement “including no or a smaller exclusive area” and replaced with the following “including a smaller exclusive area”.
 - 3.3. In Paragraph 3.1.9 of the Franchise Agreement, the amount of the Subsequent Franchise is \$18,000, instead of \$6,000.
 - 3.4. Paragraph 4.9.2A of the Franchise Agreement is amended with the following: “and (d) you may relocate your Premises only within the Territory’s population or geographic center, as we determine; and (e) we have the right to reduce the size of the Territory upon any relocation”.
 - 3.5. Paragraph 6.23 of the Franchise Agreement is hereby amended with the following: “or (f) terminate the Territory Amendment”.
 - 3.6. Paragraph 14.5 of the Franchise Agreement is deleted in its entirety and replaced with the following new Paragraph 14.5: “Fees and term. The terms of this Paragraph 14.5 apply to all Transfers, except those for which Paragraphs 14.4 above or 14.9 above apply. We waive the Initial Franchise Fee. You must pay us \$24,000 for the Training and Technology Initial Fee. You must pay us \$18,000 for the Transfer Fee. We do not reduce these fees for any reason, including any reason based on the amount of the Total Purchase Price. The term of the transferee’s franchise agreement is ten years. You must pay all broker and legal fees we, you, and the transferee incur in connection with any Transfer or attempted Transfer. If you authorize us to enlist a broker to identify a transferee, you must pay such broker’s fee. You must pay us all fees due under this Paragraph 14 no later than the effective date of the Transfer. As of the effective date of the Transfer, all payments paid or payable to us in connection with the Transfer will be deemed fully earned by us and are not refundable. However, if we disapprove the Transfer or if we approve the Transfer and the Transfer is not completed as required in this Paragraph 14, we will refund 50% of the Transfer Fee and 50% of the Training and Technology Initial Fee to you or, at our option, credit such refund to any amount you or any of your affiliates owe us or any of our affiliates. All non-refunded amounts will be earned in full by us and not refundable. You must deliver to us a Release signed by you and each of your Owners and Guarantors in connection with any amount we refund to you under this Paragraph 14.5, to the extent not prohibited by applicable law.”
- 4. Transfer or renewal of this Territory Amendment.** You must not directly, indirectly, or contingently sell, assign, transfer, convey, gift, pledge, mortgage, or otherwise encumber (whether by or among any of your Owners or others and whether by agreement or by law) any interest in this Territory Amendment. We have the absolute right to transfer, assign, or sell, without your consent, by agreement or by law, directly, indirectly, or contingently, this Territory Amendment and any right or obligation under this Territory Amendment to any individual or legal entity, including any individual or legal entity that provides or proposes to provide products or services the same as, or similar to, those provided at the Franchised Business. To the extent that the purchaser or assignee assumes our covenants and obligations under this Territory Amendment, we will thereupon and without further agreement, be freed and relieved of all liability with respect to such covenants and obligations. You agree you have no right to renew this Territory Amendment.

- 5. Termination.** This Territory Amendment and all rights granted hereunder will terminate upon any of the following defaults without further notice to you and without giving you any opportunity to cure the default and without prejudice to any of our other rights or remedies provided by law or the Amended Franchise Agreement, if:
- 5.1. Uncurable default. If you are notified of an uncurable default during the term of the Amended Franchise Agreement, then immediately upon the occurrence of such default and without further notice to you, this Royalty Amendment and all rights granted hereunder will terminate; or
 - 5.2. Two defaults. If you are notified of two defaults (whether or not these defaults are the same or similar defaults and whether or not these defaults are cured) during the term of the Amended Franchise Agreement, then immediately upon the occurrence of the second default and without further notice to you, this Territory Amendment and all rights granted hereunder will terminate; or
 - 5.3. Past-due amount. If you owe us, Huntington Advertising Fund, Contract Services Advertising Fund, or your CoOp any past-due amounts, individually or collectively, totaling \$5,000 or more for 30 days, then immediately upon the 31st day and without further notice to you, this Territory Amendment and all rights granted hereunder will terminate.
- 6. Obligations upon termination.** Immediately upon expiration or termination of this Territory Amendment for any reason, each reference to "Territory" in the Franchise Agreement is deemed to mean "Exclusive Area"; and for all time after such expiration or termination you may not request to execute any document or amendment giving you territorial rights as described in this Territory Amendment; and we have no obligation to execute with you any such document or amendment.
- 7. Your representations and warranties.** You represent and warrant to us each of the following:
- 7.1. You are duly organized, validly existing, and in good standing under the laws of your state. You have full power, right, and authority to enter into, and perform your obligations under, this Territory Amendment. Your execution, delivery, and performance of this Territory Amendment has been duly and properly authorized in accordance with applicable law and your charter, certificate of incorporation, by-laws, partnership documents, and formation documents, as applicable. This Territory Amendment constitutes your valid and binding obligation, enforceable against you in accordance with its terms. Your execution, delivery, and performance of this Territory Amendment and the undertakings contemplated herein, do not and will not conflict with or result in, with or without the giving of notice or lapse of time or both, any violation of, or constitute a breach or default under, your charter, certificate of incorporation, by-laws, partnership documents, or formation documents or any resolution adopted by you or your board of directors or governing board and not rescinded. Your execution of this Territory Amendment does not violate any term of any other agreement or commitment to which you or any of your affiliates are a party or to which any of your Owners or Guarantors are a party. Your execution of this Territory Amendment does not violate any term of any stockholder, partnership, or member of any legal entity that is the Franchisee or of any Territory Amendment thereto.

- 7.2. You have read and fully understand this Territory Amendment. You understand this Territory Amendment and each of its terms. You have had ample opportunity to ask us all questions about us, the Franchise Agreement, this Territory Amendment, and the business contemplated under the Franchise Agreement and this Territory Amendment and we have answered each and all of your questions to your full and complete satisfaction. You have had full opportunity to consult with, and be advised by, counsel of your own choosing about this Territory Amendment and the transaction governed by this Territory Amendment. You are not obligated under any oral or written agreement with us or otherwise to enter into this Territory Amendment. We are not obligated under any oral or written agreement with you or otherwise to offer you this Territory Amendment. You have not received from us or any of our affiliates or from any of our or their officers, directors, shareholders, employees, or agents any written or oral statements, representations, or warranties inconsistent with, or contradictory to, anything in this Territory Amendment, Franchise Agreement, or any other agreement between you or any of your affiliates and us or any of our affiliates. You have not received from us or any of our affiliates or our or their employees or agents any written or oral statements, representations, or warranties inconsistent with, or contradictory to, anything in (a) the Amended Franchise Agreement, or (b) any other agreement between you or any of your affiliates and us or any of our affiliates, or (c) any federal, state, or local health, safety, employment, or civil rights law or regulation that are applicable to the services to be provided under this Territory Amendment. We and affiliates and our and their employees and agents have given you no oral or written statement, representation, or warranty, express or implied or quantitative or qualitative, as to any actual or projected success, earnings, revenue, expense, profit, or cash flow you may derive from under the Amended Franchise Agreement.
- 7.3. The Premises is located within the Territory. If any portion of your Territory's boundary can be interpreted in more than one way, then the interpretation producing the smallest geographic area will apply. Any other franchisee's exclusive area may overlap your Territory. We and any other franchisee may market within your Territory. Marketing includes all forms of advertising, including contacting and visiting schools and their personnel for any reason. You are not obligated under any oral or written agreement with us or otherwise to enter into this Territory Amendment. We are not obligated under any oral or written agreement with you or otherwise to offer you this Territory Amendment. The rights and obligations granted to you under this Territory Amendment comprise a new and distinct body of rights and obligations not granted to you under the Franchise Agreement. Nothing in this Territory Amendment constitutes a waiver by us or any of our affiliates of any of our or their rights under the Franchise Agreement or under any agreement between you or any of your affiliates and us or any of our affiliates. You have not received from us or any of our affiliates or from any of our or their officers, directors, shareholders, employees, or agents any written or oral statements, representations, or warranties inconsistent with, or contradictory to, anything in the Franchise Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates. This Paragraph 7 will survive termination or expiration of this Territory Amendment for any reason. Nothing in this Territory Amendment constitutes a waiver by us or any of our affiliates of any of our or their rights under the Franchise Agreement, or under any agreement between you or any of your affiliates and us or any of our affiliates.
- 8. Entire Agreement.** The Amended Franchise Agreement constitutes the entire agreement between you and us with reference to its subject matter. The Amended Franchise Agreement supersedes all prior and contemporaneous negotiations, understandings, representations, and agreements, oral or written, about the Amended Franchise Agreement's subject matter. Our obligations to you are confined exclusively to the Amended Franchise Agreement. Any right granted to you by us as to the subject matter hereof is described solely in, and limited to, the Amended Franchise Agreement. Except for those specifically permitted to be made unilaterally by us or you hereunder, no Territory Amendment or change to, or variance from, the Amended Franchise Agreement will be binding on either party, unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

- 9. **Release.** You agree to execute the General Release in Exhibit B contemporaneously with your execution of this Territory Amendment. The General Release is a document that is separate and distinct from this Territory Amendment.

ACCEPTANCE AND AGREEMENT

I AGREE TO EACH OF THE FOLLOWING: I UNDERSTAND AND AGREE THAT THIS TERRITORY AMENDMENT AND ITS EXHIBITS CONSTITUTE THE ENTIRE, FULL, AND COMPLETE AGREEMENT BETWEEN ME AND THE FRANCHISOR WITH REFERENCE TO ITS SUBJECT MATTER. I AGREE I APPROVED THIS TERRITORY AMENDMENT. I UNDERSTAND AND AGREE THAT THIS TERRITORY AMENDMENT SUPERSEDES ALL PRIOR AND CONTEMPORANEOUS NEGOTIATIONS, UNDERSTANDINGS, REPRESENTATIONS, AND AGREEMENTS, ORAL OR WRITTEN, ABOUT THIS TERRITORY AMENDMENT’S SUBJECT MATTER. I FREELY AND WITHOUT DURESS AND AFTER DUE CONSIDERATION ACCEPT AND AGREE TO BE BOUND BY, AND TO PERFORM ACCORDING TO, THIS TERRITORY AMENDMENT AND EACH AND ALL OF ITS TERMS, WITHOUT RESERVATION.

IN WITNESS WHEREOF, you and the Franchisor have executed this TERRITORY AMENDMENT on the above Amendment Date.

For the Franchisor, Huntington Learning Centers, Inc.,

Raymond J. Huntington Chairman

Print name Signature Title

For the Franchisee *(This is executed by all individuals comprising the Franchisee, if the Franchisee is an individual; or all officers of the corporation, if the Franchisee is a corporation; or all partners or members, if the Franchisee is a partnership or limited liability company.)*

Name of Franchisee <i>(Enter the same name that appears in table 1 of this Territory Amendment):</i>	
--	--

Print name Signature Title

Print name Signature Title

Print name Signature Title

**EXHIBIT A
TERRITORY DESCRIPTION**

You must operate your Franchised Business only from a single location within the boundaries of the geographic area ("Territory") that is described and defined in this Exhibit A by map or by written description. You selected your Territory and the Franchisor consented to it. The Franchisor has not made, and does not make, any representation or forecast about your Territory or the success or profitability of your Franchised Business in it.

Your Territory's name is _____

Your Territory's description is attached.

PLEASE SIGN AND DATE THE ATTACHED TERRITORY DESCRIPTION.

IN WITNESS WHEREOF, the Franchisee and the Franchisor have executed the Territory Amendment on the Territory Amendment Date.

For the Franchisor, Huntington Learning Centers, Inc.,		
Raymond J. Huntington		Chairman
Print name	Signature	Title

For the Franchisee <i>(This is executed by all individuals comprising the Franchisee, if the Franchisee is an individual; or all officers of the corporation, if the Franchisee is a corporation; or all partners or members, if the Franchisee is a partnership or limited liability company.)</i>	
Name of Franchisee <i>(Enter the same name that appears before Paragraph 1 of this Agreement):</i>	

Print name	Signature	Title
Print name	Signature	Title
Print name	Signature	Title
Print name	Signature	Title

**Exhibit B
General Release**

EXHIBIT D4
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
OTHER AGREEMENTS

Asset Purchase Agreement for use in purchasing Company-Owned Centers

THIS ASSET PURCHASE AGREEMENT ("**Agreement**") is made on _____ by and among **HUNTINGTON LEARNING CORPORATION**, a Delaware corporation ("**Huntington**"), _____, a _____ ("**Buyer**"), and _____ and _____ (each a "**Guarantor**", and collectively, "**Guarantors**").

RECITALS

A. Huntington is engaged in the business of developing and operating Huntington Learning Center® businesses in the New York Metropolitan Area using the System and the Marks and such other marks as Huntington may authorize from time to time for use in connection with Huntington Learning Centers®.

B. Huntington Learning Centers, Inc. ("**Franchisor**") is engaged in the business of granting franchises to operate Huntington Learning Center® businesses throughout the United States using the System and the Marks and such other marks as Franchisor and its affiliates may authorize from time to time for use in connection with Huntington Learning Centers®.

C. Huntington, Franchisor, and Franchisor franchisees have established a reputation and image with the public as to the quality of services and products available at Huntington Learning Center® businesses, which reputation and image have been, and continue to be, unique benefits to Huntington, Franchisor, and Franchisor's franchisees.

D. Huntington currently operates several Huntington Learning Center® businesses in the states of New York and New Jersey in or around the New York Metropolitan Area.

E. Huntington wishes to sell, transfer, and convey to Buyer, and Buyer wishes to purchase from Huntington, the assets relating to the Huntington Learning Center® business ("**Outlet**") located at the following address: _____, which is located in the state of _____ ("**Outlet State**") on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the following mutual covenants and representations, the parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the terms below have the following meanings. Any of such terms, unless the context otherwise requires, may be used in the singular or plural, depending upon the context.

- 1.1 "**Affiliate**" means a Person which directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, a specified Person.
- 1.2 "**Agreement**" means this Asset Purchase Agreement.
- 1.3 "**Ancillary Agreements**" means the following: (a) the Franchise Agreement, (b) the Sublease, (c) the Bill of Sale, (d) the Assignment and Assumption of Executory Contracts and (e) any other written agreement entered into in connection with the Closing.
- 1.4 "**Authority**" means any federal, state, municipal, local or other governmental department, commission, board, bureau, agency or instrumentality, or any administrative, judicial or arbitration court or panel, with jurisdiction over the applicable matter.
- 1.5 "**Buyer**" means _____.
- 1.6 "**Claim**" means any lawsuit, litigation, dispute, claim, demand, arbitration or mediation, or any other proceeding before a judicial, administrative or arbitration court or panel whether known or

- unknown, liquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal or equitable.
- 1.7 **“Closing”** means the simultaneous payment of funds from Buyer to Huntington and the transfer and conveyance of the Purchased Assets from Huntington to Buyer before Takeover as required under this Agreement.
- 1.8 **“Closing Date”** means the date on which the Closing occurs, which shall be on or before thirty days after the full execution by all parties of this Agreement.
- 1.9 **“Damages”** means any and all losses, shortages, damages, liabilities (contingent or otherwise), diminution of value, payments, obligations, expenses (including reasonable and documented attorneys’ and accountants’ fees), assessments or taxes sustained, suffered or incurred by Huntington or Buyer arising from or in connection with any such matter that is the subject of indemnification under this Agreement.
- 1.10 **“Data Portal”** means a web portal with the URL address as set forth on Exhibit “B” to this Agreement.
- 1.11 **“Deposit”** means the nonrefundable earnest money deposit being paid by Buyer at the time of execution of this Agreement to Huntington and accepted by Buyer in the amount of _____ and 00/100 Dollars (\$_____.00).
- 1.12 **“Executory Contracts”** means the agreements and contracts set forth in Exhibit “C” to this Agreement.
- 1.13 **“Franchisor”** means Huntington Learning Centers, Inc., a Delaware corporation, which is an Affiliate of Huntington.
- 1.14 **“Franchise Agreement”** means the form of franchise agreement currently authorized by Franchisor to be used in the Outlet State which grants a franchisee the right to operate a Huntington Learning Center® business at a specific location.
- 1.15 **“Guarantor(s)”** shall mean _____ and _____.
- 1.16 **“Huntington”** means Huntington Learning Corporation, a Delaware corporation.
- 1.17 **“Huntington Outlet”** means a Huntington Learning Center® business operated by Huntington or by legitimate franchisees of Franchisor under the System and utilizing the Marks.
- 1.18 **“Law”** and collectively, **“Laws”** means any laws, rules, statutes, decrees, regulations, circulars, ordinances or orders, including all applicable public, environmental, and competition laws and regulations; and any administrative decisions, judgments and other pronouncements enacted, issued, promulgated enforced or entered by any Authority.
- 1.19 **“Marks”** means the trademarks, service marks, trade dress, logos, slogans, designs and other commercial symbols and source-identifying indicia (and the goodwill associated therewith) used in the operation of Huntington Outlets throughout the United States, whether registered, applied for or unregistered.
- 1.20 **“Outlet”** means the Huntington Outlet whose Purchased Assets are being sold, transferred and conveyed to Buyer pursuant to this Agreement. The Outlet is identified on Exhibit “A” to this Agreement.
- 1.21 **“Person”** means any individual, corporation, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union, or other entity or Authority.
- 1.22 **“Premises”** means the real property upon which the Outlet is located, together with any improvements. The address of the Premises is listed on Exhibit “A” attached to this Agreement.
- 1.23 **“Pre-paid Tuition”** means any tuition that any of the Outlet’s students may have paid for which they have not yet received all of the instruction purchased with such tuition.
- 1.24 **“Prime Lease”** means the lease agreement pursuant to which Huntington leases the Premises from its landlord, and said lease agreement describes the leasehold interest that Huntington will sublease to Buyer pursuant to the Sublease.
- 1.25 **“Property Taxes”** means any and all real estate (other than real property transfer or gains) and personal property taxes, assessments, and charges (either certified and/or pending) which may be levied upon the Premises, Outlet or any of the Purchased Assets.

- 1.26 **"Purchased Assets"** means all of Huntington's interest in (i) the Purchased Equipment and (ii) the Executory Contracts.
- 1.27 **"Purchased Equipment"** means all furniture, trade fixtures, telephone numbers, permits and equipment used in connection with and located at the Outlet at Takeover.
- 1.28 **"Purchase Price"** means _____ and 00/100 Dollars (\$_____.00).
- 1.29 **"Refund"** means any refund any of the Outlet's students may be entitled to receive after Closing in connection with services performed before Closing.
- 1.30 **"Standards"** means the standards, specifications and procedures for Huntington Outlets issued, directed and amended by Franchisor or its Affiliates from time to time, in their sole discretion, including those contained from time to time in the Brand Standards Manual of Franchisor (and such superseding or additional documents as may be issued by Franchisor and/or its Affiliates from time to time).
- 1.31 **"Student Report"** means a report that Huntington provides to the Buyer that itemizes all students who have had any instruction at the Outlet during the period from _____ to _____. Students may have received instruction at the Outlet prior to this period, but the Student Report does not list these students.
- 1.32 **"Sublease"** means the form of sublease agreement currently required by Huntington in connection with the sale of Huntington Outlets and pursuant to which the Premises will be subleased from Huntington to Buyer.
- 1.33 **"System"** means the unique format and operating system developed by Franchisor and or its Affiliates for the development and operation of Huntington Outlets.
- 1.34 **"Takeover"** means the transfer of possession of the operation of the Outlet, which shall occur at 12:00 a.m. (midnight) on the Takeover Date.
- 1.35 **"Takeover Date"** means the date on which Takeover occurs, which shall be 12:00 a.m. (midnight) on the day after the Closing Date.
- 1.36 **"Transaction Due Diligence"** means the documents posted to the Data Portal with respect to the Outlet and other matters pertaining to this Agreement for Buyer's review.

2. **SUBJECT MATTER**

- 2.1 **Transfer of Purchased Assets.** Upon the terms and subject to the conditions contained in this Agreement, at Closing, Huntington shall sell, convey, transfer, assign and deliver, free and clear of all Claims, liabilities, liens and obligations other than those specifically set forth in this Agreement or any of the Ancillary Agreements, Huntington's interest in the Purchased Assets, and Buyer shall purchase the Purchased Assets.
- 2.2 **Liabilities Assumed.** Before the Closing Date, Buyer agrees to examine all existing contracts concerning the operation, use and occupancy of the Outlets and Premises. If such contracts (or any of them) may be terminated, the Buyer shall have the option to either terminate them, at Buyer's sole cost and expense, or to assume the obligations of Huntington thereunder. Notwithstanding the foregoing, Buyer has agreed to assume the Executory Contracts, and Huntington's obligations and liabilities thereunder in all respects shall be fully assumed by Buyer. At Closing, at Huntington's option, Buyer shall execute an **"Assignment and Assumption of Executory Contracts"** in commercially reasonable form verifying Buyer's assumption of Huntington's liability under the Executory Contracts.
- 2.3 **Pre-paid Tuition, Accounts Receivable and Customer Refunds.** The Buyer and Huntington acknowledge and agree to the following:
- 2.3.1 **Refunds.** Some of the Outlet's students may be entitled to Refunds after Closing in connection with Pre-Paid Tuition.
- 2.3.2 **Student Report.** (a) Huntington has provided the Buyer with the Student Report. Students may have received instruction at the Outlet prior to this period, but the Student Report does not list these students; and (b) The Student Report identifies those students who received instruction at the Outlet using government-funds.

- 2.3.3 Ownership of Pre-Paid Tuition and Refunds. One hundred percent (100%) of the Pre-Paid Tuition shall be the property of Huntington after Closing; and all Refunds after Closing shall be the Buyer's responsibility.
- 2.3.4 The Buyer is responsible for all Refunds for all students not listed on the Student Report.
- 2.3.5 Accounts Receivable (a) The Buyer and Huntington agree that all of the Outlet's accounts receivable in connection with non-government-funded programs shall be the property of the Buyer after Closing; and (b) Since there is typically a significant delay in processing payments for instruction provided to the Outlet's students under government-funded programs, all payments for such instruction that occurred before Closing shall be the property of Huntington, regardless of when the Buyer receives such payments.
- 2.3.6 Acknowledgement. Buyer and Huntington acknowledge that the Purchase Price has been set taking into account the economic effect of the allocation of these items to the parties as described herein.

3. CLOSING

The Closing shall take place on the Closing Date at the offices of Huntington, in Oradell, New Jersey, at 10:00 A.M., or at such other time and place as shall be mutually agreed upon by the parties. Huntington and the Buyer agree that the date of delivery of the Purchased Assets and the effective date for each of the Ancillary Agreements shall be the Takeover Date.

4. PURCHASE PRICE AND PAYMENT

The Purchase Price is _____ and 00/100 Dollars (\$ _____ .00). The nonrefundable Deposit of _____ and 00/100 Dollars (\$ _____ .00) is being paid by Buyer to Huntington at the time of execution of this Agreement. On the Closing Date, Buyer shall pay to Huntington the Purchase Price plus or minus the following:

- (i) plus or minus net pro-rations (as hereinafter provided), including, without limitation, the adjustments in Section 13 of this Agreement;
- (ii) plus the amount of any sales or transfer taxes to be collected under Section 12 of this Agreement;
- (iii) minus the Deposit,

by wire transfer to Huntington's account as provided to Buyer by Huntington.

The Purchase Price shall be allocated among the Purchased Assets and all other appropriate items as set forth in Exhibit F and in accordance with IRC Section 1060 and the Treasury Regulations thereunder (and any similar provision of state, local or foreign law, as appropriate). Buyer and Huntington shall report, act and file tax returns (including but not limited to Internal Revenue Service Form 8594) in all respects and for all purposes consistent with the Purchase Price allocation set forth in Exhibit F. Neither Purchaser nor Seller shall take any position (whether in audits, tax returns or otherwise) that is inconsistent with the Purchase Price allocation in Exhibit F unless required to do so by applicable law.

5. REPRESENTATIONS AND WARRANTIES OF HUNTINGTON

- 5.1 Corporate Existence. Huntington is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and has the corporate power to carry on its business as it is now being conducted.
- 5.2 Title. Huntington has good and marketable title to all of the Purchased Assets and at Closing the Purchased Assets shall be subject to no liens, mortgages, restrictions, pledges, encumbrances or charges of any kind.
- 5.3 No Additional Representations. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT, NEITHER HUNTINGTON NOR ANY OF ITS AFFILIATES, AGENTS OR PERSONS ACTING ON ITS BEHALF MAKES ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, RELATING TO THE PURCHASED ASSETS OR OTHER PROPERTY THAT IS THE SUBJECT

OF THIS AGREEMENT, AND HUNTINGTON HEREBY DISCLAIMS ANY SUCH REPRESENTATION OR WARRANTY NOT SET FORTH IN THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

6. **REPRESENTATIONS AND WARRANTIES OF BUYER**

- 6.1 **Existence.** Buyer is a [*corporation OR limited liability company*] duly organized, validly existing and in good standing under the Laws of the State of _____ and has the [*corporate OR limited liability company*] power to own its properties and to carry on its business as it is now being conducted.
- 6.2 **Authorization.** Buyer has all requisite power and authority, and has taken all action necessary to sign and deliver this Agreement and the Ancillary Agreements to which it is a party, to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder. Each of this Agreement and the Ancillary Agreements is a legal, valid and binding obligation of Buyer, enforceable in accordance with its terms. Neither the execution nor the delivery of this Agreement, nor any of the Ancillary Agreements nor the consummation of the transactions contemplated by any such agreements, will result in a breach of, or give rise to termination of, or accelerate the performance required by any terms of any agreement to which Buyer is a party, or constitute a default thereunder, or result in the creation of any lien, charge or encumbrance upon any of the Purchased Assets of Buyer.
- 6.3 **Consents.** The consent or approval of a third party is not required in order that Buyer may enter into this Agreement or into any Ancillary Agreement.
- 6.4 **Brokers.** Buyer knows of no broker, finder, intermediary, or other Person acting in a similar capacity who may have been involved in this transaction that would be entitled to a fee or commission upon its consummation.
- 6.5 **Solvency.** Buyer covenants that it is not insolvent and has sufficient funds on hand at this time and sufficient borrowing capacity with responsible financial institutions to purchase the Purchased Assets and other property that is the subject of this Agreement on the terms and conditions set forth in this Agreement.
- 6.6 **Employment Matters.** Buyer represents and warrants that Buyer has not offered employment to any current salaried employee of Huntington or its Affiliates, except as otherwise set forth on Exhibit "E" to this Agreement attached hereto. Except for those individuals listed on Exhibit "E" to this Agreement Buyer represents and warrants that Buyer has not entered into any agreements to employ in the future, nor does Buyer intend to offer employment to, any current salaried employee of Huntington or its Affiliates. Expressly excluded from the provisions of this Section 6.6 are employees who work in the Outlet and are paid on an hourly basis

7. **HUNTINGTON'S OBLIGATIONS CONDITIONAL**

The obligations of Huntington herein are, at the option of Huntington, subject to the following conditions:

- 7.1 **Representations and Warranties.** All representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects on and as of the Closing Date.
- 7.2 **Full Performance.** Buyer shall have performed and complied with the terms and conditions of this Agreement in all material respects prior to or at the Closing.
- 7.3 **Binding Commitment from Buyer's Lender.** Buyer shall have submitted to Huntington, and Huntington shall have received from Buyer, a written, binding financing commitment from Buyer's lender that is, in Huntington's sole but good-faith judgment, consistent, when added to the equity capital that Buyer has committed and any seller financing (if any) to be provided by Huntington or its affiliate, with the amount of capital required to carry out all of Buyer's obligations under this Agreement and the Ancillary Agreements. If Buyer obtains any seller financing from Huntington or its affiliate, Huntington's obligations under this Agreement shall be subject to Buyer's execution of all financing documents required by Huntington or its affiliate.

8. **ANCILLARY AGREEMENTS**

- 8.1 **Franchise Agreement and Sublease.** As part of the consideration for the execution of this Agreement, at the Closing, Franchisor and Buyer shall enter into a Franchise Agreement for the Outlet, and Huntington and Buyer shall enter into a Sublease for the Outlet. The effective date for the Franchise Agreement and Sublease shall be as of the Takeover Date. Buyer and the Outlet must become a member of an Advertising Cooperative (a “**Cooperative**”) after Closing as determined by Franchisor. Buyer must begin contributing to the Cooperative after Closing as provided in the Franchise Agreement. Copies of the Franchise Agreement and Sublease may be delivered to Buyer via the Data Portal. For the avoidance of doubt, Huntington will not exercise any of its existing extension or renewal options under the Prime Lease, and Buyer shall be responsible for reaching an agreement with landlord for additional term or finding an alternative location that is acceptable to Franchisor and then relocating the Outlet to such location at Buyer’s sole cost. The term of the Franchise Agreement shall not be reduced by the Franchisor due to expiration of the Sublease or Prime Lease or Buyer’s failure to enter into a new lease. Neither Huntington nor any of its Affiliates shall be a guarantor of any lease of Buyer either at an existing location or at a location to which Buyer has relocated.
- 8.2 **Payable Rents.** The base rent due to Huntington under the Sublease is set forth on the rent table attached hereto as Exhibit “D” to this Agreement. If there is any disagreement between the rents set forth in Exhibit “D” and the Sublease, then the rents set forth in Exhibit “D” govern. Common area maintenance charges, taxes and other charges related to the Outlet, if applicable, are in addition to any base rent under the Sublease.
- 8.3 **Storage Space.** To the extent not prohibited by landlord under the Prime Lease, the Sublease shall grant Huntington the exclusive right to use any basement or dedicated storage space at the Premises (“**Storage Space**”), and Buyer shall not have the right use any of the Storage Space without Huntington’s prior written consent.
9. **INSURANCE.** At 11:59 PM on the Closing Date, all insurance policies relating to the Purchased Assets and other property that is the subject of this Agreement held by or on behalf of Huntington shall be terminated and no longer in force or effect, and Huntington shall have no further liability in respect of maintenance or continuance of such policies as of the Closing. Prior to or at Closing, Buyer shall deliver to Huntington the insurance certificates required under the Franchise Agreement and Sublease effective as of Takeover and naming Huntington, Huntington’s landlord under the Prime Lease, and Franchisor as additional insureds by a separate endorsement.
10. **ADVERTISING FUNDS.** Buyer hereby acknowledges and agrees that no advertising funds earned or accrued as the result of the operation of the Outlet by Huntington prior to the Takeover Date shall accrue or inure to Buyer's benefit.
11. **PUBLIC UTILITY SERVICES.** Buyer, on or before the Takeover Date, shall make all necessary arrangements for the institution or continuation of service by public utilities at the Premises, for Buyer's account only. The Buyer shall also obtain a final reading of any and all public utility service meters located at the Premises prior to Takeover. Any deposits for public utility services made at any time by Huntington shall be returned or refunded to Huntington upon receipt by Buyer. If Buyer assumes any deposit or it is transferred to Buyer, Buyer shall immediately refund an amount equal to the deposit to Huntington within five (5) days after any such assumption or transfer.
12. **TRANSFER COSTS.** All sales, transfer or use taxes and/or other fees which may be imposed or assessed by any taxing Authority pursuant to any Law as the result of the transactions effected by this Agreement, except those taxes imposed upon the income of Huntington, shall be the financial responsibility of the Buyer. In addition to the Purchase Price, Buyer agrees to remit to Huntington, at Closing, the funds necessary to pay in full any such tax and/or other fee, and Huntington agrees to remit such funds following Closing to the appropriate taxing Authority. If it is later determined by audit or otherwise that such funds collected from Buyer were not sufficient for full payment to the taxing Authority, then Buyer agrees to immediately

reimburse Huntington for any additional monies due within fifteen (15) days written notice from Huntington that such additional amounts are due. If it is later determined by audit or otherwise that such funds collected from Buyer exceeded what was necessary for full payment to the taxing authorities, then Huntington agrees to immediately reimburse Buyer for any overpayment within 15 days of receipt of written notice by Huntington that such overpayment occurred. All fees charged by the landlord of the Prime Lease for obtaining their consent to sublease or otherwise resulting from Huntington's grant of a Sublease to Buyer shall be the responsibility of Buyer.

13. ADJUSTMENTS

13.1 **General.** Buyer and Huntington agree to adjust and pay their respective pro-rata share of, as of the date of Takeover, all pro-ratable charges attributable to the operation of the Outlet. The pro-ratable charges include, but are not limited to, pre-paid rent, pre-paid marketing, pre-paid maintenance, pre-paid annual accreditation payment, telephone charges, internet charges, cleaning service charges, sewer charges, water charges and public utility service charges. Buyer will be liable to the extent any items to be pro-rated under this Section 13.1 relate to any time period after the Takeover, and Huntington will be liable to the extent any items to be pro-rated under this Section 13.1 relate to any time period up to and including the Takeover.

13.2 **Property Taxes.** Notwithstanding anything herein to the contrary, the parties acknowledge and agree that the Sublease for the Outlet shall govern and control Buyer's obligation with respect to the payment of Property Taxes. The parties further acknowledge and agree that Property Taxes for the year of Closing will be prorated between Huntington and Buyer so that Buyer is responsible for such Property Taxes attributable to the period following the Closing Date. Following Closing, Huntington shall invoice Buyer and Buyer shall reimburse Huntington for its proportionate share of the Property Taxes in accordance with the terms of the Sublease. If there is a conflict between this Section 13.2 and any of the provisions of the Sublease, the provisions contained in the Sublease will control.

14. EMPLOYEE RELATIONS. It is understood and agreed that all Persons employed at the Outlet are, prior to Takeover, the employees of Huntington. Huntington agrees to be responsible for the payment to all such employees for all wages due and owing to them up to the date of Takeover. Thereafter, Huntington shall no longer be deemed to be the employer of these Persons, and Buyer shall be fully responsible for any labor performed by these Persons after Takeover. Buyer acknowledges and agrees that (i) Huntington is making no representations or warranties with respect to the background of the employees at the Outlet; (ii) Buyer may not rely on any background checks that Huntington may have done with respect to current employees at the Outlet; and (iii) Buyer must order its own background checks should it wish to investigate the background of the employees. Buyer also acknowledges and agrees that local law may impose successor liability on Buyer for accrued sick leave and other benefits with respect to Persons it hires who were employed at the Outlet prior to Takeover. Buyer agrees to hire a sufficient number of Huntington's employees at each site of employment covered by this Agreement and any other agreement between Huntington and Buyer or an affiliate of Buyer to avoid triggering notice obligations under the Worker Adjustment and Retraining Notification Act ("**WARN Act**"), 29 USC Section 2101, et seq. and the equivalent New York and/or New Jersey WARN Acts. Buyer agrees to indemnify and hold Huntington and its Affiliates harmless for all claims made under federal or state WARN Act laws. To the extent transferable, Huntington may, at its sole option, transfer to Buyer its unemployment experience relating to the Outlet. In an effort to minimize disruption of operations at the Outlet, if Buyer and its employees are not employees of Huntington, then Buyer and its employees and agents shall have no contact with Huntington's employees (including at the Outlet, in the field or at Huntington's corporate headquarters) without Huntington's advance written approval, and Buyer shall not share its knowledge of this Agreement or the transactions contemplated hereunder with any of Huntington's employees prior to Closing without Huntington's prior written consent.

15. WAIVER OF BULK SALES COMPLIANCE. Buyer agrees to waive any formal requirements of the Bulk Sales Law of the state in which the Outlet is located. Huntington represents and warrants to Buyer that the

Purchased Assets are free and clear of all debts and encumbrances and that any trade bills or other obligations owed as a result of the operation of the Premises prior to the date of Takeover shall be paid in full as they fall due.

16. **CONDITION OF PURCHASED ASSETS.** Buyer accepts the Purchased Assets and the Premises which are the subject of the Subleases, in an "AS-IS" condition as of the Closing Date.
17. **CAPITAL IMPROVEMENTS.** For the avoidance of doubt, from and after Takeover, Buyer is responsible for funding all future capital expenditures with respect to the Outlet including, without limitation, any capital expenditures required under the Ancillary Agreements or any System mandated capital expenditures.
18. **INDEMNIFICATION.** Buyer and Huntington shall each indemnify and save the other harmless against and from all Damages and Claims, by or on behalf of any Person or Authority whatsoever arising out of (i) the other's failure to perform any of the agreements, terms, covenants, or conditions of this Agreement which it is obligated to perform in accordance with this Agreement; and (ii) any breach of any representation or warranty made by either party in this Agreement.
19. **DATA PORTAL.** All due diligence pursuant to this Agreement and the transaction contemplated by this Agreement shall be delivered by posting on the Data Portal. The instructions for the Data Portal are set forth on Exhibit "B" to this Agreement. Buyer shall periodically check the Data Portal for updated Transaction Due Diligence. Except for due diligence completed by Buyer through its own experts and not through Huntington, Buyer should only rely on Transaction Due Diligence delivered to Buyer from Huntington through the Data Portal and not documents delivered by Huntington through any other method.
20. **CLOSING DOCUMENTS**
 - 20.1 **Buyer's Closing Deliveries.** At the Closing, Buyer shall execute, deliver or cause to be delivered to Huntington the following:
 - (i) the payment referred to in Section 4 of this Agreement;
 - (ii) At Huntington's option, an Assignment and Assumption of Executory Contracts, evidencing to Huntington's satisfaction that all Executory Contracts have been assumed by the Buyer and that Huntington is exonerated from any and all liability under each of them; and
 - (iii) Such other documents and instruments as may be reasonably required by Huntington and, in form and substance, satisfactory to counsel for Huntington.
 - 20.2 **Huntington's Closing Deliveries.** At Closing, Huntington shall execute, deliver or caused to be delivered to Buyer the following: (i) Bill of Sale attached hereto as Exhibit "G" to this Agreement; and (ii) Sublease for the Outlet.
 - 20.3 **Franchisor's Closing Deliveries.** At Closing, the Franchisor shall execute, deliver or caused to be delivered to Buyer the following: Franchise Agreement for the Outlet.
21. **GENERAL**
 - 21.1 **Notices.** All notices under this Agreement shall be in writing and shall be sent to the other party by certified mail, postage fully prepaid, return receipt requested, or sent by other means which affords the sender evidence of delivery, attempted delivery, or rejected delivery, addressed as provided in this Section or at any other address that a party may designate in writing to the other; provided, however, no notices shall be sent hereunder by email, text, or by fax and Buyer shall not designate any address that is a post office box. Notices shall be deemed delivered and received on the earliest of actual receipt; 5 business days after placement in the U.S. mail; or one business day after mailing, if placed in the U.S. mail or a courier service for next business day delivery. Huntington's address for notices is: 496 Kinderkamack Road, Oradell, New Jersey 07649, Attention: Chairman. Buyer's address for notices is _____. Either party hereto may change the address or addresses to which such communications should be

- directed by giving written notice to the other party of such change in accordance with this Section.
- 21.2 Expenses. Buyer and Huntington shall each pay their own expenses in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated by it.
- 21.3 Caption Headings and Construction of Agreement. The caption headings are used in this Agreement only as a matter of convenience and for reference and do not define, limit or describe the scope of this Agreement nor the intent of any provision. Should any provision of this Agreement require judicial interpretation, it is agreed that the court interpreting or construing the same shall not construe this Agreement against one party more strictly by reason of any rule of interpretation which relates to preparation of a document, it being agreed that the agents of all parties have participated in the preparation of this Agreement and that legal counsel was consulted by each party prior to its execution hereof.
- 21.4 Entire Agreement; Modification. All Exhibits attached hereto or to be attached hereafter shall be deemed part of this Agreement and incorporated herein, as if fully set forth herein. This Agreement, together with the Ancillary Agreements, sets forth the entire agreement and understanding of the parties in respect to the transactions contemplated by it and supersedes any and all prior agreements and understandings relating to the subject matter of this Agreement and the Ancillary Agreements. No representations, promises, inducement or statement of intention have been made by Huntington or its Affiliates to Buyer that is not embodied in this Agreement, the Ancillary Agreements or the written statements or other documents delivered in connection with it or in connection with the transactions contemplated by this Agreement. This Agreement may be amended, modified, superseded or cancelled, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by the parties or, in the case of a waiver, by the party waiving compliance.
- 21.5 Non-Waiver; Survival. No waiver or waivers by any party of any provision of this Agreement, whether by conduct or otherwise, shall be deemed to be a further or continuing waiver of that or any other provision of this Agreement. The terms and conditions of this Agreement and all representations, covenants and warranties made by Buyer shall survive the Closing Date and shall continue so long as Buyer, its successors or assigns, retain any interest in the Outlet.
- 21.6 Assignment and Transfer. All the terms, covenants, representations, warranties and conditions of this Agreement shall be binding upon, and shall inure to the benefit of and be enforceable by the successors and assigns of Huntington. This Agreement and the rights and obligations under it shall not be assignable by Buyer. Any assignment in contravention of this provision shall be void. Any assignment by Buyer shall not relieve Buyer of its liabilities hereunder.
- 21.7 Severability. In the event that any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect of any reason, the validity, legality and enforceability of any provision in every other respect and of the remaining provisions of this Agreement shall not be in any way impaired.
- 21.8 Deposit. Buyer agrees that the Deposit shall be nonrefundable. In the event that Buyer withdraws from this Agreement, other than as a result or on account of a breach by Huntington of any of its warranties, representations, or covenants made in this Agreement, the Deposit made by Buyer shall be paid to or retained by Huntington as liquidated damages. In the event that Buyer defaults under this Agreement (including without limitation the obligation not to contact Huntington's employees or inform them about this Agreement or the transactions contemplated hereunder), the Deposit may be applied to any Damages suffered by Huntington.
- 21.9 Cooperation. Buyer agrees to cooperate with Huntington in defending or settling any Claim arising out of Huntington's ownership or operation of the Purchased Assets or other property that is the subject of this Agreement.
- 21.10 Survival of Certain Terms. Any terms of this Agreement that explicitly create rights or obligations that are intended to survive the Closing or the termination of this Agreement shall survive.

- 21.11 Counterparts. The parties may sign this Agreement in multiple counterparts. Each signed counterpart is considered an original document, but all signed counterparts – when taken together – constitute one original document. A party may effectively deliver that party’s signed counterpart of this Agreement by facsimile or by e-mail of a PDF copy. This Agreement takes effect when each party has delivered at least one of its signed counterparts to the other party.
- 21.12 Governing Law; Venue.
- 21.12.1 Governing Law; Etc. This Agreement shall be interpreted and construed in accordance with the laws of the state of Delaware, except for such state’s conflict-of-law rules. The parties agree that the New Jersey Franchise Practices Act shall not apply to this Agreement.
- 21.12.2 Jurisdiction and Venue. Except as otherwise provided herein, any action arising out of, or relating to, this Agreement, whenever and wherever incurred, whether vested or contingent, whether in law or in equity, whether directly, representatively, derivatively, or in any other capacity, shall be brought in the judicial district in which Huntington has, at the time of commencement of such action, its principal place of business. Huntington shall have the right to commence an action against Buyer in any court of competent jurisdiction. Huntington and Buyer hereby waive all objections to personal jurisdiction or venue for the purpose of carrying out the purposes of this Section, and Huntington and Buyer agree that nothing in this Section shall be deemed to prevent any party to such action from removing the action from state court to federal court.
- 21.12.3 Litigation; Prevailing Party. In the event of any litigation with regard to this Agreement, the prevailing party shall be entitled to receive from the non-prevailing party and the non-prevailing party shall pay upon demand all reasonable fees and expenses of counsel for the prevailing party.
- 21.12.4 Time is of the Essence. Time is of the essence of each provision hereof. Failure of either party to close the transaction on the Closing Date, without default on the part of the other, shall be considered a default under this Agreement.
- 21.12.5 WAIVER OF TRIAL BY JURY. BUYER, HUNTINGTON AND GUARANTORS AGREE TO WAIVE A TRIAL BY JURY IN ANY JUDICIAL PROCEEDING, WHETHER AT LAW OR IN EQUITY, ABOUT ANY AND ALL ISSUES THAT ARISE OUT OF, CONCERN, OR RELATE TO, THIS AGREEMENT, ANY AND ALL TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT, BUYER’S, HUNTINGTON’S OR ANY GUARANTOR’S PERFORMANCE, DIRECTLY OR INDIRECTLY, UNDER THIS AGREEMENT, OR OTHERWISE, DURING THE TERM OF THIS AGREEMENT AND AFTERWARDS. ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF ANOTHER PARTY’S CONSENT TO THE WAIVER OF A TRIAL BY JURY. BUYER AND GUARANTORS AGREE THAT THEIR REPRESENTATIONS SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR ANY REASON.
22. **GUARANTY**. Guarantor(s), by executing this Agreement below, hereby unconditionally guarantee(s) the performance of each and every obligation of Buyer under this Agreement. Guarantor(s) shall also unconditionally guarantee the performance of each and every obligation of Buyer under the Franchise Agreement and Sublease. Buyer shall execute separate guaranties on Huntington’s forms with respect to the Franchise Agreement and Sublease.
23. **GENERAL RELEASE. IN FURTHER CONSIDERATION OF HUNTINGTON'S EXECUTION OF THIS AGREEMENT, BUYER FOR ITSELF, ITS SUCCESSORS, ASSIGNS, HEIRS, PERSONAL REPRESENTATIVES AND AFFILIATES (INDIVIDUALLY AND COLLECTIVELY, THE "RELEASING PARTIES"), REMISES, RELEASES, ACQUITS, SATISFIES AND FOREVER DISCHARGES HUNTINGTON AND FRANCHISOR AND THEIR SUCCESSORS, PREDECESSORS, COUNSEL, INSURERS, ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, PARENT COMPANY, AFFILIATES, SUBSIDIARIES AND AGENTS, PAST AND PRESENT (INDIVIDUALLY AND COLLECTIVELY, THE "RELEASED PARTIES") FROM AND AGAINST ALL CLAIMS, WHICH THE RELEASING PARTIES EVER HAD, NOW HAVE, CAN,**

SHALL OR MAY HAVE, AGAINST THE RELEASED PARTIES FOR, UPON OR BY REASON OF ANY MATTER, CAUSE OR THING WHATSOEVER, FROM THE BEGINNING OF THE WORLD TO THE DATE OF THIS AGREEMENT.

ACCEPTANCE AND AGREEMENT

This Agreement is hereby executed by the parties effective on the date indicated on the first page of this Agreement.

HUNTINGTON: HUNTINGTON LEARNING CORPORATION, a Delaware corporation

By: _____

Raymond J. Huntington, Chairman

BUYER: _____, a _____

By: _____

Title: _____

GUARANTOR(S):

_____, individually

_____, individually

EXHIBIT "A"

Address of Outlet

EXHIBIT "B"

Data Portal

EXHIBIT "C"

List of Executory Contracts

EXHIBIT "D"

Sublease Base Rental Rates

EXHIBIT "E"

List of Salaried Employees to be Hired by Buyer

Last, first name	Position

EXHIBIT "F"

Allocation of Purchase Price

Furniture, fixtures, signs	\$ _____
Leasehold improvements	\$ _____
Computer equipment/software	\$ _____
Educational materials	\$ _____
Goodwill	\$ _____
<u>Total Purchase Price:</u>	\$ _____

The allocation of a monetary value of the purchase price to goodwill is simply an accounting allocation of operating goodwill that is related solely to the specific location that is the subject of the transaction. The allocation of a purchase price amount to goodwill in no way impacts or otherwise creates any ownership of any kind in any trademarks, copyrights, trade secrets, or other intellectual property or intangible assets of any kind that is owned by Huntington Mark, LLC, Huntington Learning Corporation, Huntington Learning Centers, Inc., or their affiliates (collectively, "HLC") or was used in, or is in anyway associated with, the business that is the subject of the transaction, the HLC system, or any HLC operating business (collectively, the "HLC Intellectual Property"); nor shall the allocation create any ownership in any goodwill associated with any HLC Intellectual Property. HLC EXCLUSIVELY OWNS ANY AND ALL HLC INTELLECTUAL PROPERTY AND ANY AND ALL GOODWILL IN ANY WAY ASSOCIATED WITH THE HLC INTELLECTUAL PROPERTY, OR IN ANY WAY ASSOCIATED WITH THE OPERATION OF ANY HLC FRANCHISE OR AFFILLATED BUSINESSES. FOR CLARITY, ALL GOODWILL CREATED BY A THIRD-PARTY'S USE OF THE HUNTINGTON INTELLECTUAL PROPERTY SHALL INURE EXCLUSIVELY TO HLC.

EXHIBIT "G"

Form of Bill of Sale

BILL OF SALE

This Bill of Sale, dated as of _____, 2020, is executed and delivered by Huntington Learning Corporation, a Delaware corporation ("Seller") to _____, a _____ ("Buyer").

Pursuant to, and in accordance with, the terms of an asset purchase agreement and a franchise agreement and/or ancillary agreements regarding Buyer's pending operation of a Huntington Learning Center located at _____ ("Franchised Business"), Seller does hereby grant, sell, transfer and deliver to Buyer all of the equipment, signs, furnishings, fixtures, curricula, and inventory currently located at the Franchised Business ("Assets").

ALL ASSETS ARE SOLD ON AN "AS IS" AND "WHERE IS" BASIS IN THEIR CURRENT CONDITION. SELLER MAKES NO WARRANTIES OR REPRESENTATIONS AS TO THE CONDITION, REPAIR OR WORKABLENESS OF THE ASSETS, AND EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

IN WITNESS WHEREOF, Seller has signed its name this ____ day of _____, 2020.

SELLER:

Huntington Learning Corporation,
a Delaware corporation

By: _____

Raymond Huntington, Chairman

EXHIBIT D5
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
OTHER AGREEMENTS

Sublease for use in purchasing Company-Owned Centers

Table 1. Identifying Information and Defined Terms				
Subtenant name (“Subtenant” and “you”)				
The Subtenant is (circle one)	Individual	Corporation	Partnership	Limited liability company
Subtenant address for notices, which is not a post office box				
Address of the premises (“Premises”) to be subleased by the Subtenant				
State in which the Premises is located (“Premises State”)				
Effective date (“Sublease Date”) of this sublease (“Sublease”)				
Date on which this Sublease shall commence (“Commencement Date”)				
Date on which this Sublease shall expire (“Expiration Date”), which shall be at midnight one full day before the expiration of the Master Lease, unless sooner terminated as provided in this Sublease.				
Name of the exclusive area (“Exclusive Area”) in the franchise agreement (“Franchise Agreement”) signed by the Subtenant and Huntington Learning Centers, Inc. (“Franchisor”)				

This Sublease is made and effective on the Sublease Date by and between the Subtenant and Huntington Learning Corporation (“Sublandlord”), a corporation incorporated in Delaware. The Subtenant and Sublandlord are sometimes called the “parties”. In consideration of the covenants in this Sublease, the parties agree as follows:

RECITALS

- A. Huntington Learning Corporation has operated a Huntington Learning Center® business (“Business”) at the Premises; and
- B. Premises are subject to a lease (“Master Lease”) between Huntington Learning Corporation as tenant and the landlord identified therein (“Master Landlord”). A copy of the Master Lease is in Exhibit B. Unless otherwise indicated, all exhibits are attached to, and made a part of, this Sublease; and
- C. Subtenant acknowledges that Exhibit A contains a true and correct copy of the Master Lease; and
- D. The Subtenant signed a Franchise Agreement with the Franchisor on the Sublease Date to operate the Business as a franchised Huntington Learning Center® at the Premises; and
- E. The Subtenant is the franchisee under the Franchise Agreement; and
- F. The Subtenant wishes to lease from Huntington Learning Corporation the Premises under this Sublease;

NOW, THEREFORE, in consideration of the undertakings and commitments of each party to the other party set forth in this Sublease and all of the above representations and acknowledgements, including the identifying information and defined terms in Table 1 above, all of which are incorporated by reference herein, the parties,

who each intend to be legally bound by this Sublease, and for good and valuable consideration, the receipt of which is hereby acknowledged, agree as follows:

1 PROPERTY LEASED

- 1.1 **Demise.** Sublandlord leases to Subtenant and Subtenant leases from Sublandlord the Premises, subject to any and all reservations, restrictions, easements, rights of way, limitations and conditions of record, if any. Notwithstanding the foregoing, to the extent not prohibited by Master Landlord, Sublandlord reserves the exclusive right to use any basement or dedicated storage space at the Premises (“Storage Space”). For the avoidance of doubt, the Storage Space shall include basement or storage areas that do not formally comprise part of the Premises but that Master Landlord has nevertheless permitted Sublandlord to use at or near the Premises at no additional charge. Subtenant shall not use any of the Storage Space without Sublandlord’s prior written consent.
- 1.2 **Master Lease.** Subtenant acknowledges the Premises are subject to the Master Lease. Any conflict between this Paragraph 1.2 and the other provisions of this Sublease shall be resolved in favor of this Paragraph 1.2.
- 1.2.1 This Sublease is subject, and subordinate, to the Master Lease. If the Master Lease is terminated for any cause whatsoever, Subtenant shall promptly vacate and surrender the Premises to Sublandlord and this Sublease shall terminate as of the date of termination of the Master Lease and Sublandlord shall have no liability or obligation to Subtenant for, or in connection with, the termination of the Sublease.
- 1.2.2 Except as otherwise provided herein, all costs, common area maintenance fees, expenses, charges, assessments, and rent escalations accruing under the Master Lease, any restrictions imposed upon Sublandlord thereunder, together with all repairs, replacements, restorations, and any other obligations required to be performed by Sublandlord, as tenant under the Master Lease, shall be binding upon Subtenant herein. If the obligations and restrictions imposed on Subtenant under the Sublease conflict with the obligations and restrictions imposed upon Sublandlord, as tenant under the Master Lease, then the more burdensome and restrictive of such obligations and restrictions shall prevail and be binding upon the Subtenant herein. Any dispute about “burdensome” and “restrictive” in the preceding sentence, including any dispute about definition or interpretation, shall be resolved by the Sublandlord, in its sole discretion.
- 1.2.3 With respect to any consent or approval required to be obtained of Master Landlord under the Master Lease (by way of illustration and without limitation, consent to alterations), Sublandlord’s sole obligation with respect thereto, upon being requested in writing by Subtenant, shall be to seek the approval or consent of Master Landlord. Subtenant acknowledges and agrees that Sublandlord shall not be liable to Subtenant with respect to any delay, default or failure of Master Landlord to grant such consent or approval or in the performance by the Master Landlord of its obligations and covenants under the Master Lease, unless such be due to acts or misconduct of Sublandlord, and neither shall the Rent, Additional Rent, and other Additional Charges under the Sublease abate nor shall any of the obligations of Subtenant under the Sublease be affected by reason thereof. Subtenant further acknowledges and agrees that, with respect to any rights afforded Sublandlord under the Master Lease, including any options to extend the term of the Master Lease, options to purchase the Premises, rights of first refusal to purchase the Premises and restrictions against competition, such rights are not passed on to, or conferred upon, Subtenant under the Sublease. Subtenant acknowledges that only Sublandlord has the benefit of, and the right to, exercise or enforce such rights and the failure of Sublandlord to exercise or enforce such rights shall not be a default under the Sublease nor entitle Subtenant to make any claim against Sublandlord.
- 1.3 **Covenant of Quiet Enjoyment.** The Sublandlord promises, subject to Subtenant’s full performance of all of the terms and conditions of the Sublease, that Subtenant shall be entitled to the quiet and peaceful enjoyment and undisturbed possession of the Premises for the Term.

2 **TERM**

2.1 **Term.** The term of this Sublease (“Term”) shall commence on the Commencement Date and shall expire on the Expiration Date.

2.2 **Possession**

2.2.1 Possession of the Premises shall be delivered to the Subtenant on the Commencement Date.

2.2.2 Subtenant agrees to give the Sublandlord keys, security code, or other means to gain access to the Premises. If Subtenant changes the locks or installs a security system, then Subtenant shall give the Sublandlord the changed lock’s keys and security codes.

2.3 **Holdover.** Subtenant may hold over at the expiration of the Term only with the written consent of Sublandlord. During such holdover tenancy, (a) the Base Rent shall increase to two hundred percent (200%) of the maximum Base Rent in the Master Lease during the Term and any holdover period; (b) the Subtenant shall pay the Sublandlord all Additional Charges and Additional Rent due to such holdover tenancy; and (c) the Subtenant shall pay the Sublandlord \$1,200 per month (“Holdover Amount”) on the first day of each month of such holdover tenancy. The Holdover Amount is deemed by Subtenant and Sublandlord to be a reasonable estimate of the Sublandlord’s administrative and management expenses and is not a penalty. Subtenant agrees to comply with all holdover provisions contained in the Master Lease.

2.4 **End of Term**

2.4.1 Fixtures and Personal property. At the expiration or earlier termination of this Sublease, any fixtures located on the Premises and not already owned by Sublandlord shall become the property of Sublandlord. If, at that time, Subtenant has complied fully with all Sublease terms and conditions continually during the Term, then (a) Sublandlord hereby waives any right to claim any personal property owned or leased by Subtenant and located on the Premises; and (b) the personal property may be removed by Subtenant or Sublandlord, provided the Subtenant restores the Premises to its original condition, reasonable wear and tear excepted. Any such personal property not removed within thirty (30) days after Sublease expiration or termination shall be deemed abandoned and become the property of Sublandlord.

2.4.2 Joint Inspection. During a period no earlier than 90 days and no later than 7 days before the Expiration Date, Sublandlord shall notify Subtenant of the date and time Sublandlord intends to inspect the Premises with the purpose of the Sublandlord making a list (“Punch List”) of any items of repair and maintenance that may be needed to put the Premises in good condition and repair, reasonable wear and tear excepted. The Subtenant has the right to accompany the Sublandlord on such inspection. If the Subtenant does not accompany the Sublandlord on such inspection, the Subtenant shall be deemed to have waived any right it had to participate in, or dispute, such inspection and Punch List. If Subtenant cannot complete the Punch List within 10 days of the date the Sublandlord gives the Subtenant the Punch List, then Sublandlord has the right, but not the obligation, to retain a third party of its choice to complete the Punch List; and Subtenant shall pay to Sublandlord by the Expiration Date (or later date as permitted by the Sublandlord) such third-party’s expenses, plus the greater of (a) \$3,000 and (b) 10% of the third-party’s expenses, which is a reasonable estimate of the Sublandlord’s related administrative and management expenses and is not a penalty. Subtenant’s obligation to make such payment shall survive the termination of this Sublease.

2.4.3 Any dispute about “original condition” and “reasonable wear and tear” in this Paragraph 2.4, including any dispute about definition or interpretation, shall be resolved by the Sublandlord, in its sole discretion.

3 **CONSIDERATION**

3.1 **Rent.** Subtenant agrees to pay to Sublandlord and Sublandlord agrees to accept the base rent amount indicated on Exhibit B (“Base Rent”), to be due and payable in monthly installments in advance on the first day of each month during the Term. The first monthly installment of the Base Rent shall be due on

the Sublease Date. If this Sublease shall commence on any day other than the first day of a calendar month, the monthly installment for the first and last month of the Term shall be prorated.

3.2 Additional Charges

- 3.2.1 Subtenant and Sublandlord agree (a) the rent accruing under this Sublease shall be net to Sublandlord and that all taxes, costs, common area maintenance fees, expenses and charges of every kind and nature ("Additional Charges") relating to the Premises or payable under the Master Lease that may arise or become due during the Term or any extension or holdover of this Sublease, shall be paid by Subtenant to the Sublandlord; and (b) Subtenant shall indemnify and save harmless Sublandlord from and against all taxes, costs, common area maintenance fees, expenses and charges of every kind and nature.
- 3.2.2 All Additional Charges that Subtenant assumes or agrees to pay under any provision of this Sublease, together with all late fees, interest, and penalties that may accrue on these Additional Charges if Subtenant fails to pay them, as well as all other damages, costs, and expenses, including attorneys' fees and other legal and court costs that Sublandlord may incur in enforcing this Sublease, and any and all other sums that may become due by reason of Subtenant's default or failure to comply with its obligations under this Sublease, shall be deemed to be "Additional Rent".
- 3.2.3 The Base Rent and Additional Rent shall collectively be referred to herein as the "Rent". In the event of any non-payment of Rent in any form, Sublandlord shall have all rights and remedies provided herein.
- 3.2.4 No Base Rent, Additional Rent, Additional Charges, or any other amount the Subtenant pays the Sublandlord under this Sublease is refundable.

3.3 Method of Payment. Subtenant shall make all payments to Sublandlord by the method or methods Sublandlord requires from time to time. Subtenant shall make any payment required under this Sublease directly to Sublandlord, its affiliate(s), or to a bank or such other financial institution account that Sublandlord specifies, at the times and with the frequency that Sublandlord designates, by electronic funds transfer, on-line banking, pre-authorized auto-draft arrangement, or such other means as Sublandlord may specify from time to time. For each account in which Subtenant conducts business at any time during the Term, Subtenant agrees to execute an ACH Automatic Withdrawal Authorization and to keep it effective throughout the Term; and Subtenant hereby authorizes Sublandlord to withdraw monies from each such account in the amounts and at the times provided in this Sublease and any other agreement between Subtenant and Sublandlord or its affiliate(s). Subtenant hereby indemnifies Sublandlord and holds Sublandlord harmless under each ACH Automatic Withdrawal Authorization. Subtenant consents to Sublandlord's directly transacting business with each bank and financial institution with which Subtenant has an account to effectuate fully the terms of each ACH Automatic Withdrawal Authorization. Subtenant shall furnish Sublandlord, its bank, or other financial institution, and any other recipient of payment with such information and authorizations as may be necessary to permit such persons to make withdrawals by electronic funds transfer, on-line banking, or auto-draft arrangement. Subtenant shall bear all expenses, if any, and pay Sublandlord its third party costs associated with such authorizations and payments.

3.4 Late Charges. All Base Rent, Additional Rent, Additional Charges, late fees, interest, and all other amounts due under this Sublease shall be paid to Sublandlord without notice or demand and without abatement, deduction or set-off, except as otherwise expressly provided in this Sublease. Each payment not paid when due shall be subject to the then-current late fee; and shall bear daily interest payable immediately upon demand at the rate of 18% per annum or at the highest rate permitted by applicable law. The late fee as of Sublease Date is \$100 per occurrence.

3.5 Security Deposit. Subtenant must, concurrently with the execution of this Sublease, pay to Sublandlord the amount of any security deposit that Sublandlord has paid to Master Landlord under the Master Lease. Upon expiration of the Master Lease, Sublandlord shall direct Master Landlord to pay any remaining security deposit to Subtenant. If Master Landlord declines to pay the remaining security deposit to Subtenant after Sublandlord so requests, and instead pays the remaining security deposit to

Sublandlord, then Sublandlord shall promptly pay any remaining security deposit that it receives to Subtenant.

4 **INSURANCE**

4.1 **Coverage.** Continually during the Term, Subtenant, at its own cost and expense, shall:

- 4.1.1 Keep the Premises and the fixtures and personal property on it insured with an all risk property insurance policy in the amount of \$1,000,000.
- 4.1.2 Provide and keep in force comprehensive or commercial general liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Premises, in limits of not less than \$1,000,000 per occurrence for bodily injury, not less than \$500,000 per occurrence for property damage, or in such other amounts as Sublandlord may require. The policy shall name Sublandlord and the Master Landlord as additional insured.
- 4.1.3 If the Master Landlord requires the Sublandlord to maintain any insurance for the Premises, Subtenant shall pay on demand to the Sublandlord the amount of such insurance premium, plus \$500 each January 1 during the Term for Sublandlord's administrative and management expenses.
- 4.1.4 Keep in force business interruption insurance that covers the then-current Rent and the annual premiums for insurance required by this Paragraph 4.
- 4.1.5 If requested by Sublandlord, provide and keep in force insurance for such other insurable hazards in such amounts as similarly situated Premises are then commonly insured.

4.2 **Policies.** All insurance required by Sublandlord and provided by Subtenant shall be carried in favor of Sublandlord and Subtenant, as their respective interests may appear, the Master Landlord, and any underlying fee owner, affiliate corporation, trustee, mortgagee or other person designated by Sublandlord or as required under the Master Lease. All insurance shall be obtained from companies licensed to do business in the Premises State and which have a rating by Bests Rating Guide of at least "A". Subtenant shall procure policies for all insurance for periods of not less than one year and shall deliver to Sublandlord all policies or certificates of insurance with evidence of payment of all premiums. Subtenant shall procure renewals of these policies from time to time before their respective expiration dates. All insurance policies shall be non-assessable and shall require thirty (30) days' notice by certified mail to Sublandlord of any cancellation or change affecting Sublandlord's coverage under the policies. All property damage and business interruption policies of Subtenant shall contain a waiver of any subrogation rights which Subtenant's insurers may have against Sublandlord, even if the loss suffered is caused by the act, omission or negligence of Sublandlord.

4.3 **Adjusting; Proceeds.** Claims for loss due to damage to the Premises under any policies provided for in this Sublease shall be adjusted with the insurance companies:

- 4.3.1 by Subtenant in the case of any particular casualty resulting in damage or destruction not exceeding \$10,000, or
- 4.3.2 by Sublandlord and Subtenant, in the case of any particular casualty resulting in damage or destruction exceeding \$10,000 in the aggregate. Subject to the rights of Master Landlord and any mortgagee, the proceeds of any insurance shall be payable as follows:
 - 4.3.2.1 With respect to any loss not exceeding \$10,000 in the aggregate, proceeds shall be paid to Subtenant, who shall hold them in trust for the purpose of paying the costs of repair and restoration; and
 - 4.3.2.2 With respect to losses exceeding \$10,000 in the aggregate, the proceeds may, at Sublandlord's option, be paid to Sublandlord or its designee and shall be applied to pay the costs of repair and restoration as directed by Sublandlord.

4.4 **Joint Efforts.** Subtenant agrees to cooperate fully at its sole expense with Sublandlord in attempts to collect any insurance proceeds that may be due in the event of loss, and Subtenant shall execute and deliver at its sole expense to Sublandlord such proofs of loss and other instruments that may be required for the purpose of recovering these proceeds.

4.5 **Waiver of Subrogation.** Subtenant agrees to look solely to the proceeds of its own insurer for indemnity against exposure for loss of property or business interruption. Subtenant warrants that its property

and business interruption insurers shall have no rights against Sublandlord by virtue of assignment, subrogation, loan agreement, or otherwise.

- 4.6 **Cancellation of Insurance.** If any insurance policy covering the Premises or any part of it is canceled or is threatened by the insurer to be canceled, or if the coverage thereunder is reduced in any way by the insurer for any reason, and if Subtenant fails to remedy the condition giving rise to cancellation, threatened cancellation, or reduction of coverage within five days after notice thereof by Sublandlord, Sublandlord may, at its option, either (i) reenter the Premises forthwith by providing notice in writing of its intention to do so. Sublandlord has the right to provide such notice by leaving upon the Premises a notice, by emailing a notice to Subtenant's HLCMail.com email address, or as provided in Paragraph 15.1, below. Sublandlord has the right to reenter the Premises after one day after providing such notice; or (ii) enter the Premises and remedy the condition giving rise to such cancellation, threatened cancellation, or reduction, and Subtenant shall forthwith pay the cost thereof to Sublandlord (which cost may be collected, at Sublandlord's option, by Sublandlord as Additional Rent) and Sublandlord shall not be liable for any damage or injury caused to any property of Subtenant or of others located on the Premises as a result of any such entry, unless resulting from its own sole gross negligence, or intentional or willful act or omission.
- 4.7 **Loss and Damage.** Sublandlord shall not be liable for any death or injury occurring on the Premises, nor for the loss of or damage to any of the personal property or other property of Subtenant or of others by theft or otherwise, unless resulting from its own sole gross negligence, or intentional or willful act or omission. Without limiting the generality of the foregoing, Sublandlord shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, dampness, gas, electricity, water, rain, snow, or leaks from any part of the Premises or from the pipes, appliances or plumbing works or from the roof, street, walls, or subsurface or from any other place by any other cause whatsoever, unless resulting from its own sole gross negligence, or intentional or willful act or omission. Sublandlord shall not be liable for any such damage caused by other persons or occupants of adjacent property, or the public, or caused by operations in construction of any private, public or quasi-public work. All of the personal property or any other property of Subtenant kept or stored on the Premises shall be kept or stored at the risk of Subtenant.

5 **THE PREMISES**

- 5.1 **Use and Services.** During the Term, Subtenant shall continuously operate a franchised Huntington Learning Center® business in accordance with the Franchise Agreement, unless Subtenant is prevented from doing so because of acts of God or other causes beyond Subtenant's control. The Premises shall not be used for any other purpose.
- 5.2 **Repairs and Maintenance.** Subtenant shall, at all times during the Term, at its own cost and expense, put, keep and maintain the Premises and all fixtures and personal property located on it in good order and condition, subject to reasonable wear and tear, and subject to all applicable terms of this Paragraph 5, shall make all necessary and desirable repairs, restorations, and replacements thereof, structural and nonstructural, foreseen or unforeseen (hereinafter collectively called "Repairs"), and shall use all reasonable precaution to prevent waste, damage, or injury. If Subtenant fails or neglects to make any Repair or fulfill its other obligations as set forth herein, Sublandlord or its agents may enter the Premises at any time for the purpose of making such Repairs or fulfilling those obligations. The Subtenant shall pay to Sublandlord (a) all costs and expenses incurred as a consequence of Sublandlord's action under this Paragraph 5.2 within 15 days after Sublandlord sends the Subtenant copies of receipts showing payment for such Repairs or other obligations; and (b) the greater of \$3,000 and 10% of these costs and expenses, which is a reasonable estimate of the Sublandlord's related administrative and management expenses and is not a penalty. These receipts shall be prima facie evidence of the payment of the charges paid by Sublandlord.
- 5.3 **Alterations.** Subtenant agrees that it will at its own cost and expense make such reasonable alterations to the interior or exterior of the Premises as may reasonably be requested by Sublandlord from time to time in order to modify the appearance of the Premises to reflect the then current image of the Huntington Learning Center® brand. Subtenant shall not at any time make any alteration, change,

addition or improvement (hereinafter collectively called "Alterations") in or to the interior or exterior of the Premises without the prior written consent of Sublandlord, such consent not to be unreasonably withheld, delayed, or conditioned. In the event consent is given:

- 5.3.1 Subtenant shall perform all Alterations in a good and workmanlike manner at Subtenant's sole expense, and shall not weaken or impair the structural strength or lessen the value of the Premises, or change the purpose for which the Premises may be used; and
- 5.3.2 Alterations shall be made according to plans and specifications therefor, which shall be first submitted to, and approved in writing by, Sublandlord. Such consent shall not be unreasonably withheld, delayed, or conditioned; and
- 5.3.3 Before beginning any work on any Alterations, Subtenant shall obtain all required approvals of such plans and specifications from all governmental authorities having jurisdiction; and
- 5.3.4 Before beginning any Alteration, Subtenant shall pay in full the amount of any increase in premiums on insurance policies for endorsements covering the risk during work on the Alterations and workmen's compensation insurance covering all persons employed in connection with that work; and
- 5.3.5 If the estimated cost of the Alteration exceeds \$20,000, Subtenant shall, at Sublandlord's option, furnish to Sublandlord a surety bond of a company acceptable to Sublandlord, in an amount equal to the estimated cost of such work, or other security satisfactory to Sublandlord, guaranteeing the completion of such work, free and clear of all liens and encumbrances; and
- 5.3.6 Alterations shall comply with all present and future federal, state, and local building requirements and codes including any disabilities related statutes or codes (collectively, the "Codes") in the jurisdiction where the Premises are located.

All buildings, additions, improvements, fixtures, and appurtenances in or on the Premises at the Commencement Date and those which may be erected, affixed, or installed in or on the Premises during the Term are deemed to be, and shall immediately become, part of the Premises and the sole property of Sublandlord. All personal property owned and installed by Subtenant (except signs, trademarks and other insignia of Sublandlord) shall remain the property of Subtenant.

- 5.4 **Liens.** Should Subtenant cause any Alterations or Repairs to be made to the Premises, or cause any labor to be performed or material to be furnished, neither Sublandlord nor the Premises shall under any circumstances be liable for the payment of any expense incurred, and all such Alterations and Repairs shall be made and performed at Subtenant's sole cost and expense. If, because of any act or omission of Subtenant, any mechanic's or other lien, charge, claim, or order for payment of money shall be filed against the Premises or against Sublandlord, then Subtenant shall, at its own cost and expense, cause it to be canceled and discharged of record or bonded within 30 days after notice of filing thereof. If the Subtenant fails to cause any such mechanics' or other lien, charge, or order to be canceled and discharged or bonded, then, in addition, to any other right or remedy of the Sublandlord, the Sublandlord may, at its option, cancel or discharge it by paying the amount claimed to be due into court or directly to any claimant and the amount so paid by Sublandlord and all costs and expenses, including attorneys' fees incurred for the cancellation or discharge of such lien shall be due from the Subtenant to the Sublandlord as an additional charge payable on demand.
- 5.5 **Signs.** Subtenant shall not place any signs or symbols on any portion of the Premises without the prior written approval of Sublandlord, such consent not to be unreasonably withheld, delayed, or conditioned.
- 5.6 **Inspection.** Fee owner, Sublandlord, or their representatives shall have the right to enter the Premises on any days and at any times to ascertain if the Premises are in proper repair and condition.
- 5.7 **License and Laws.** The Subtenant shall, at its own cost and expense, obtain all necessary licenses or permits that may be required for the conduct of its franchised Huntington Learning Center® business; and Subtenant shall, at its own cost and expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directions, rules and regulations (referred to generally as "Regulations") of governmental authorities having or claiming jurisdiction over the Premises or the conduct of Subtenant's business. By way of example, and not limitation, compliance with Regulations

shall include alterations and additions to the Premises, if required under the Americans with Disabilities Act.

- 5.8 **Damage or Destruction.** If, during the Term, the Premises or the personal property or fixtures on it are destroyed or damaged in whole or in part by fire or other cause, Subtenant shall give Sublandlord immediate notice, and Subtenant, at its own cost and expense, shall cause the prompt repair, replacement, and rebuilding of same ("Restoration"), subject to Paragraph 5.2 and Paragraph 5.3 of this Sublease. The restored building, personal property or fixtures shall reflect the then-current image of the Huntington Learning Center® brand. Sublandlord shall in no event be called upon to repair, replace, or rebuild any such buildings, fixtures, or personal property. Sublandlord shall in no event be called upon to pay any of the costs or expenses thereof beyond or in excess of any insurance proceeds, as provided in this Sublease.
- 5.9 **Disclaimer.** The taking of possession of the Premises by Subtenant shall be conclusive evidence that the Subtenant has accepted the Premises "AS IS," including any latent or patent defects. Subtenant acknowledges that Subtenant is relying on its own independent inspection.
- 5.10 **Contracts.** Subtenant shall not without Sublandlord's consent enter into any service contract or agreement relating to the furnishing of any services to the Premises or its occupants, unless such contract or agreement shall by its terms be terminable on no more than 30 days' notice or shall expressly provide that it shall not become binding on Sublandlord if this Sublease is terminated or expires. Subtenant shall furnish Sublandlord with copies of all service contracts or agreements affecting the Premises that are now in existence or that are subsequently entered into.

6 TAXES AND OTHER CHARGES

6.1 Payment

- 6.1.1 If Sublandlord elects, at its sole option, to pay the taxes, assessments, charges for public utilities, excises, levies, licenses, permit fees, or other governmental impositions and charges of any kind and nature whatsoever ("Charges") that are payable in connection with the ownership, occupancy, or possession of the Premises, Subtenant shall reimburse Sublandlord within 15 days after Subtenant receives an invoice for the payment of such Charges.
- 6.1.2 If Sublandlord does not pay the Charges as set forth in the preceding paragraph, Subtenant shall pay on or before the last day on which payment may be made without penalty or interest, all Charges that may be assessed, imposed, or become due and payable in connection with the ownership, occupancy, or possession of the Premises or the fixtures or personal property on it, or any Charges that may be imposed in lieu of, or as a substitution for, any such Charges. At any time after the time for payment of each Charge, upon Sublandlord's request, Subtenant shall exhibit to Sublandlord satisfactory evidence of payment. To the extent permitted by the governmental authority, its Charges assessed or imposed for the years in which the Term commences and terminates shall be apportioned.

7 INDEMNIFICATION

- 7.1 Subtenant shall indemnify, defend with counsel acceptable to Sublandlord, and save Sublandlord harmless from and against all costs, expenses, liabilities, losses, damages, injunctions, suits, actions, fines, penalties, claims, and demands of every kind or nature, including attorneys' fees, (collectively, "Claims") by or on behalf of any person, party, or governmental authority whatsoever arising out of (a) any failure or alleged failure by Subtenant to perform any of its obligations under this Sublease, (b) any accident, injury or damage that occurs in or about the Premises, (c) any matter arising out of the condition, occupation, maintenance, alteration, repair, use, or operation of the Premises or any part of it, (d) the contest or challenge by Subtenant of any imposed tax, assessment, or other Charges, or (e) any other matter arising from or relating to Subtenant's occupation of the Premises, provided that Subtenant shall not indemnify Sublandlord if, or to the extent, such Claims are caused by Sublandlord's gross negligence, or intentional or willful misconduct.

8 ENFORCEMENT

Default. Each of the following events is a default and a breach of this Sublease by Subtenant:

- 8.1.1 If Subtenant files any proceeding under the United States Bankruptcy Code, any other present or future federal or state bankruptcy, reorganization, receivership, insolvency, or other similar law affecting the rights of creditors generally, or for dissolution under the laws of the United States or of any state, or voluntarily takes advantage of any such law or act or is dissolved or makes an assignment for the benefit of creditors;
- 8.1.2 If involuntary Proceedings under the United States Bankruptcy Code, any other present or future federal or state bankruptcy, reorganization, receivership, insolvency or other similar law or for the dissolution of a corporation are instituted against Subtenant or if a receiver or trustee is appointed of all or substantially all of the property of Subtenant and such Proceedings are not dismissed or such receivership or trusteeship vacated within 90 days after such institution or appointment;
- 8.1.3 If Subtenant vacates, abandons, or ceases doing business on the Premises or indicates its intention to do so;
- 8.1.4 If this Sublease or the estate of Subtenant is transferred to any other person or party, except in a manner permitted by the terms of this Sublease;
- 8.1.5 If Subtenant fails to pay Sublandlord any installment of the Rent or Additional Charges when it becomes due and payable and fails to make such payment within ten (10) days after written notice thereof by Sublandlord to Subtenant;
- 8.1.6 If Subtenant fails to perform any of its nonmonetary obligations under this Sublease and such non-performance continues for a period within which performance is required to be made by specific provision of this Sublease or, if no such period is provided, for a period of thirty (30) days after written notice thereof by Sublandlord to Subtenant; or, if such performance cannot be reasonably had within such thirty-day period, Subtenant has not in good faith commenced such performance within such thirty-day period or has not diligently proceeded therewith to completion;
- 8.1.7 If Subtenant or any manager, officer, or agent of Subtenant knowingly or intentionally falsifies any report required to be furnished to Sublandlord pursuant to the terms of this Sublease and fails to notify Sublandlord of such falsification within sixty (60) days of submission of such report; and
- 8.1.8 Failure by Subtenant to comply with any provision of the Franchise Agreement relating to the Premises.

In the event of a default under this Paragraph 8.1, Sublandlord shall have such remedies as are provided under this Sublease and under applicable law.

8.2 Cure by Sublandlord. After expiration of the applicable period of notice, or without notice in the event of any emergency, Sublandlord at its option may, but shall not be obligated to, make any payment required of Subtenant or perform any obligation of Subtenant, and the amount Sublandlord pays, or the cost of its performance, together with interest thereon, shall be deemed to be an additional charge payable by Subtenant on demand. Sublandlord shall have the right to enter the Premises on any days and at any times for the purpose of correcting or remedying any default, but neither any expenditure nor any such performance by Sublandlord shall be deemed to waive or release Subtenant's default or the right of Sublandlord to take such action as may be otherwise permissible in the case of default. The Sublandlord shall have no liability to the Subtenant for any loss or damages resulting from any such action by the Sublandlord and entry by the Sublandlord shall not constitute breach of the covenant for quiet enjoyment or an eviction.

8.3 Sublandlord's Remedies. If Subtenant is in default under this Sublease, Sublandlord may, at its option, in addition to such other remedies as may be available under applicable law:

- 8.3.1 terminate this Sublease and Subtenant's right of possession, and retake possession for Sublandlord's account. In such event, Sublandlord may repair and alter the Premises in any manner on any days at any times as Sublandlord deems reasonably necessary or advisable. All necessary expenses of every nature that Sublandlord may incur such as (by way of illustration

- and not limitation) those for attorneys' fees, brokerage, advertising, and refurbishing the Premises, shall become immediately due and payable by Subtenant to Sublandlord; or
- 8.3.2 terminate Subtenant's right of possession, but not this Sublease, retake possession of the Premises for the Subtenant's account, repair, and alter the Premises in any manner on any days at any times as Sublandlord deems necessary or advisable, and relet the Premises or any part of it, as the agent of Subtenant, for the whole or any part of the remainder of the Term or for a longer period, and Sublandlord may grant concessions or free rent or charge a higher rental than that reserved in this Sublease. Out of any rent collected or received from subtenants or as a result of such letting or reletting, Sublandlord shall first pay to itself all expenses of every nature that Sublandlord may incur such as (by way of illustration and not limitation) those for attorneys' fees, brokerage, advertising, and refurbishing the Premises in good order or preparing them for reletting; and second, Sublandlord shall pay to itself any balance remaining on account of the liability of Subtenant for the sum equal to all Rent, Additional Rent, and other Additional Charges due from Subtenant through the Expiration Date. Should Sublandlord, pursuant to this Paragraph 8.3, not collect Rent that, after deductions is sufficient to fully pay to Sublandlord a sum equal to all Rent, Additional Rent, and other Additional Charges payable through the Expiration Date, the balance or deficiency shall, at the election of Sublandlord, be paid by Subtenant on the first of each month; or
- 8.3.3 stand by and do nothing, and hold the Subtenant liable for all Rent, Additional Rent, and other Additional Charges payable under this Sublease through the Expiration Date.

If Sublandlord does not notify Subtenant which remedy it is pursuing, or if Sublandlord's notice to Subtenant does not expressly state that Sublandlord is exercising its remedies under Paragraph 8.3.1 or Paragraph 8.3.3, then it shall be deemed that Sublandlord is pursuing the remedy set forth in Paragraph 8.3.2. If Sublandlord exercises the option in Paragraph 8.3.1 or 8.3.2, Subtenant agrees to immediately and peacefully surrender the Premises to Sublandlord, and if Subtenant refuses to do so, Sublandlord may without further notice reenter the Premises either by force or otherwise and dispossess Subtenant by summary proceedings or otherwise, as well as the legal representative(s) of Subtenant or other occupant(s) of the Premises, and remove their effects.

- 8.4 **Acceleration.** If Sublandlord exercises the remedies in Paragraph 8.3.3 of this Sublease, Subtenant shall immediately pay to Sublandlord as damages for loss of the bargain caused by Subtenant's default, and not as a penalty, in addition to any other damages, an aggregate sum that represents the present value of the full amount of the Rent, Additional Rent and all other Additional Charges payable by Subtenant hereunder that would have accrued for the balance of the Term.
- 8.5 **Suits.** Suit or suits for the recovery of the deficiency or damage or for any installment or installments of Rent, Additional Rent, or any other charge due under this Sublease may be brought by Sublandlord at any time or, at Sublandlord's election, from time to time, and nothing in this Sublease shall be deemed to require Sublandlord to wait until the Expiration Date to bring suit.
- 8.6 **Waiver.** Subtenant hereby expressly waives service of any notice of intention to reenter. Subtenant hereby waives any and all rights to recover or to regain possession of the Premises or to reinstate or to redeem this Sublease as permitted or provided by any statute, law, or decision now or hereafter in force and effect. No receipt of monies by Sublandlord from Subtenant after the cancellation or termination of the Sublease shall reinstate, continue, or extend the Sublease, or affect any prior notice given to Subtenant or operate as a waiver of the right of Sublandlord to enforce the payment of Rent and Additional Rent then due or subsequently falling due, or operate as a waiver of the right of Sublandlord to recover possession of the Premises by suit, action, proceeding, or other remedy, and any and all moneys so collected shall be deemed to be payments on account of the use and occupancy of the Premises, or at the election of the Sublandlord, on account of Subtenant's liability under this Sublease.
- 8.7 **Proof of Claim.** Nothing in this Paragraph 8 shall limit or prejudice the right of Sublandlord to prove and obtain as liquidated damages in any bankruptcy, insolvency, receivership, reorganization, or dissolution proceeding an amount equal to the maximum allowed by any statute or rule of law governing such

proceeding, whether or not such amount is greater, equal to, or less than the amount of the damages referred to in any of the preceding paragraphs.

- 8.8 Injunction.** In the event of a breach or a threatened breach by Subtenant of any of its Sublease obligations, Sublandlord shall have the right to enjoin and restrain the breach and to invoke any remedy allowed by law or in equity, in addition to other remedies provided in this Sublease.
- 8.9 Independent Rights.** The rights and remedies of Sublandlord are distinct, separate, and cumulative and no one of them, whether or not exercised by Sublandlord, shall be deemed to be to the exclusion of any of the others.
- 8.10 Non-Waiver.** The failure of Sublandlord to insist upon strict performance of any of Subtenant's obligations under this Sublease shall not be deemed a waiver of any rights or remedies that Sublandlord may have and shall not be deemed a waiver of any subsequent breach or default by Subtenant. The exercise of any of Sublandlord's options under the Sublease shall not be deemed to be the exclusive remedy of Sublandlord.
- 8.11 Waiver of Exemption from Distress.** Subtenant agrees that notwithstanding anything contained in any statute, enactment, or other law of the Premises State or of any other jurisdiction, none of the personal property located on the Premises shall be exempt from levy for distress for Rent in arrears, and that if Subtenant makes any claim for such an exemption, this Sublease may be pleaded as an estoppel against Subtenant in any appropriate action.
- 8.12 Franchise Agreement.** Notwithstanding anything in this Sublease to the contrary, this Sublease is conditioned upon the faithful performance by Subtenant of the Franchise Agreement, and a default in the terms of the Franchise Agreement shall be a default of this Sublease.
- 8.13 Attorney Fees.** If Subtenant shall be liable for any attorneys', accountants', or consultants' fees or costs under this Sublease, then attorneys', accountants', and consultants' fees or costs shall mean the full and actual amounts of any legal, accounting, and consulting services rendered in connection with the matters involved and shall not be limited to "reasonable attorneys' fees and costs", "reasonable accountants' fees and costs", or "reasonable consultants' fees and costs" as defined by any present or future federal, state, or local statute or rule of court or court or arbitrator decisions.

9 NO RENT ABATEMENT

Unless specifically provided in this Sublease, no abatement, diminution, or reduction of Rent, Additional Rent, Additional Charges, or other compensation shall be claimed by, or allowed to, Subtenant, or any persons claiming under Subtenant, under any circumstances, whether for inconvenience, discomfort, interruption of business, or otherwise.

10 CONDEMNATION

If the Premises or any part of it is taken in condemnation proceedings or by exercise of any right of eminent domain, Subtenant shall have no right to participate in any condemnation proceedings and shall not have the right to any award, and Sublandlord may terminate this Sublease upon written notice to Subtenant.

11 SUBORDINATION

This Sublease shall be fully subordinate to any mortgage or collateral assignment of lease against the Premises that Master Landlord, the fee owner, or Sublandlord or their assigns has or subsequently obtains upon the Premises; provided, however, that any such mortgage or collateral assignment of Sublease against the Premises granted by Sublandlord shall provide that Subtenant's possession of the Premises pursuant to this Sublease shall not be disturbed in the event of a default by Sublandlord so long as Subtenant shall be in compliance under the terms hereof. This Sublease shall be fully subordinate and subject to the Master Lease and any senior lease now or hereafter affecting the Premises.

The Subtenant hereby grants a power of attorney to the Sublandlord with full power to act as its attorney in fact and to execute on behalf of the Subtenant any and all documents that may be required by a mortgagee or assignee evidencing the Subtenant's full subordination of the Subtenant's interest to any mortgage or collateral assignment of Sublease that may be entered into by Sublandlord, Master Landlord, or the fee owner or their assigns.

Subtenant hereby agrees to execute, without charging Sublandlord, any and all documents that it is requested to execute to evidence this subordination. However, Subtenant shall not be required to execute any promissory notes or other evidences of indebtedness that would create any personal liability on behalf of Subtenant.

12 ASSIGNMENT

12.1 By Sublandlord. This Sublease shall be fully assignable by the Sublandlord or its assigns.

12.2 By Subtenant. Neither Subtenant, nor Subtenant's successors or assigns, shall (unless expressly permitted in this Sublease) assign, mortgage, give as security, pledge, or encumber this Sublease, in whole or in part, by operation of law or otherwise, or sub-sublet the Premises, in whole or in part, or permit the Premises or any portion of it to be used or occupied by others, or enter into a management contract or other arrangement whereby the Premises shall be managed and operated by anyone other than the owner of Subtenant's leasehold estate, without the prior consent in writing of Sublandlord in each instance. The Sublandlord shall have the absolute right to refuse to grant such consent for any reason or no reason. If this Sublease is assigned or transferred, or if all or any part of the Premises is sub-sublet or occupied by anybody other than Subtenant, Sublandlord may collect Rent from the assignee, transferee, sub-subtenant, or occupant, and apply the net amount collected to the Rent reserved in this Sublease, but no such assignment, sub-subletting, occupancy, or collection shall be deemed a waiver of any covenant or condition of this Sublease, or the acceptance of the assignee, transferee, sub-subtenant, or occupant as Subtenant, or a release of Subtenant from the performance or further performance by Subtenant of its obligations under this Sublease, and Subtenant shall continue to be liable for all its obligations under this Sublease. The consent by Sublandlord to an assignment, mortgage, pledge, encumbrance, transfer, management contract, or sub-subletting shall not in any way be construed to relieve Subtenant from obtaining the express consent in writing of Sublandlord in each instance to any subsequent similar action that the Subtenant may intend to take.

13 ESTOPPEL CERTIFICATE

Subtenant shall from time to time, within five (5) days after being requested to do so by the Sublandlord, execute, acknowledge, and deliver to the Sublandlord (or, at Sublandlord's request, to Master Landlord, any existing or prospective purchaser, transferee, assignee, or mortgagee of any or all of the Premises, any interest therein or any of Sublandlord's rights under this Sublease) an instrument in recordable form: (i) certifying (a) that the Sublease is unmodified and in full force and effect (or, if there has been any modification thereof, that it is in full force and effect as so modified, stating therein the nature of such modification); (b) as to the dates to which the Rent and Additional Charges arising hereunder have been paid; (c) as to the amount of any prepaid rent or any credit due to Subtenant hereunder, (d) that the Subtenant has accepted possession of the Premises, and the date on which the Term commenced; (e) as to whether, to the best knowledge, information, and belief of the signer of such certificate, the Sublandlord or the Subtenant is then in default in performing any of its obligations under the Sublease (and, if so, specifying the nature of each such default); and (f) as to any other fact or condition reasonably requested by the Sublandlord or such other addressee; and (ii) acknowledging and agreeing that any statement contained in such certificate may be relied upon by Sublandlord and any such other addressee.

14 HAZARDOUS SUBSTANCES

14.1 Compliance with Laws. Subtenant shall at all times, at its own cost and expense, comply with all present and future federal, state, and local laws, ordinances, regulations, and standards ("Hazardous Substance Laws") relating to the use, analysis, production, storage, sale, disposal, or transportation of any hazardous materials, including oil or petroleum products or their derivatives, solvents, PCB's, explosive substances, asbestos, radioactive materials or waste, and any other toxic, ignitable, reactive, corrosive, contaminating, or pollution materials ("Hazardous Substances") that are now or in the future subject to any governmental regulation. Such compliance shall include any cleanup, removal, remedial action, testing, and monitoring (including medical monitoring) that may be required under Hazardous Substance Laws, court order, or by any governmental or regulatory agency.

14.2 Indemnification by Subtenant. Subtenant shall indemnify, defend with counsel acceptable to Sublandlord, and hold Sublandlord free and harmless from any and all liabilities, damages, claims, penalties, fines,

settlements, causes of action, costs, and expense, including attorneys' fees, environmental consultant and laboratory fees and the costs and expense of investigating and defending any claims or proceedings, resulting from or attributable to (i) the presence, disposal, migration, release, or threatened release of any Hazardous Substance that is on, from, or affecting the Premises, including the soil, water, vegetation, buildings, personal property, persons, or otherwise; (ii) any bodily injury (including wrongful death) or property damage (real or personal) arising out of, or relating to, such Hazardous Substance(s); (iii) any lawsuits or administrative orders relating to such Hazardous Substance(s); or any violation of any laws applicable to any Hazardous Substance for which Subtenant is responsible under this Sublease. Subtenant's indemnification obligations under this Paragraph shall survive the expiration or earlier termination of this Sublease.

15 MISCELLANEOUS

- 15.1 Notices.** Every notice, approval, consent, or other communication authorized or required by this Sublease shall be effective if given in writing and if hand delivered, or sent by United States Certified Mail, Return Receipt Requested, with postage prepaid, or by Federal Express, UPS, or other nationally-recognized courier and addressed directly to Sublandlord at its offices at 496 Kinderkamack Road, Oradell, New Jersey 07649, Attn Chairman; and to Subtenant at the Premises, or at such other address as either party shall from time to time designate in writing. Every notice shall be deemed to be effective upon delivery, if delivered, on the next business day if sent overnight via nationally recognized courier, or on the third business day after mailing, if mailed.
- 15.2 Construction.** If any provision of this Sublease shall by court order be held invalid or in contravention of any of the laws of the United States or of any state having jurisdiction over the subject matter or of any dispute arising under it, such invalidation shall not serve to affect the remaining portion of this Sublease. To the extent permitted by the Premises State, this Sublease shall be governed by and construed in accordance with the laws of the State of Delaware, and otherwise shall be governed by and construed in accordance with the laws of the Premises State. The word, "or", is not exclusive. The words "herein", "hereof", "hereby", "hereto", and "hereunder" refer to this Sublease as a whole and not to any particular section or paragraph hereof. The words "include," "includes", and "including" are deemed to be followed by the words "without limitation". The word "year" means "calendar year".
- 15.3 Successors.** This Sublease shall bind Sublandlord and Subtenant and their successors, heirs, assigns, administrators, and legal representatives, as the case may be.
- 15.4 Counterparts.** This Sublease is being executed simultaneously in counterparts, any one of which shall be deemed an original.
- 15.5 No Agency.** The parties agree that the business relationship created by this Sublease is solely that of Sublandlord and Subtenant. Nothing contained in this Sublease shall make Subtenant an agent, legal representative, partner, subsidiary, joint venturer, or employee of Sublandlord. Subtenant shall have no right or power to, and shall not, bind or obligate Sublandlord in any way, manner, or thing whatsoever, nor represent that it has any right to do so.
- 15.6 Time of the Essence.** Time shall be of the essence in every part of this Sublease.
- 15.7 Binding Effect.** This Sublease shall become immediately binding on the parties on the date the last party signs it, notwithstanding that the Term may commence upon a future date.
- 15.8 Headings.** The headings of the paragraphs and subparagraphs are inserted solely for convenience of reference and shall not constitute a part of this Sublease, nor limit, define, or describe the scope or intent of this Sublease.
- 15.9 Joint and Several Liability.** If Subtenant consists of more than one person, each individual's liability under this Sublease shall be joint and several.
- 15.10 Entire Agreement.** This Sublease constitutes the entire agreement between the parties with respect to the subject matter of this Sublease, and this Sublease shall not be modified, amended, altered, or changed, except by prior written agreement signed by both parties. If any provision herein is invalid, it shall be considered deleted from this Sublease and shall not invalidate the remaining provisions.

15.11 **Guarantee Agreement.** Subtenant, Subtenant’s spouse, each Owner, and each spouse of each Owner shall sign the Guarantee Agreement attached hereto as Exhibit C as a condition to the effectiveness of this Sublease. An “Owner” is any owner of any interest, directly or indirectly, in Subtenant.

IN WITNESS WHEREOF, Sublandlord and Subtenant have respectively signed this Sublease on the Sublease Date.

For the Sublandlord, Huntington Learning Corporation,		
Raymond J. Huntington		Chairman
Print name	Signature	Title

For the Subtenant <i>(This is signed by all individuals comprising the Subtenant, if the Subtenant is an individual; or all officers of the corporation, if the Subtenant is a corporation; or all partners or members, if the Subtenant is a partnership or limited liability company.)</i>	
Name of Subtenant:	

Print name	Signature	Title
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Print name	Signature	Title
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Print name	Signature	Title
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EXHIBIT A

[COPY OF MASTER LEASE IS ATTACHED HERETO]

EXHIBIT B

BASE RENT

[BASE RENT AMOUNT(S), INCLUDING DURING ANY HOLDOVER PERIOD]

EXHIBIT C

GUARANTEE AGREEMENT

Subtenant name (“Subtenant” and “you”)	
Date (“Sublease Date”) on which Huntington Learning Corporation (“Sublandlord”, “we”, “us”, “our”, and “Huntington”) executed the sublease (“Sublease”) with you for you to sublease the premises referred to therein (“Premises”)	
Date (“Guarantee Agreement Date”) the undersigned signs this guarantee agreement (“Guarantee”)	

Directions

The Subtenant, the Subtenant’s spouse, each Owner, and each spouse of each Owner must complete and sign one copy of this Guarantee Agreement. (An Owner is any owner of any interest, directly or indirectly, in the Subtenant.) The Subtenant gives the

fully signed copy to the Sublandlord at the same time the Subtenant gives the Sublease to the Sublandlord.

In order to induce the Sublandlord to execute the Sublease, each of the undersigned (“Guarantors”) personally, unconditionally, and irrevocably, jointly and severally, (a) execute this Guarantee on the Guarantee Agreement Date; (b) agree that they shall be bound by, and perform according to, each and all of the provisions, covenants, and conditions of the Sublease and this Guarantee; (c) all defined terms are used herein as defined in the Sublease, unless otherwise herein indicated; and (d) agree as follows:

- 1. Term.** This Guarantee shall remain in full force and effect during the term of the Sublease and any renewal or extension thereof. This Guarantee shall remain in full force and effect until the termination or expiration of all obligations arising under the Sublease and this Guarantee, including any renewals or extensions thereof. All covenants that by their terms continue in force after the expiration or termination of the Sublease shall remain in force according to their terms. Upon the death of an individual Guarantor, the estate of such Guarantor shall be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other Guarantors will continue in full force and effect.
- 2. Payment.** Upon our demand, each Guarantor will immediately make each payment required of the Subtenant under the Sublease to us and to the Subtenant’s customers, vendors, and any other individual or legal entity to whom the Subtenant owes any payment. Each Guarantor hereby waives any right to require us to: (a) proceed against the Subtenant for any payment required under the Sublease and any subsequent Sublease; (b) proceed against or exhaust any security from the Subtenant; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against the Subtenant. Without affecting the obligations of any Guarantor under this Guarantee, we may, without notice to any Guarantor, extend, modify, or release any Subtenant indebtedness or obligation, or settle, adjust, or compromise any claims against the Subtenant. We have the right to require, in writing from time to time, that each Guarantor make any payment required under the Sublease or this Guarantee directly to us, our affiliates, or to a bank or such other financial institution account we specify, at the times and with the frequency we designate, by electronic funds transfer, on-line banking, pre-authorized auto-draft arrangement, or such other means as we may specify from time to time, notwithstanding any other provisions of the Sublease, and each Guarantor agrees to comply with such requirement. Each Guarantor shall furnish us, our bank, or other financial institution, and any other recipient of payment with such information and authorizations as may be necessary to permit such persons to make withdrawals by electronic funds transfer, on-line banking, or auto-draft arrangement. Each Guarantor shall bear all expenses, if any, associated with such authorizations and payments. Each Guarantor understands, acknowledges, and agrees that nothing contained in this Guarantee shall release him of or from any of such Guarantor’s obligations under the Sublease.
- 3. Indemnification.** Each Guarantor agrees to defend, indemnify, and hold us harmless against any and all damages, liabilities, and third party costs resulting from, consisting of, or arising out of or in connection with any failure by the Subtenant to perform any obligation of the Subtenant under the Sublease and any Territory Amendment thereto and any other agreement executed by the Subtenant referred to therein.
- 4. Applicable law; forum.** To the extent permitted by the laws of the Premises State, this Guarantee shall be governed by and construed in accordance with the laws of the State of Delaware, and otherwise shall be governed by and construed in accordance with the laws of the Premises State. Each Guarantor agrees that the New Jersey Franchise Practices Act shall not apply to this Guarantee. Except as otherwise provided in this Guarantee, any action, whether or not arising out of, or relating to, the Sublease or this Guarantee, whenever and wherever incurred, whether vested or contingent, whether in law or in equity, whether directly, representatively, derivatively, or in any other capacity, brought by any Guarantor against us shall be brought in the judicial district in which we have, at the time of commencement of such action, our principal place of business, unless the laws of the Premises State require that it be brought in such state. We shall have the right to commence an action against any Guarantor in any court of competent jurisdiction. Each Guarantor hereby waives all objections to personal jurisdiction or venue for the purpose of carrying out the purposes of this Guarantee, and each Guarantor agrees that nothing in this Guarantee shall be deemed to prevent any party to such action from removing the action from state court to federal court.

5. Guarantor claims; your required mediation. Notwithstanding any other provision of this Guarantee, no Guarantor has any right to make any claim against the Sublandlord or its affiliate at any time in any manner other than the manner described in this Paragraph 5.
 - 5.1. If any Guarantor (“Claimant”) has any claim against the Sublandlord or its affiliate, then the Claimant shall notify us of his claim in writing in the manner required in Paragraph 14 below. Such notice shall describe the claim, provide an opportunity to cure, describe the manner in which the Claimant requests we cure, and provide a cure period of at least 60 days within which we may cure such alleged default. If the Claimant’s notice is not in writing and does not (a) describe the claim, (b) provide an opportunity to cure, (c) describe the manner in which the Claimant requests we cure, and (d) provide a cure period of at least 60 days, then such notice shall be deemed to be deficient, not a claim upon which we are required to act, not an actionable claim, not grounds for the Claimant seeking any remedy under this Guarantee or otherwise, and not grounds for termination by the Claimant of this Guarantee.
 - 5.2. If the Claimant’s notice complies with Paragraph 5.1 and we do not cure in the manner and within the time period the Claimant demands demand in his notice, then, before the Claimant commences any legal proceeding against the Sublandlord or its affiliate, the Claimant shall submit his claim to non-binding mediation. If the Claimant does not submit his claim to such mediation within 30 days after expiration of the time period within which the Claimant demand we cure, then the Claimant shall have evidenced conclusively that he has no claim against the Sublandlord or its affiliate; and the Claimant shall have evidenced conclusively that any claim he may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for the Claimant seeking any remedy under this Guarantee or otherwise and is not grounds for termination by the Claimant of this Guarantee; and the Claimant shall be deemed to have agreed to have waived any right he may have had to initiate any future claim against us for the same or similar cause.
 - 5.3. Any mediation permitted under this Paragraph 5 shall be conducted at our headquarters before one mediator. The mediator shall be selected, and shall conduct mediation, in accordance with the commercial mediation rules of the American Arbitration Association or any successor organization as determined solely by us. No statement made by the Claimant or us in any mediation proceeding and no evidence submitted during any mediation proceeding will be admissible in any legal proceeding. Each party will pay its own costs of the mediation, but will share the cost of the mediator equally.
 - 5.4. If the Claimant submitted his claim to mediation, as provided in this Paragraph 5, and the Claimant does not pay his portion of the mediator’s costs within ten days after the Claimant receives the mediator’s invoice, the Claimant shall have evidenced conclusively that he has no claim against any the Sublandlord or its affiliate; and the Claimant shall have evidenced conclusively that any claim he may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for the Claimant seeking any remedy under this Guarantee or otherwise and is not grounds for termination by the Claimant of this Guarantee; and the Claimant shall be deemed to have waived any right he may have had to initiate any future claim against the Sublandlord or its affiliate for the same or similar cause.
 - 5.5. If (a) the Claimant’s notice complies with Paragraph 5, (b) we do not cure in the manner and within the time period the Claimant demands in his notice, and (c) if the Claimant submitted his claim to mediation as provided in this Paragraph 5 and the Claimant and we did not resolve the Claimant’s claim through mediation within 180 days after selection of a mediator, then the Claimant may file a legal action for such claim.
 - 5.6. If the Claimant does not file a legal action for such claim within 30 days after conclusion of the mediation proceeding, then the Claimant shall have evidenced conclusively that he has no claim against the Sublandlord or its affiliate; and the Claimant shall have evidenced conclusively that any claim he may have had is not a claim upon which we are required to act, is not an actionable claim, is not grounds for the Claimant seeking any remedy under this Guarantee or otherwise and is not grounds for termination by the Claimant of this Guarantee; and the Claimant shall be deemed to have agreed to have waived any right he may have had to initiate any future claim against us for the same or similar cause.
6. Waiver of rights. Each Guarantor waives notice of Territory Amendment of the Sublease and notice of demand for payment by the Subtenant, and agrees to be bound by any and all such Territory Amendments

and changes to the Sublease. Each Guarantor waives the right: to enforce any oral agreement, promise, representation, or warranty not in this Guarantee; to amend, modify, or suspend any provision of the Sublease or this Guarantee; to stay the effectiveness of any expiration or termination of the Sublease or this Guarantee or any other agreement between any Guarantor and us or any of our affiliates or any pending expiration or termination thereof; and to seek damages against us because we insisted upon the execution of a general release in our favor. The release is a document that is separate and distinct from this document. No Guarantor shall seek to litigate as a representative of, or on behalf of, any other person, class, or entity any dispute, controversy, or claim of any kind arising out of, or relating to, the Sublease or this Guarantee, the rights and obligations of the parties, or other claims or causes of action relating to the performance of any party to the Sublease or this Guarantee. No action or proceeding under this Guarantee shall add as a party, by consolidation, joinder, or in any other manner, any person or party other than the Guarantor and us and any person in privity with, or claiming through, in the right of, or on behalf of, the Guarantor or us, unless both Guarantor and we consent in writing. We have the absolute right to refuse such consent for any reason or no reason.

7. **Limitation on claims.** Each Guarantor agrees that any and all claims by any Guarantor against us arising out of, or relating to, directly or indirectly, the making of, interpretation of, or performance under the Sublease or this Guarantee may not be commenced by any Guarantor, unless brought before the earlier of (1) the expiration of one year after the act, transaction, or occurrence upon which such claim is based; or (2) one year after the Sublease or this Guarantee expires or is terminated for any reason or no reason. Each Guarantor agrees that any claim or action not brought by any Guarantor within the periods required under this Guarantee shall forever be barred as a claim, counterclaim, defense, or set off.
8. **WAIVER OF TRIAL BY JURY.** EACH GUARANTOR AGREES TO WAIVE A TRIAL BY JURY IN ANY JUDICIAL PROCEEDING, WHETHER AT LAW OR IN EQUITY, ABOUT ANY AND ALL ISSUES THAT ARISE OUT OF, CONCERN, OR RELATE TO, THE SUBLEASE OR THIS GUARANTEE, ANY AND ALL TRANSACTIONS CONTEMPLATED IN THE SUBLEASE AND THIS GUARANTEE, EACH GUARANTOR'S PERFORMANCE UNDER THIS GUARANTEE, OR OTHERWISE, DURING THE TERM OF THIS GUARANTEE AND AFTERWARDS. WE HAVE THE RIGHT TO FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS GUARANTEE WITH ANY COURT AS WRITTEN EVIDENCE OF EACH GUARANTOR'S CONSENT TO WAIVER OF A TRIAL BY JURY. EACH GUARANTOR AGREES THAT HIS REPRESENTATIONS SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS GUARANTEE FOR ANY REASON.
9. **Limitation on remedies.** During the term of this Guarantee and afterwards, each Guarantor waives to the fullest extent permitted by law any right to, or claim for, any punitive, speculative, exemplary, incidental, indirect, special, or consequential damages against us and all of our affiliates and each of our and their past and present stockholders, directors, officers, employees, and agents arising out of any cause whatsoever that arises out of, concerns, or relates to, the making of, interpretation of, or performance under, directly or indirectly, the Sublease and this Guarantee, whether such cause is based in contract, negligence, strict liability, other tort, or otherwise, including any Guarantor's claim or counterclaim that we unreasonably gave, withheld, or delayed our consent or approval to anything.
10. **Specific performance.** Notwithstanding any other provision of this Guarantee, we have the right to seek specific performance of any Guarantor's obligations under this Guarantee or injunctive relief against any conduct that will cause us loss or damage, under customary equity rules, to prevent a breach or threatened breach of this Guarantee, without the need to show monetary damages and without posting a bond. An application for such a remedy shall not be deemed an election or a waiver of any other remedy under this Guarantee or at law or in equity. We may file an original counterpart or a copy of this Guarantee with any court as written evidence of the undersigned's consent to the issuance of injunctive relief.
11. **Recovery of costs and fees.** Except as otherwise specifically provided for herein, in any judicial or administrative action, order, or proceeding under this Guarantee involving us and any Guarantor during the term of this Guarantee or thereafter, the prevailing party shall be entitled to recover its out-of-pocket costs and expenses, including all court costs and attorneys', accountants', and consultants' fees, costs, and expenses.

12. Attorney Fees. If any Guarantor shall be liable for any attorneys', accountants', or consultants' fees or costs under this Guarantee, then attorneys', accountants', and consultants' fees or costs shall mean the full and actual amounts of any legal, accounting, and consulting services rendered in connection with the matters involved and shall not be limited to "reasonable attorneys' fees and costs", "reasonable accountants' fees and costs", or "reasonable consultants' fees and costs" as defined by any present or future federal, state, or local statute or rule of court or court or arbitrator decisions.
13. Other important provisions. Each article, paragraph, subparagraph, term, condition, and covenant of this Guarantee and all portions of them shall be considered severable. If, for any reason, any portion of this Guarantee is determined to be unconscionable or unenforceable or invalid, contrary to, or in conflict with, any applicable present or future law, rule, or regulation in a final unappealed ruling issued by any court, agency, or tribunal with valid jurisdiction in an action or proceeding to which we are a party, that ruling shall not impair the operation of, or have any other effect upon, any other portion of this Guarantee, all of which shall remain binding on us and each Guarantor and shall continue to be given full force and effect. Any invalid portion shall be deemed not to be a part of this Guarantee as of the date on which the ruling becomes final, if any Guarantor is a party to this action or proceeding, or on such Guarantor's receipt of notice of non-enforcement from us. Each Guarantor agrees to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision hereof, as though it were separately articulated in, and made a part of, this Guarantee, that may result from striking from any of the provisions hereof any portion or portions that a court or agency having valid jurisdiction may hold to be unreasonable and unenforceable in an unappealed final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court or agency order. Article, paragraph, and subparagraph captions are for convenience only and are not part of this Guarantee and do not define, limit, or construe their contents. Words of any gender shall include masculine, feminine, and neuter usages and, where the context requires, words in the singular or plural shall include the other. The language in all parts of this Guarantee shall be construed simply according to its fair and plain meaning and not strictly for or against us or any Guarantor. If any provision of this Guarantee 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 shall have the meaning that renders it valid. This Guarantee may be executed in multiple counterparts, each of which shall be deemed an original. The attachments and exhibits referenced herein shall be construed with and as an integral part of this Guarantee to the same extent as if they were set forth verbatim herein. For purposes of this Guarantee, (a) the words "include," "includes", and "including" shall be deemed to be followed by the words "without limitation," (b) the word "or" is not exclusive, and (c) the words "herein", "hereof", "hereby", "hereto", and "hereunder" refer to this Guarantee as a whole and not to any particular section or paragraph hereof. Each signatory to this Guarantee executes it as an individual and not in any capacity as an officer, director, shareholder, or member of the Subtenant or of any other entity. Any title any signatory affixes hereunder is non-binding and is of no effect under this Guarantee.
14. Notices. All notices to us and any Guarantor during the term of this Guarantee and afterwards shall be in writing and shall be sent to the other party by registered or certified mail, postage fully prepaid, return receipt requested, or sent by other means that affords the sender evidence of delivery, attempted delivery, or rejected delivery, addressed to such party's address for notices as identified in the Sublease, or at any other address that we or any Guarantor designates in writing, provided, however, that no notices shall be sent hereunder by text, email, or by telefax and no Guarantor shall designate any address that is a post office box. Notices shall be deemed delivered and received on the earliest of actual receipt; 5 business days after placement in the U.S. mail; or one business day after mailing, if placed in the U.S. mail or a courier service for next business day delivery. If no address is entered for the Guarantors below, the Sublandlord may send all notices to all Guarantors to the Subtenant's address for notice.

Notices to the	Huntington Learning Corporation; 496 Kinderkamack Road ; Oradell, New Jersey
Sublandlord:	7649; Attn: Chairman
Notices to Guarantors:	

*(Please enter the names
and addresses of
Guarantors – not a post
office box)*

Acceptance and Agreement

I have a copy of the Sublease and this Guarantee. I agree to be bound by, and to perform according to, the Sublease and this Guarantee.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his or her signature on the Sublease Date.

Print name

Signature

Print name

Signature

EXHIBIT D6

TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
OTHER AGREEMENTS

Letter of Intent for use in purchasing Company-Owned Centers

_____, 2024

VIA E-MAIL: _____

CONFIDENTIAL

RE: Non-binding Letter of Intent ("LOI") for proposed sale of a company-operated Huntington Learning Center® outlet located at _____.

Dear _____:

Huntington Learning Corporation, a Delaware corporation ("Huntington"), has engaged in non-binding discussions and negotiations with you ("Purchaser") about the potential sale of the company-operated Huntington Learning Center® outlet listed on Exhibit A. This Letter of Intent ("LOI") serves to outline the general terms of a potential transaction with Purchaser in view of the correspondence and discussions to date. Except for Sections 3(b) and 3(c), this LOI and the ensuing discussions are non-binding, but may serve as the basis for the preparation of an Asset Purchase Agreement (an "APA") and related documentation that would, if executed, create a binding agreement.

1. **Center.** Huntington is proposing to sell the company-operated Huntington Learning Center® outlet listed on Exhibit A ("Center").
2. **Terms of Sale.** The following are the expected terms of sale for the Center:
 - a. **Purchase Price.** The purchase price for the Center will be: \$_____ ("Purchase Price").
 - b. **Deposit.** Contemporaneously with the execution of this LOI, Purchaser shall pay an earnest money deposit in the amount of \$_____.00 ("Deposit"), in accordance with wire instructions to be provided by Huntington. Purchaser agrees that the Deposit represents the reasonable costs that Huntington will incur in connection with the production of the Transaction Due Diligence, as well as transaction-related legal and other expenses, and the Deposit shall therefore be nonrefundable. For the avoidance of doubt, the Deposit is not in exchange for exclusivity, and Huntington may discuss the sale of the Center with others until and unless an APA is executed by Huntington and Purchaser for the Center. "Transaction Due Diligence" means the documents posted to a data portal to be established by Huntington with respect to the Center and other matters pertaining to the transaction for Purchaser's review. If an APA is executed by the parties then the Deposit shall be applied as a credit against the Purchase Price at Closing, subject to the terms of the APA.

- c. Assets. Included in the sale and purchase of the Center would be the Center business (including all executory contracts in place for each of the Center, to the extent that such executory contracts are assignable or transferable to the Purchaser by Huntington, and all Center marketing materials, in-service Center phone numbers, telecom accounts, and utility accounts) and all furniture, trade fixtures and Center equipment, including the computers and other devices. Purchaser will accept the Center and all furniture, trade fixtures and Center equipment, and the real property that is the subject of the Sublease (defined below), in an "AS-IS" condition as of the Closing Date (as defined in the APA). All assets shall be free and clear of any encumbrances, except as agreed.
- d. Pre-paid Tuition, Customer Refunds and Government-Funded Programs. Purchaser and Huntington acknowledge that tuition has been pre-paid for students at the Center and that these students have not yet received all of the instruction that was purchased with said tuition. In addition, Purchaser and Huntington acknowledge that some customers may become entitled to refunds after Closing for services that were performed before Closing. Purchaser and Huntington agree that one hundred percent (100%) of the pre-paid tuition for services not yet rendered shall be the property of Huntington after Closing; and all customer refunds associated with pre-paid tuition for services not yet rendered at Closing shall be the responsibility of the Purchaser. With respect to government-funded programs, since there is typically a one to two-month delay in processing such payments, all payments received for instruction from government-funded programs with respect to instruction that occurred before Closing shall be the property of Huntington.
- e. Prorations. If necessary and pertinent to the transaction contemplated by this LOI, Purchaser and Huntington agree to adjust and pay their respective pro-rata share of, as of the date of Takeover (as defined in the APA), any or all taxes, sewer charges, water charges, public utility service charges, and other pro-ratable charges attributable to the operation of the Center. Rent shall be payable as provided in the Sublease. All items of income and expense allocable to the Closing Date and prior to the Closing Date, shall belong to Huntington. All items of income and expense allocable to the day after the Closing Date and subsequent thereto shall belong to Purchaser.
- f. Timing and Closing Date. After acceptance of this LOI, Purchaser and Huntington will negotiate a timetable to be included in the APA for the Takeover of the Center by Purchaser. Purchaser and Huntington must execute this LOI on or before _____, 2020, and the parties will mutually agree to a date for Closing that occurs thirty (30) days after the completion of the Transaction Due Diligence period or as otherwise mutually agreed by the parties.
- g. Franchise Agreement. Huntington Learning Centers, Inc. ("Franchisor") will grant a franchise agreement ("Franchise Agreement") on Franchisor's then current form of franchise agreement for the Center.
- h. Sublease. Subject to obtaining written consents from Huntington's prime landlord, Huntington will sublease the real estate and improvements to the Purchaser at rental rates as set forth on Exhibit B. The terms and conditions of the sublease ("Sublease") will be set out in Huntington's current form thereof. Common area maintenance charges, taxes and all other amounts due under Huntington's prime lease will be the responsibility of Purchaser, and are separate from the rents. In connection with the Sublease, Purchaser will cooperate with Huntington in obtaining written consent from the prime landlord. Huntington will not exercise any of its existing extension or renewal options under its prime lease, and Purchaser shall be responsible for reaching an agreement with the prime landlord for additional term or finding an alternative location that is acceptable to the Franchisor and then relocating the Center to such location at Purchaser's sole cost. The term of the Franchise Agreement shall not be reduced due to expiration of Huntington's prime lease or Purchaser's failure to enter into a new lease or acquire a new location. Huntington shall not be a guarantor of the prime lease of Purchaser either at an existing location or at a location to which Purchaser has relocated. At Closing, Purchaser must

pay to Huntington the amount of any security deposit that Huntington has paid to the landlord under Huntington's prime lease.

- i. Financing. All charges to Purchaser herein are to be paid in cash to Huntington unless explicitly provided otherwise in the APA. The Purchase Price and other charges may be financed through a third party lender and/or through seller financing from Huntington or its affiliate. Purchaser must provide Huntington with the terms of its financing from any third party lender, which financing must meet all of Huntington's standard requirements for franchisees (including, but not limited to, its operational, training, financial and legal requirements). The obtaining of financing, in such amount and on terms and conditions reasonably satisfactory to Huntington will be a Closing condition for Huntington.
 - j. Advertising Cooperative. Purchaser and the Center must be members of an Advertising Cooperative (a "Cooperative") after Closing as determined by Franchisor. Purchaser must begin contributing to the Cooperative after Closing as provided in the Franchise Agreement, and the Cooperative will operate and be subject to its own bylaws, which must be approved in writing by Franchisor.
 - k. Transfer Costs. All sales, transfer or use taxes and/or other fees that may be imposed or assessed by taxing authorities pursuant to federal, state or local laws as the result of the transaction effected by this LOI, except those taxes imposed upon the income of Huntington, shall be the financial responsibility of Purchaser. Purchaser agrees to remit to Huntington at Closing, the funds necessary to pay in full any such taxes and/or other fees, and Huntington agrees to remit such funds following Closing to the appropriate state and local taxing authorities. If it is later determined by audit or otherwise that such funds collected from Purchaser were not sufficient for full payment to the taxing authorities, then Purchaser agrees to immediately reimburse Huntington for any additional monies due within 15 days of receipt of written notice from Huntington that such additional amounts are due. If it is later determined by audit or otherwise that such funds collected from Purchaser exceeded what was necessary for full payment to the taxing authorities, then Huntington agrees to immediately reimburse Purchaser for any overpayment within 15 days of receipt of written notice by Huntington that such overpayment occurred.
 - l. Employee Relations. It is understood and agreed that all persons employed at the Center are, prior to Takeover, the employees of Huntington. Huntington agrees to be responsible for the payment to all such employees of all wages due and owing to them up to the date of Takeover. Thereafter, Huntington shall no longer be deemed to be the employer of these persons. Purchaser acknowledges and agrees that (i) Huntington is making no representations or warranties with respect to the background of the employees at the Center; (ii) Purchaser may not rely on any background checks that Huntington may have done with respect to current employees at the Center; and (iii) Purchaser must order its own background checks should it wish to investigate the background of the employees. Purchaser also acknowledges and agrees that local law may impose successor liability on Purchaser for accrued sick leave and other benefits with respect to existing Center employees that it hires. If applicable to this transaction or a series of transactions between Huntington and Buyer and any affiliates of Buyer, Buyer agrees to hire a sufficient number of Huntington's employees to avoid triggering notice obligations under the Worker Adjustment and Retraining Notification Act ("WARN Act"), 29 USC Section 2101, et seq. and the equivalent New York and/or New Jersey WARN Acts.
3. General Terms and Conditions of the Transaction.
- a. Purchaser must meet all of Franchisor's requirements for franchisees (including, but not limited to, its ownership, operational, training, financial and legal requirements).
 - b. If Purchaser and its shareholders, members, and partners are not employees of Huntington, the Purchaser agrees it and its employees and agents shall have no contact with any of Huntington's employees or other counter-parties or agents, without Huntington's advance written approval.
 - c. Confidentiality:

- i. In consideration of the sums paid hereunder, the parties will keep the terms, nature and existence of this LOI and the transaction referred to herein confidential until execution of the APA and continuing through the Closing Date and approval by Huntington and Purchaser.
 - ii. The parties may share information only with their potential investors, lenders, representatives and advisors, to the extent that they are required to know the information to complete the transaction and as such actions are consistent with the confidentiality agreement which has been executed by the parties hereto.
 - iii. Additionally, this LOI and all of the information furnished to Purchaser in connection with our discussions are confidential and subject to the terms of the confidentiality agreement executed by Huntington and Purchaser.
 - iv. After the Closing Date, Purchaser may reveal only the existence of the transaction described herein, but may at no time either before or after Closing reveal the Purchase Price, economic terms, or legal or other terms of the transaction to any third party except their advisors on a need-to-know basis as described above.
 - d. The APA will include customary representations, covenants, and other protections, and the consummation of the transaction contemplated by this LOI will be subject to customary closing conditions, including obtaining any material consents identified by the parties.
 - e. Please be reminded that the information that Huntington has provided to Purchaser does not constitute a projection of the future financial performance of the Center, and Huntington makes no representation that capital requirements, sales, revenues or expenses will be the same or similar to those set forth in any historical data provided to Purchaser.
4. Expenses. Each party to this LOI will pay its own expenses in connection with the negotiation and closing of the transaction contemplated by this LOI.
5. Non-Binding Nature of LOI; Certain Binding Provisions. Only the provisions in Sections 2(b), 3(b) and 3(c) ("Binding Provisions") are legally binding. The parties further acknowledge and agree that any party shall have the right to terminate negotiations for any reason or no reason and that no party owes the other party any duty to negotiate a formal agreement. Except for the Binding Provisions, this LOI is not intended to impose any obligation whatsoever on any party, including, without limitation, an obligation to negotiate in good faith. Further, this LOI is not intended to be and shall not be construed to be a commitment, contract, offer, counter-offer or binding agreement among the parties, the intention of the parties being that no binding agreement shall arise until such time as the parties negotiate, execute and deliver formal and definitive documentation, including, without limitation an APA as referenced above. Except for the Binding Provisions, no party may claim any legal rights against the other parties by reason of actions taken in reliance upon this LOI including, without limitation, any partial performance of the transaction contemplated herein. All proposals set forth herein are further subject to each party's completion of its own due diligence, review and confirmation of all financial data and all applicable approvals. Except for the Binding Provisions, no past or future action, course of conduct, or failure to act relating to the transaction contemplated by this LOI, or relating to the negotiation of the transaction terms of the APA or any other agreement in connection with the transaction contemplated by this LOI, will give rise to or serve as a basis for any obligation or other liability on the part of the parties. Please note that nothing in this LOI shall be construed as a grant of franchise approval or as any assurance that franchise approval will be granted by Franchisor. The final proposal and application must satisfy all of Franchisor's guidelines for receipt of franchise approval, including, without limitation, financial, credit, operational and legal guidelines as a pre-condition to closing. It should be noted that Huntington may continue to market the Center to other potential buyers even after this non-binding LOI has been signed. The final decision on whether to extend Purchaser with an offer to buy the Center and proceed to the APA phase shall be made by Huntington, in its sole discretion.

If you are in agreement with the foregoing, please sign a copy of this Letter of Intent and return it to me.

Sincerely,

HUNTINGTON LEARNING CORPORATION

By: _____

Raymond Huntington, Chairman

ACKNOWLEDGED AND AGREED TO:

By: _____

By: _____

By: _____

EXHIBIT E
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
START-UP PACKAGE

This exhibit contains the following Purchase Orders	
Exhibit	Purchase order
E1	Marketing Start-up Package for New Franchisees
E2	Marketing Start-up Package for Transfer Franchisees
E3	IT Start-up Package
E4	Educational Start-up Package

Prices may vary due to applicable state sales tax.

EXHIBIT E1
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
START-UP PACKAGE
Marketing Start-up Package for New Centers

You must purchase this Marketing Start-Up Package for New Franchisees when you sign the Franchise Agreement. This purchase order describes this package, which consists of the following components:

- Marketing Materials Start-Up Package
- Marketing Communication Program (MCP)
- Kick Start Marketing Program
- Marketing Start-Up Services

Marketing Start-Up Package Purchase Order		
<i>Please complete this purchase order and return it with your signed franchise agreement</i>		
Components	Description	Price
Marketing Materials Start-up Package	These materials support your initial marketing efforts. We ship these materials to your center in about 4 separate shipments 2-3 weeks after you and your landlord sign your lease.	\$1,045
Marketing Communication Program (MCP)	<p>The Marketing Communication Program ("MCP") has four components: The Solicitation Program is a series of campaigns to encourage former clients to enroll or re-enroll; the Referral Program is a series of campaigns to encourage current clients to refer a friend; the Weekly Client Email Program is a weekly communication to current enrollees; and the Educator Program is a series of communications to educators. In conjunction with specific campaigns of the Solicitation Program we offer an optional Outbound Calling Program by which the Call Center conducts follow-up phone calls. Each Solicitation and Referral campaign consists of direct mail, email, Facebook ad, and text message that we send 2 to 4 times per month (depending on the data you enter in the Software). In connection with the Referral Program, you give each referring party a gift card at your cost (typically \$50 each) for each enrolled referral.</p> <p>We provide Basic MCP at no additional charge. Optionally, you may participate in Additional MCP.</p> <ul style="list-style-type: none"> • Basic MCP: On your behalf as part of Training and Technology Services and for no additional fee, we conduct Basic MCP while you are a franchisee. Basic MCP consists of: <ul style="list-style-type: none"> • Educator. Each month for the first 6 months after you secure a Certificate of Occupancy for your Premises, we email newsletters to approximately 300 educators at schools near the center. Each month beginning in the seventh month, we email newsletters to approximately 100 educators at schools near the center. • Solicitation/Referral. Each month beginning on the seventh month after you secure a Certificate of Occupancy for your Premises, we launch a Solicitation/Referral program, sending direct mail, email, Facebook ad, and text message 2 to 4 times per month (depending on the data you enter in the Software) to approximately 100 names from your center's database. • Client Email. Each month beginning when your center opens, we distribute a 	Deposit: \$2,000

Marketing Start-Up Package Purchase Order		
<i>Please complete this purchase order and return it with your signed franchise agreement</i>		
Components	Description	Price
	<p style="text-align: center;">Weekly Client Email to your enrolled families.</p> <ul style="list-style-type: none"> Additional MCP. At your option, you may add additional Solicitation and Referral campaigns; and you may increase the number of educators in the Educator Program; and you may elect the Outbound Calling Program for the Solicitation Program. The \$2,000 deposit is for these optional programs. We do not refund this deposit unless we terminate MCP. We may change this deposit amount from time to time. You must maintain a minimum deposit balance, which we may change from time to time. Before we conduct an additional Solicitation or Referral campaign, we deduct from your deposit a fee of \$0.99 per client. Before we increase the number of educators in the Educator Program, we deduct from your deposit a fee of \$45 per month per 100 educators. If you elect the optional Outbound Calling Program, the Call Center conducts follow-up phone calls. For each client the Call Center attempts to contact, we deduct from your deposit \$3.75 per client; and, if we generate an academic evaluation (an "AE"), we charge the lesser of the applicable per AE fee or \$43.00. We may change these fees from time to time. 	
Kick Start Marketing Program	The Kick Start Marketing Program helps kick start your marketing effort. Program duration is approximately three months. When you sign the Franchise Agreement, you pay us \$14,250, which we spend on your behalf on the following: (a) developing, launching, and monitoring your Pay Per Click (PPC) advertising campaign, (b) conducting up to six direct mail campaigns, (c) creating and placing an organic Facebook post, and (d) providing a public relations announcement to local news outlets. We may change the Kick Start Marketing Program and its components from time to time. If we do not spend the full amount within three months, then, at our option, we may continue the program until we spend the full amount on your marketing or credit any unused balance to any amounts you owe us. You may not use the Kick Start Marketing Program to pay any fees your CoOp may impose. We begin the Kick Start Marketing Program after you sign the franchise agreement.	\$14,250
Marketing Start-up Services	We provide the following marketing support concurrently with the Kick Start Marketing Program: (a) developing a 12-month marketing plan (budget, setting goals, seasonal tactics, target keywords, direct mail dates, ZIP Codes); (b) training in how to conduct a marketing program, and (c) transitioning marketing responsibilities to you.	\$2,000
Total of the above		\$19,295
Tax (varies from state to state)		
Total with tax		

EXHIBIT E2
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
START-UP PACKAGE

Marketing Start-up Package for Transfer Franchisees

You must purchase this Marketing Start-Up Package for Transfer Centers when you sign the Franchise Agreement. This purchase order describes this package, which consists of the following components:

- Marketing Communication Program (MCP)
- Kick Start Marketing Program
- Marketing Start-Up Services

Marketing Start-Up Package Purchase Order		
<i>Please complete this purchase order and return it with your signed franchise agreement</i>		
Components	Description	Price
Marketing Communication Program (MCP)	<p>The Marketing Communication Program ("MCP") has four components: The Solicitation Program is a series of campaigns to encourage former clients to enroll or re-enroll; the Referral Program is a series of campaigns to encourage current clients to refer a friend; the Weekly Client Email Program is a weekly communication to current enrollees; and the Educator Program is a series of communications to educators. In conjunction with specific campaigns of the Solicitation Program we offer an optional Outbound Calling Program by which the Call Center conducts follow-up phone calls. Each Solicitation and Referral campaign consists of direct mail, email, Facebook ad, and text message that we send 2 to 4 times per month (depending on the data you enter in the Software). In connection with the Referral Program, you give each referring party a gift card at your cost (typically \$50 each) for each enrolled referral.</p> <p>We provide Basic MCP at no additional charge. Optionally, you may participate in Additional MCP.</p> <ul style="list-style-type: none"> • Basic MCP: On your behalf as part of Training and Technology Services and for no additional fee, we conduct Basic MCP while you are a franchisee. Basic MCP consists of: <ul style="list-style-type: none"> • Educator. Each month for the first 6 months after you secure a Certificate of Occupancy for your Premises, we email newsletters to approximately 300 educators at schools near the center. Each month beginning in the seventh month, we email newsletters to approximately 100 educators at schools near the center. • Solicitation/Referral. Each month beginning on the seventh month after you secure a Certificate of Occupancy for your Premises, we launch a Solicitation/Referral program, sending direct mail, email, Facebook ad, and text message 2 to 4 times per month (depending on the data you enter in the Software) to approximately 100 names from your center's database. • Client Email. Each month beginning when your center opens, we distribute a Weekly Client Email to your enrolled families. • Additional MCP. At your option, you may add additional Solicitation and Referral campaigns; and you may increase the number of educators in the Educator Program; and you may elect the Outbound Calling Program for the Solicitation Program. The \$2,000 deposit is for these optional programs. We do not refund this deposit unless we terminate MCP. We may change this deposit amount from time to time. You must maintain a minimum deposit balance, which we may change from time to time. Before we conduct an additional Solicitation or Referral campaign, we deduct from your deposit a fee of \$0.99 per 	Deposit: \$2,000

Marketing Start-Up Package Purchase Order		
<i>Please complete this purchase order and return it with your signed franchise agreement</i>		
Components	Description	Price
	client. Before we increase the number of educators in the Educator Program, we deduct from your deposit a fee of \$45 per month per 100 educators. If you elect the optional Outbound Calling Program, the Call Center conducts follow-up phone calls. For each client the Call Center attempts to contact, we deduct from your deposit \$3.75 per client; and, if we generate an academic evaluation (an "AE"), we charge the lesser of the applicable per AE fee or \$43.00. We may change these fees from time to time.	
Kick Start Marketing Program	The Kick Start Marketing Program helps kick start your marketing effort. Program duration is approximately three months. When you sign the Franchise Agreement, you pay us \$14,250, which we spend on your behalf on the following: (a) developing, launching, and monitoring your Pay Per Click (PPC) advertising campaign, (b) conducting up to six direct mail campaigns, (c) creating and placing an organic Facebook post, and (d) providing a public relations announcement to local news outlets. We may change the Kick Start Marketing Program and its components from time to time. If we do not spend the full amount within three months, then, at our option, we may continue the program until we spend the full amount on your marketing or credit any unused balance to any amounts you owe us. You may not use the Kick Start Marketing Program to pay any fees your CoOp may impose. We begin the Kick Start Marketing Program after you sign the franchise agreement.	\$14,250
Marketing Start-up Services	We provide the following marketing support concurrently with the Kick Start Marketing Program: (a) developing a 12-month marketing plan (budget, setting goals, seasonal tactics, target keywords, direct mail dates, ZIP Codes); (b) training in how to conduct a marketing program, and (c) transitioning marketing responsibilities to you.	\$2,000
Total of the above		\$18,250
Tax (varies from state to state)		
Total with tax		

EXHIBIT E3

TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT

START-UP PACKAGE

IT Start-up Package

These specifications and prices are good through December 31, 2024.

Technology Item	Quantity	Price Each	Price
PC - Dell Optiplex or better	1	\$ 1,023	\$ 1,023
Monitor – 23” Widescreen or better	1	253	253
Laptop - Dell Latitude or better	1	1,821	1,821
Firewall – unlimited user, multi-zone security	1	2,042	2,042
Wireless Access Point (WAP) with power over Ethernet injector	1	383	383
Power Over Ethernet (PoE) Injector for WAP	1	49	49
Battery backup - APC UPS or better	2	103	205
Network cables - Cat5E, 10' length	4	3	12
Network cable - Cat5E, 75' length	1	23	23
HP multifunction printer/scanner/copier/fax	1	634	634
HP printer toner cartridge for multifunction - black	1	86	86
HP printer toner cartridge for multifunction – yellow	1	100	100
HP printer toner cartridge for multifunction – magenta	1	100	100
HP printer toner cartridge for multifunction – cyan	1	100	100
HP LaserJet high speed printer or better	1	459	459
HP printer toner cartridge for LaserJet	1	143	143
Printer cable - USB, 10' length	1	4	4
Tablet mobile device – Samsung Galaxy Tab or better	2	445	889
Extra-long tablet power adapter	1	21	21
Tablet enclosure and security cable	1	154	154
Chromebooks – HP 14 or better	5	509	2,545
Virus Protection – Bitdefender (1 Year Subscription)	2	37	74
Mobile-devices secure-storage and charging station	1	600	600
Subtotal			11,723
Setup labor hours – software installation, configuration, testing	16	82	1318
Shipping – Supplier to your center	1	464	464
Shipping – Supplier - to Oradell - and then to you	1	258	258
Total			\$13,762

Delivery of the above is executed as follows:

1. One of the tablet devices is personally delivered to you during initial training.
2. The mobile devices charging station is delivered to your center shortly after center opening.
3. The remainder of the above is delivered to the address you specify below approximately two months before your anticipated center opening date.

I have read this purchase order, understand and accept its contents, delivery locations, and related timing, and hereby purchase the Huntington IT Startup Package.	
Print name	
Signature	
Date of order	
Estimated center opening date	
Ship to address for all items, except for the tablet and charging station. Typically, this is your home.	

EXHIBIT E4

TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT

START-UP PACKAGE

Educational Start-up Package

Educational Start-up Package	
These specifications and prices are good through December 31, 2024.	
Academic Evaluation and administrative materials	
Item	Description
One student testing binder	Contains the non-consumable items the test administrator presents to the student. Assembled into a 3-ring binder with sheet protectors, labels, and divider tabs.
One administrator answer key	Contains the various answer key items the test administrator uses. Assembled into a 3-ring binder with sheet protectors, labels, and divider tabs.
34 student testing folders	Two labeled manila folders per grade (K.0-12.9). Each folder contains the consumable items the student uses during test administration.
53 reserve test supply folders	One labeled manila folder per test
Huntington Math pre- and post-tests	143 math pre-tests, 143 math post-tests, 3 copies of each, preassembled in individually labeled manila folders.
Huntington Writing Reviews	3 writing reviews, 3 copies of each, preassembled in individually labeled manila folders.
Huntington Writing Prompts binder	3-ring binder containing all writing prompts to be used during instruction of the Huntington Writing Program.
Huntington Study Skills Reviews	4 study skills reviews, 3 copies of each, preassembled in individually labeled manila folders.
Curriculum Answer Sheets	13 curriculum answer sheets, 5 copies of each, preassembled in individually labeled manila folders.
Operational and Tutoring forms	Huntington forms, preassembled in individually labeled manila folders, to be used for center operations.
Staffing forms	Huntington forms, preassembled in individually labeled manila folders, to be used, at your option, for center staff.
Test Prep materials	
Item	Description
8 Huntington ACT & SAT student workbooks	Two of each Huntington ACT & SAT student workbooks (ACT Science/Math, ACT English/Reading, SAT Math, SAT Reading & Writing).
4 ACT & SAT conference binders	Two of each Huntington ACT & SAT conference binders with pre-printed insert pages.
ACT practice tests, ACT essay prompts, and ACT Writing sample booklet	5 - Laminated ACT practice tests; 1 - Labeled manila folder containing 5 Huntington ACT essay prompts; 1 - Laminated ACT Writing Sample Booklet with sample scoring for the ACT essay prompt
Retail books	2 - <i>The Official ACT Prep Guide</i>
Additional supplies	1 - Scientific calculator

	1 - Timer 4 - Huntington drawstring bags
	Total price: \$3,064

The total price includes all of the above materials, NJ tax, ordering, assembly, shipping of materials to Oradell, and shipping of the assembled materials to you.

We deliver the above items to the address you specify below within a few months before your anticipated center opening date.

I have read this purchase order, understand and accept its contents, delivery locations, and related timing, and hereby purchase the Huntington Tutoring Start-up Package.	
Print name	
Signature	
Date of order	
Estimated center opening date	
Ship-to address for all items.	

EXHIBIT F
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
OTHER DOCUMENTS

This exhibit contains the following document	
Exhibit	Document
F1	Huntington Manual table of contents

EXHIBIT F1
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
OTHER DOCUMENTS

Huntington Manual table of contents

The Huntington Manuals consist of the Brand Standards Manual, Call Center Standards and Conference Service Standards (which supports Coaching and Virtual Conferencing).

Brand Standards Manual

Volume 1, Administration and Finance

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Part 14. Staffing	291
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Huntington Learning Centers Inc. Franchise Disclosure Document

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Part 18.	Exam Prep teachers and staff	187
Part 19.	ACT	231
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Volume 3, Instructional Procedures for Mandatory E1 Programs

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Part 2.	SSAT and ISEE	2
Part 3.	Advanced Placement (AP)	129
Part 4.	Armed Services Vocational Aptitude Battery (ASVAB)	135
Part 5.	Omitted	0
Part 6.	Bergen Academies Entrance Test	157
Part 7.	College Level Examination Program (CLEP)	170
Part 8.	Florida End-of-Course (EOC) Assessments	175
Part 9.	General Educational Development (GED)	181
Part 10.	HiSET	209
Part 11.	High School Placement Test (HSPT)	234
Part 12.	Praxis Exam	243
Part 13.	Pennsylvania System of School Assessments (PSSA)	258
Part 14.	New York State Regents Exams	264
Part 15.	New York City's Specialized High Schools Admissions Test (SHSAT)	295
Part 16.	Test for Admission into Catholic High Schools (TACHS)	308
Part 17.	Test Assessing Secondary Completion (TASC)	317
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Volume 4, Instructional Procedures for Test Programs

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Call Center Standards

Huntington Learning Centers Inc. Franchise Disclosure Document

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Section 3. How Inquiries Are Received at the Call Center	3
Section 4. Center Hours; Days of Operation; Number of AEs	4
Section 5. Information Required by the Call Center	4
Section 6. Center Responsibilities	5
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Section 9. Utilizing Your Center Phone Numbers	6
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Conference Services Standards

Part 1 Overview

- Section 1: Use of this Manual
- Section 2: Available Services
- Section 3: Benefits of Using Conference Services
- Section 4: How to Get Started

Part 2 Coaching Services

- Section 1: General Procedures for Coaching
- Section 2: Criteria for Use
- Section 3: Coach Procedures
- Section 4: Missed Appointments
- Section 5: Recording of Coaching Session

Part 3 Virtual Conferencing Services

- Section 1: General Procedures for Virtual Conferencing
- Section 2: Criteria for Use
- Section 3: Virtual Conferencing Procedures
- Section 4: Rescheduled/Cancelled Conferences
- Section 5: Recording of Virtual Conferences

Part 4 Billing

- Attachment A Materials needed for Virtual Conference
- Attachment B Dialogue for booking a conference

Huntington Learning Centers, Inc. Franchise Disclosure Document

EXHIBIT G

**TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
FRANCHISED AND COMPANY-OWNED CENTERS OPERATING AS OF DECEMBER 31, 2023**

This Exhibit G contains the following lists	
Exhibit	Document
G1	Franchised and Company-Owned Centers open as of December 31, 2023
G2	Franchised Centers with signed franchise agreements, but not open as of December 31, 2023
G3	Company-Owned Centers owned or operated by Franchisor affiliate
G4	Former Franchise Centers

EXHIBIT G1

**TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
LISTS OF FRANCHISED AND COMPANY-OWNED CENTERS OPERATING AS OF DECEMBER 31, 2023**

Franchised Centers open

State Franchised center

AL John and Elizabeth Dotson Cap and Gown, Inc. Daphne, AL September 29, 2006, DQ0 Huntington Learning Center 6880 US Highway 90 Jubilee Square Shopping Center Daphne, AL 36526 251-621-1055

AL Paul Kasper and Nancy Kasper Academic Possibilities, Inc. Mobile, AL August 03, 2015, OQ0 Huntington Learning Center 2370-D Hillcrest Road, Mobile, AL 36695 251-525-9238

AL Beth And John Dotson Wabi-Sabi, LLC Montgomery, AL August 17, 2023 DQ1 Huntington Learning Center 3251 Malcolm Drive Montgomery, AL 36116 334-277-1108

AR Bryan & Rebecca Redditt Bryan and Becca, LLC Little Rock, AR August 05, 2010, RT1 Huntington Learning Center 11525 Cantrell Rd, Suite 603, Little Rock, AR 72212 501-223-2626

AZ J. Frank Pyles JFP Ventures, Inc. Scottsdale, AZ October 29, 2021, P36 Huntington Learning Center 7609 E. Pinnacle Peak Road, Suite C-3 Scottsdale, AZ 85255 480-746-6401

CA Gary Bahl Bahl Edu Enterprises San Mateo, CA September 12, 2013, YF0 Huntington Learning Center 4220 Olympic Ave San Mateo, CA 94403, 650-703-7718

CA Timothy Brian Gorin Odin's Eye, LLC Irvine, CA, January 27, 2015, NU0 Huntington Learning Center Irvine, CA 92620, 949-679-0038

CA Carl Hadigian Karlskrona, LLC Folsom, CA June 02, 2017, H82 Huntington Learning Center 2690 East Bidwell Street Suite 800 Folsom, CA 95630, 916-984-6161

CA Li King Yee and Yintze Chan Learnbotix, LLC g Cupertino, CA June 16, 2023, Y24 Huntington Learning Center Suite A Cupertino, CA 9501 4408-996-2900

CA Tony Kam and Bonnie Tam KFF Education, LLC Elk Grove, CA July 09, 2019, K43 Huntington Learning Center 9105 Bruceville Road, Suite 4A Elk Grove, CA 95758 916-585-3823

CA Rajesh Roshan Kathiru and Nishi Giri Rajesh & Nishi Educators, LLC Del Mar, CA May 29, 2018, K92 Huntington Learning Center 2652 Del Mar Heights Road Del Mar, CA 92014 858-433-6621

CA Greg Kulander Kulander Enterprises LLC Encino, CA March 01, 2019 UY2 Huntington Learning Center 17200 Ventura Blvd. Encino Town Center Mall Encino, CA 91316 818-907-3456

CA Jose Torres and Atefeh Karizi Torres Family MMIII Rancho Cucamonga, CA June 30, 2023, T36 Huntington Learning Center 11328 Kenyon Way, Suite B Rancho Cucamonga, CA 91701 909-584-5568

CA Greg Kulander Kulander Enterprises LLC September 15, 2020, UY3 Huntington Learning Center 28311 Newhall Ranch

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

Road Valencia, CA 91355, 661-775-8370

CA Robert and Cynthia Lee Study Laguna LLC Laguna Niguel, CA April 29, 2022,, LR1 Huntington Learning Center 27981
Greenfield Drive Unit C, Laguna Niguel, CA 92677 949-328-1151

CA William (Don) Mills Acarya Corporation Pasadena, CA February 15, 2007, IM0, Huntington Learning Center 1832 E.
Washington Blvd Pasadena, CA 91104 626-798-5909

CA Ulrika Myggen and Stuart Chuharski Front Street Group, LLC San Diego/Carmel Mountain, CA April 21, 2015, UV0,
Huntington Learning Center, 10195 Rancho Carmel Drive Suite C-200 San Diego, CA 92128 858-433-6180

CA Deborah Nason & David Layfer D & J Education, Inc. Citrus Heights, CA May 07, 2015, IU0 Huntington Learning Center
5739 Sunrise Blvd Citrus Heights, CA 95610 916-728-2981

Douglas K. Newman Douglas K. Newman Enterprises, Inc. Roseville/Rocklin, CA August 22, 2002, NE2 Huntington
CA Learning Center 731 Pleasant Grove Blvd Suite 150 Roseville, CA 95678 916-782-7979

CA Aleta Pallios Aleta Pallios Turlock, CA August 04, 1999, AD0 Huntington Learning Center 2080 E. Canal Drive Turlock,
CA CA 95380 209-632-8829

CA Mona Sethi Open Angle, Inc. Pleasanton, CA April 19, 2017, S72 4855 Hopyard Road Gateway Square Pleasanton, CA
CA 94588 925-463-8800

CA Matt Winslow and Maryann Winslow Lodi Ca W24 363 South Lower Sacramento Road Lodi, CA 95242 209-333-8989
CA Irum Zaidi Alliance Education Specialists San Ramon Valley, CA October 03, 2017, Z33 Huntington Learning Center 3490
CA Camino Tassajara Road, Danville, CA 94506 925-854-2935

CO Florian and Lenie De Castro De Castro Consolidated, Inc. Colorado Springs, CO February 21, 2017, D42 Huntington
CO Learning Center 1430 Kelly Johnson Blvd Colorado Springs, CO 80920 719-239-7073

CO Chuck Klijewski A Higher Ed FTC, LLC Fort Collins, CO, October 24, 2013 VF0 Huntington Learning Center 140 East
CO Boardwalk Suite P, Fort Collins, CO 80525 970-225-1028

CO Chuck Klijewski, Mel Moynihan, John Dec Educate Parker, LLC Parker, CO XQ0 Huntington Learning Center 18320 East
CO Cottonwood Drive, Unit 113 Parker, CO 80138 720-851-0677

CO Melissa Moynihan-Nash College Bound, Inc. Broomfield, CO June 20, 2006, AQ0 Huntington Learning Center 5127
CO West 120th Avenue, Broomfield, CO 80020 303-404-0645

CT Pasquale Cirone Arkham Ventures and Consulting, Inc. Simsbury, CT January 24, 2019, C82 Huntington Learning
CT Center 530 Bushy Hill Road, Simsbury, CT 06070 860-408-1686

DE Prakash Konkimalla KVR Associates, LLC Newark, DE December 22, 2021, K38 Huntington Learning Center 700 Capitol
DE Trail Unit 34 Newark, DE 19711 302-737-1150

DE Candise and Dale Schmidling American Academic Connections, LLC, Wilmington, DE September 29, 2017, S82
DE Huntington Learning Center, 3615 Silverside Road Wilmington, DE 19810 302-478-4343

FL Aziz Kabani, Showtime Education Inc. Pembroke Pines, FL May 26, 2023, K34 Huntington Learning Center 10044 Pines
FL Boulevard Pembroke Pines, FL 33024 954-436-3319

FL Sharon and Scott Bergin S&S Educational Enterprises, Inc. September 30, 1994, SB0 Huntington Learning Center
FL Winter Park, FL 4864 New Broad Street Orlando, FL 32814 407-875-2300

FL Sharon and Scott Bergin S&S Educational Enterprises, Inc. Longwood, FL July 08, 1997, SB1 Huntington Learning
FL Center 1907 West State Road 434, Longwood, FL 32750 407-265-9360

FL Veronica, Sarah and David Castro Castro Associates, LLC South Tampa, FL October 22, 2018, C72 Huntington Learning
FL Center, 1726 S Dale Mabry Hwy Tampa, FL 33629 813-553-3280

FL Caroline Cohen & Olivier Monard Cohen Executive, LLC Melbourne, FL November 21, 2017, Huntington Learning
FL Center 6300 N. Wickham Road, Suite 125 Melbourne, FL 32940 321-757-0379

FL Mary Teresa Davis The Education Connection, Inc. Palm Harbor, FL May 01, 2001 MY0, Huntington Learning
FL Center 33231 US Hwy. 19 North, Suite C1/C2 Palm Harbor, FL 34684 727-784-1114

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

FL Todd Riggs and Jennifer Lovitt Riggs Athena Learning Systems, LLC Lake Nona, FL December 11, 2023, R34 Huntington Learning Center 13848 Narcoossee Road Unit 106, Orlando, FL 32832 407-730-7844

FL Janet Gonzalez & Christopher Gonzalez Step by Step II, Inc. Jacksonville Beach, FL February 18, 2010, GZ1, Huntington Learning Center 13170 Atlantic Blvd. Suite 54 Jacksonville, FL 32225 904-220-9000

FL Tyrone Greene P&P '83 Ventures LLC Apopka, FL March 13, 2015, Q10 Huntington Learning Center 515 N. Park Avenue Suite 104, Apopka, FL 32712 407-703-8634

FL Robert Harms Premier Education Solutions, LLC, Pembroke West, FL November 29, 2007, XH0 Huntington Learning Center 18277 Pines Boulevard, Pembroke Pines, FL 33029 954-431-4971

FL Robert Harms RH2 Education Solutions, LLC Plantation, FL January 15, 2010, XH1 Huntington Learning Center 10125 Cleary Boulevard, Plantation Promenade Plantation, FL 33324 954-474-4189

FL Kevin Hickling and Maria Silva Hickling H & S Educational Success, LLC New Port Richey, FL December 29, 2021 H23 Huntington Learning Center 4411 Rowan Road New Port Richey, FL 34653 727-474-1820

FL Troy Ingle True Potential TDI Inc. Fleming Island, FL February 01, 2016, I20 Huntington Learning Center 1960 E. West Parkway, , Suite 106 Fleming Island, FL 32003 904-541-4263

FL Sandra Iza Savilia Education Services, LLC Coral Springs, FL March 29, 2019,, IZ1 Huntington Learning Center 5671 Coral Ridge Drive, Coral Springs, FL 33076 954-417-4600

FL Sandra Iza Savilia Enterprises, LLC Doral, FL October 31, 2006, IZ0 Huntington Learning Center, 10710 N.W. 74th Street Doral, FL 33178 305-552-1110

FL Juan Jurado and Sonia Murgueytio-Jurado Perspicuity LLC, St. Johns, FL August 09, 2016, J32 Huntington Learning Center 2245-101 Country Road 210 West St. Johns, FL 32259 904-460-2493

FL Aziz Kabani Primetime Education Inc. Winter Garden, FL August 25, 2021, K36 Huntington Learning Center 3337 Daniels Road Suite 210, Winter Garden, FL 34787 407-284-1960

FL Aziz Kabani ARK Education, Inc. Dr. Phillips, FL October 28, 2015, K20 Huntington Learning Center 5060 Dr. Phillips Blvd. #102 Orlando, FL 32819 407-522-4477

FL Russell and Mayer North Florida Leaders LLC Mandarin, FL August 2, 2023, RM1 Huntington Learning Center 12276 San Jose Blvd. Suite 701 Jacksonville, FL 32223 904-886-0600

FL Brandon and Violet Kyong VEBB Education Inc. Gainesville, FL February 26, 2019, K45, Huntington Learning Center, 3822 W. Newberry Road Suite A Gainesville, FL 32607 352-448-6888

FL Lola Perez One Bright Future LLC Fort Lauderdale, FL August 26, 2019 P62 Huntington Learning Center 5200 N. Federal Highway, Suite 3 Fort Lauderdale, FL 33308 954-533-6308

FL Diane Rottensteiner International Sales Corp. North Tampa, FL March 12, 2009, XR0 Huntington Learning Center 13911 North Dale Mabry Highway, Suite 101 Tampa, FL 33618 813-265-1993

FL Isam Shahwan & Safaa Shahwan Shahwan Investments LLC, Clermont, FL June 07, 2016, S32 Huntington Learning Center 3150 Citrus Tower Blvd., Clermont, FL 34711 352-989-4583

FL Carol Sherron Kristi Anderson KMMCK Education Link, Inc. Lakeland South, FL March 30, 2006, JX0 Huntington Learning Center, 6655 South Florida Avenue Shoppes of Christina Lakeland, FL 33813 863-701-9200

FL Kevin Hickling & Maria Silva Hickling H&S Educational Success LLC Brandon, FL, June 13, 2023, H26 Huntington Learning Center 1590 Bloomingdale Ave Valrico, FL 33596 813-681-3385

FL Marilyn Toscano Toscano Enterprises, Inc. Boca Raton, FL, September 25, 2001, TC0 Huntington Learning Center 8192 West Glades Road, Lakeside Centre Boca Raton, FL 33433 561-477-3066

FL Marilyn Toscano Toscano Enterprises, Inc. Boynton Beach, FL September 25, 2001, TC1, Huntington Learning Center 1313 West Boynton Beach Blvd R-13 Boynton Beach, FL 33426 561-742-5968

FL Wey Wey Wong & Guo Xun Huang St. Cloud, FL May 29, 2019, W35 Huntington Learning Center, 4554 13th Street Unit A-2, St. Cloud, FL 34769 407-789-0228

FL Timothy Kevan Wright Timothy Kevan Wright, LLC Miami FL June 03, 2021, W25 Huntington Learning Center 11050 North Kendall Drive Miami, FL 33176 305-598-0686

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

FL Timothy Kevan Wright TKW Education LLC Aventura FL November 16, 2022, W26 Huntington Learning Center19072NE 29th Avenue, Aventura, FL 33180 305-792-2536

GA Bill Boersma & Shelly Howell HB Educational Support LLC Decatur, GA October 09, 2017, B72 Huntington Learning Center, Suite 103 (Suite E) Decatur, GA 30030 678-786-7441

GA Howard Brothers & Xuewen Gregg HLC of Johns Creek Inc. Johns Creek, GA March 19, 2019, B35 Huntington Learning Center, 10305 Medlock Bridge Road Suite A8 Johns Creek, GA 30097 678-722-5112

GA Urtijaben Desai and Tejas Naik Shiv Shakti Gurukul LLC. Woodstock, GA November 1, 2023, D34 Huntington Learning Center 6244 Old Highway 5, Woodstock, GA 30188 678-445-4746

GA Francesc Fabregas & Monstserrat Gella Fabregasgella, LLC East Cobb, GA July 14, 2015,, U00 Huntington Learning Center 4381 Roswell Road, Suite 240 Marietta, GA 30062 770-977-2800

GA Kumar Moorthy & Sudha Moorthy Moorthys Services LLC, Suwanee, GA November 16, 2017, M23 Huntington Learning Center1039 Peachtree Industrial Blvd Suite A-110 Suwanee, GA 30024, 678-845-6460

GA Andy and Brandi Parker Imagine 320, LLC Peachtree City, GA March 25, 2014,, IVO Huntington Learning Center 2822 Highway 54 West, Peachtree City, GA 30269 770-632-7336

GA Sandeep Patel Cumming, GA September 25, 2020,, P45 Huntington Learning Center5485 Bethelview Road, Suite 340 Cumming, GA 30040, 770-292-8995

GA Wanda and Leland Roane Roane Achievement Enterprises, LLC Dunwoody, GA July 11, 2017, R52, Huntington Learning Center, 5500-5A Chamblee Dunwoody Road Dunwoody, GA 30338 770-394-2650

GA Catherine Sprague Leading Edge Learning, Inc Newnan, GA September 03, 2021, S23 Huntington Learning Center1111 Lower Fayetteville Road Unit 1200 Newnan, GA 30265 470-289-4090

GA Sandeep Patel AKAS LLCAlpharetta, GA JJune 30, 2023, P46, Huntington Learning Center, 12850 Highway 9 North Suite 2100, Alpharetta, GA 30004 678-240-9221

IA Joshua Iverson and Molly Haney Hive Midwest LLC West Des Moines, IA March 14, 2022, J86 Huntington Learning Center1303 50th Street, West Des Moines, IA 50266 515-440-1583

IA Dennis and Lisa Shaw Allons-y Ankeny, LLC Ankeny, IA June 23, 2016, S42 Huntington Learning Center 110 SE Grant Street Suite 104, Ankeny, IA 50021 515-965-3860

ID Jennifer Hovey DJMCC, LLC East Boise, ID March 04, 2013, XJ0 Huntington Learning Center 3165 South Bown Crossing Boise, ID 83706, 208-331-9020

ID Brian Riddick & Carrie Riddick Tymatt Enterprises Corp. Boise-Eagle, ID November 30, 2017, R82, Huntington Learning Center, 13371 Chinden Blvd. Suite 103 Boise, ID 83713 208-938-6256

IL George Alpogianis KMJG Partners Corporation Buffalo Grove, IL August 08, 2008, QG0 Huntington Learning Center 398 Half Day Road Buffalo, IL 60089 847-634-2400

IL George Alpogianis KMJG Partners Corporation Highland Park, IL March 26, 2012, QG1 Huntington Learning Center 1628 Deerfield Road, Highland Park, IL 60035 847-579-1100

IL Ripon Bhuiya Abbama LLC Mokena, IL December 30, 2016, B62 Huntington Learning Center 11334 E Lincoln Hwy, Mokena, IL 60448 779-333-7579

IL Deanne Dalgaard and James Dalgaard Dalgaard & Associates, Inc. Grayslake, IL March 28, 2008, XA0 Huntington Learning Center, 1832 East Belvidere Road Grayslake, IL 60030 847-223-9100

IL Deanne Dalgaard Fisher & James Dalgaard Dalgaard & Associates, Inc Antioch, IL August 12, 2021, D28 Huntington Learning Center, 1124 Main Street Antioch, IL 60002 224-788-9344

IL Ben Fiedor Advanced Scholarship LLC Schaumburg, IL November 01, 2017, F62 Huntington Learning Center 2642 W. Schaumburg Road, Shops of Schaumburg Court Schaumburg, IL 60194 847-798-8618

IL Robert L. Hauck Hauck Enterprises, Inc. River Forest, IL May 31, 2005, HK0 Huntington Learning Center 1135 North Harlem Avenue Oak Park, IL, 60302 708-488-1234

IL Josh Iverson Hive Enterprises, LLC Lake in the Hills, IL October 15, 2020, J85, Huntington Learning Center, 4590 Princeton Lane Suite 100, Lake in the Hills, IL 60156 847-669-5454

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

IL Shiv Jariwala and Deven Patel First In Class LLC Lagrange, IL October 07, 2022 J23 Huntington Learning Center 419 N LaGrange Road Village Market Place La Grange Park, IL 60526 708-588-9623

IL Mark and Diane Kilcommons M & D Educators LLC Elmhurst, IL October 15, 2009, NN0 Huntington Learning Center, 179 IL-83 Elmhurst, IL 60126 630-516-1030

IL David and Elizabeth Meier ARM Educational Holdings, Inc. Barrington, IL December 07, 2011, XM0 Huntington Learning Center 722 West Northwest Highway Barrington, IL 60010 847-382-3615

IL David Pickering DNT Educators Ltd. Glen Ellyn, IL December 07, 2011, PG1 Huntington Learning Center 705 Roosevelt Road, Glen Ellyn, IL 60137 630-790-0130

IL David Pickering DMP Educators INC Bloomingdale, IL December 08, 2021, P33 Huntington Learning Center, 357 West Army Trail Road The Courtyard At Stratford Bloomingdale, IL 60108 630-893-0928

IL David Pickering DDP Educators, Ltd. Downers Grove, IL July 24, 2008, PG0 Huntington Learning Center 237 Ogden Ave Downers Grove, IL 60515 630-963-8114

IL Sireesha Ratakonda Siri Educational, LLC Plainfield, IL February 20, 2019, K35 Huntington Learning Center 2352 South Rt. 59, Plainfield, IL 60586 815-255-6512

IL Cheri D. Reid Potentially, LLC Skokie, IL July 09, 2002, PN0 Huntington Learning Center 9448 Skokie Blvd. Skokie, IL 60077 847-675-8651

IL Jill and Kevin Rempert Educare, LLC Arlington Heights, IL, March 04, 2022, R39 Huntington Learning Center 50 S Arlington Heights Road, Arlington Heights, IL 60005 847-398-1509

IL Amano (Rafiq) Remtula & Nazia Remtula Student Excel Academy Corp. Lincoln Park, IL, August 04, 2017, R62 Huntington Learning Center, 1505 W Fullerton Chicago, IL 60614 773-348-7400

IL Carter and Monica Risdon Midwest Professional Resources, Inc. Oswego, IL October 13, 2006, ID0 Huntington Learning Center, 1130 Douglas Road, Oswego, IL 60543 630-551-4145

IL Carter and Monica Risdon Midwest Professional Resources, Inc. Naperville, IL December 31, 2007, ID1 Huntington Learning Center, 924 West 75th Street Rose Plaza West Naperville, IL 60565, 630-369-6985

IL Niranjn Sundaram Sun Education Corp. Park Ridge, IL February 07, 2017, XS2 Huntington Learning Center, 654 Busse Highway, Park Ridge, IL 60068 847-825-0692

IL Niranjn Sundaram Sun Education Corp. Geneva, IL August 01, 2008,, XS0 Huntington Learning Center 9 Anderson Boulevard Geneva, IL 60134, 630-262-0561

IL Niranjn Sundaram, Huntington Learning Center Sun Achievement Corp. Orland Park, IL January 11, 2013, XS1 15226 South LaGrange Road, Orland Park, IL 60462 708-226-0148

IL Jennifer Wilz Inertia Educational Services, Inc. Rockford, IL April 08, 2016, W22 Huntington Learning Center 5301 East State Street, Suite 104 Rockford, IL 61108 815-395-1011

IN Scott/Heather Alexander & Rob/Amber Webs BP Starfish, LLC Fishers, IN June 22, 2017 Huntington Learning Center 9665 Olio Road McCordsville, IN 46055 317-245-6914

IN Bob Mack & Lisa Kay Fraser ELMCO LLC Indianapolis, IN March 31, 2018 M63 Huntington Learning Center 2635 East 62nd Street Suite 2020 Indianapolis, IN 46220 317-420-8885

IN Kurt and Victoria Spitler Carmel, IN January 03, 2012 YS0, Huntington Learning Center 2440 East 146th Street Carmel, IN 46033 317-571-0766

IN Madhukar Velide & Padmavathy Machani Sai Krupa PM3 Educators LLC Evansville, IN November 23, 2016, V22 Huntington Learning Center, 1362 N Green River Road Unit 20 Evansville, IN 47715 812-401-2084

KY Susan Arterburn SOA Services LLC East Louisville, KY November 26, 2018, A52 Huntington Learning Center The Shops at Forest Springs 12474 LaGrange Road Louisville, KY 40245 502-501-7111

KY Boris Christow & Ana Maria Christow Moreno Borislav Christow & Ana Maria Christow Crescent Springs, KY March 30, 2018, Huntington Learning Center 2347 Buttermilk Crossing Crescent Springs, KY 41017 859-331-3900

LA Ann Habisreiting Educational Services of Louisiana, LLC, Mandeville, LA December 07, 1998, H10 Huntington

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

Learning Center, 1748 A North Causeway Blvd. Mandeville, LA 70471 985-727-0000

MA Pamela Narang and Dhiren Marjadi Words&Numbers, LLC Acton MA December 22, 2022, N34 Huntington Learning Center 504 Nagog Park Acton, MA 01720, 978-263-6677

MD Michael and Lorraine Cardamone Reliant Services, Inc. Waldorf, MD, June 14, 1999, CC0 Huntington Learning Center, 3284 Crain Highway Shoppers World Shopping Center Waldorf, MD 20603 301-705-6636

MD Bruce Davis & Sue Furick Think Fast, LLC Bethesda, MD April 26, 2016, D32, Huntington Learning Center, 4940 Hampden Lane, Suite 301 Bethesda, MD 20814 301-656-2112

MD Raj Mathapati and Poornima Mathapati First Consultants Inc. Gaithersburg, MD, February 15, 2019, M25 Huntington Learning Center, 501 North Frederick Avenue Suite 105 Gaithersburg, MD 20877 301-990-9501

MD Melissa Metzger and Thomas Metzger LAM Education Services, Inc. Perry Hall, MD February 21, 2020, M46, Huntington Learning Center, 8804 Bel Air Road Baltimore, MD 21236 410-256-3391

MD Melissa Metzger and Thomas Metzger HCM Education Services, Inc. Bel Air, MD February 21, 2020, M45 Huntington Learning Center, 565 Baltimore Pike Bel Air, MD 21014 410-420-2376

MD Steve Moore & Tari Moore EarnestLee, Inc. California, MD, September 11, 2017, M82 Huntington Learning Center 23415 Three Notch Road Suite 2021 California, MD 20619 240-256-3821

MD Ruth Mosley InTune Group, Inc. Frederick, MD March 12, 2020, M55 Huntington Learning Center, Riverview Plaza 5549 Urbana Pike Frederick, MD 21704 301-732-7282

MD Anand Patel & Rikin Parikh Prof AP, LLC Gambrills, MD November 22, 2017, P42 Huntington Learning Center 1403 South Main Chapel Way Suite 107 Gambrills, MD 21054 410-451-0050

MD George L. Tresnak & Rosemarie Tresnak Columbia Advisory Services, Inc. Columbia, MD January 02, 2001 GT1 Huntington Learning Center, 8890 Centre Park Drive Suite 200 Columbia, MD 21045 410-740-4005

MD George Lewis Tresnak Keystone Education Services, LLC Camp Springs, MD April 13, 2009, GT2 , Huntington Learning Center 5857 Allentown Road Camp Springs, MD 20746 301-899-6031

MI Holly Hung and Charles Lin ACME Developments, LLC December 31, 2015, AM1 Huntington Learning Center 375 Hamilton Row, Birmingham, MI 48009 248-203-7111

MI Holly Hung and Charles Lin Acme Developments, LLC Rochester Hills, MI December 23, 2004, AM0 Huntington Learning Center, 120 E. University Drive Rochester Hills, MI 48307 248-656-8336

MI Charlie James & Koni Johnson JJ 2TORING, LLC Clarkston, MI December 11, 2018, J62, Huntington Learning Center, 5728 Clarkston Road, Clarkston, MI 48348 248-861-2830

MI Steve Miller and Julie Miller Fortress Education, Inc. Novi, MI October 13, 2016, M52 Huntington Learning Center 43450 West 10 Mile Road, Novi, MI 48375 248-675-8300

MI Steve Miller and Julie Miller Fortress Education, Inc. Canton, MI June 16, 2017,, M53 Huntington Learning Center 6000 N. Sheldon Road Canton, MI 48187 734-446-7004

MN Debra Garwood and Michael Schacherer Ventures for Success, LLC Rochester, MN June 28, 2005, GW0 Huntington Learning Center, 2048 Superior Drive NW Suite 200 Rochester, MN 55901 507-424-1221

MN Joshua Iverson and Molly Haney Hive Stillwater, LLC Stillwater/Hudson, MN October 04, 2019, J84 Huntington Learning Center 0 Frontage Road West Valley View Mall - Highway 36 Stillwater, MN 55082 651-351-7050

MN Joshua Iverson and Molly Haney Hive Blaine, LLC Blaine, MN October 04, 2019, J82 Huntington Learning Center 10400 Baltimore Street NE Suite 130 Blaine, MN 55449 763-786-8001

MN Joshua Iverson and Molly Haney Hive Woodbury, LLC Woodbury, MN October 04, 2019, J83 Huntington Learning Center 1905 Donegal Drive, Woodbury, MN 55125 651-702-6423

MN Andy & Amy Servi A & J Achievement, LLC Plymouth, MN March 29, 2016, S22 Huntington Learning Center 10100 Sixth Avenue North Waterford Plaza Plymouth, MN 55441 763-542-0005

MN Lin Qian LinQ Education Service LLC, Roseville, MN September 20, 2023 Q23 Huntington Learning Center, 2723 North Lexington Avenue Roseville, MN 55113 651-633-6353

MO David & Lauren Huguelet DL Huguelet Group LLC Chesterfield/Ellisville, MO May 20, 2016, H32, Huntington Learning

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

Center 1370 Clarkson Clayton Center Ellisville, MO 63011 636-220-3170

MS Lisa Marie Comes Flying L&T Comes Flying, LLC Gulfport, MS June 15, 0223, C39 Huntington Learning Center 8950 Lorraine Road, Unit E Gulfport, MS 39503 228-206-2353

MT Carrie-Anne Dunn and Thomas Dunn J. Cupertino Enterprises, Inc. Billings, MT March 16, 2021, D24 Huntington Learning Center, 851 Shiloh Crossing Blvd Suite 5 Billings, MT 59102 406-651-5884

NC Andrew and Kristi Allen and Sherry Young Accelerated Progress, LLC Greenville, NC May 16, 2008, LLO Huntington Learning Center, 619 Red Banks Road Arlington Village Greenville, NC 27858 252-321-9898

NC Broden & Lynnette Askew & Edwin Barreras Julyse Educational Services, LLC Wilmington, NC March 02, 2012 Huntington Learning Center, 5919 Oleander Drive Suite 105 Wilmington, NC 28403 910-313-2185

NC Aziz Kabani Level Up Education Inc, Charlotte, NC August 16, 2022,, K37 Huntington Learning Center 8320 Pineville-Matthews Road Suite 605 Charlotte, NC 28226 704-541-7444

NC Prabhakaran Nagarajan SPN Consulting LLC Holly Springs, NC September 24, 2021, N43 Huntington Learning Center, 144 W Holly Springs Road Holly Springs, NC 27540 919-629-8411

NC Prabhakaran Nagarajan SPN Consulting LLC Durham, NC November 26, 2019,, N42 Huntington Learning Center 4711 Hope Valley Road Suite 3B Durham, NC 27707 919-629-8257

NC Vivon Peterson and Eric Peterson Fundamental Education LLC Raleigh-South, NC September 02, 2021, P37 Huntington Learning Center, 1135 Kildaire Farm Road Suite 110 Cary, NC 27511 919-462-3183

NC Vivon and Eric Peterson Fundamental Education, LLC Greensboro, NC September 02, 2021, P38 Huntington Learning Center 1616 Battleground Avenue Suite A Greensboro, NC 27408 336-288-1717

NC Vivon and Eric Peterson Fundamental Education, LLC Raleigh-Wake County September 02, 2021, P39 Huntington Learning Center 3309 Rogers Road Suite 133 Wake Forest, NC 27587 919-488-4703

NC David Scattone & Melanie Scattone Triangle Excellence In Education, LLC Knightdale, NC July 14, 2015 I10 Huntington Learning Center, 6845 Knightdale Blvd Suite 103 Knightdale, NC 27545 919-752-6392

NC Rob/Leila Schellenberg, Adam/Jewel Wiesi JLAB Resources, Inc. Weddington, NC July 07, 2015, VVO Huntington Learning Center, 5945 Weddington Road Suite 104 Matthews, NC 28104 704-243-5782

NC Leonard Silverman The Helena Group, LLC Huntersville, NC October 16, 2020, S26 Huntington Learning Center 9601 Holly Point Drive Huntersville, NC 28078 704-896-3931

NC Nader Sobhan NNS, Inc. Fayetteville, NC January 21, 2009,, Q50 Huntington Learning Center 2545 Ravenhill Drive, Suite 103 Fayetteville, NC 28303 910-323-2287

NC Nader Sobhan NNS Inc. Raleigh-North, NC May 31, 2019, Q51 Huntington Learning Center 8111 Creedmoor Road Suite 117 Raleigh, NC 27613, 919-676-2410

NE Frank X Haverkamp FMH Holdings Inc. Omaha, NE March 21, 2022, F34 Huntington Learning Center 545 North 155th Plaza, Pepperwood Shopping Center Omaha, NE 68154 402-315-9722

NE Frank X. Haverkamp FMH Holdings Inc. Millard (Omaha), NE March 21, 2022, F33 Huntington Learning Center 17935 Welch Plaza Bay # 6, Omaha, NE 68135 402-502-3669

NJ Richard and Allyson Bernstein Bernstein Services Corp Turnersville, NJ September 29, 2006, BE3, Huntington Learning Center, 860 Rt. 168 Lakeside Plaza Suite 102 Turnersville, NJ 08012, 856-227-2001

NJ Richard and Allyson Bernstein Educational Associates, LLC, Cherry Hill, NJ October 21, 2004 BE2 Huntington Learning Center, 1990 Marlton Pike East (Route 70) Tuscany Marketplace Cherry Hill, NJ 08003 856-751-1848

NJ Teri Willoughby-Deters Wunder Academy of NJ LLC Morristown, NJ February 10, 2023, D29 Huntington Learning Center 48 South Street, Morristown, NJ 07960 973-292-9265

NJ Bhavesh Desai and Ami Desai Stepping Stones Academy III, LLC Bridgewater, NJ September 18, 2019 D93, Huntington Learning Center, 676 Route 202-206 North Bridgewater, NJ 08807, 908-725-9065

NJ Bhavesh Desai and Ami Desai Stepping Stones Academy LLC Manalapan, NJ May 01, 2019 D92 Huntington Learning Center, 100 Craig Road Manalapan, NJ 07726 732-431-3062

NJ Bhavesh Desai and Ami Desai Stepping Stones Academy II, LLC East Brunswick, NJ September 18, 2019 D94

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

Huntington Learning Center, 647 Route 18 South East Brunswick, NJ 08816 732-257-7501

NJ Jelani Ellington Prometheus Innovation Corporation Westwood, NJ October 30, 2019, E53, Huntington Learning Center, 23 Jefferson Avenue, Westwood, NJ 07675 201-666-4663

NJ Jelani Ellington Prometheus Innovation Corporation Ridgewood, NJ August 20, 2019, E52 Huntington Learning Center, 75 North Maple Avenue, Ridgewood, NJ 07450 201-447-1235

NJ Violetta Feld & Boris Feld Head Start Education Inc. Englewood, NJ, July 11, 2019, F45 Huntington Learning Center 29 Nathaniel Place, Englewood, NJ 07631 201-871-9040

NJ Bryan Murray & Cara Murray BWR Enterprises LLC Ledgewood, NJ July 17, 2019, M35, Huntington Learning Center 1070 US Route 46 Suite 4, Ledgewood, NJ 07852 973-584-1397

NJ Bryan Murray & Cara Murray BWR Enterprises LLC Ramsey, NJ July 17, 2019, M36 Huntington Learning Center 245 East Main Street, Unit 202, Ramsey, NJ 07446 201-749-4094

NJ Middletown, MID Huntington Learning Center 2011 Route 35 North Middletown, NJ 07748 732-671-1104

NJ Colin G. Schreiber Hirsch Tate Group, LLC Hamilton, NJ June 30, 2005, CZ1 Huntington Learning Center 691 Route 130 North Deer Path Pavilion, Hamilton, NJ 08691 609-439-0400

NJ Sridhar Sundararajan & Logan Umamageswar Reinvent Education Inc. Wayne, NJ July 15, 2019, S76 Huntington Learning Center 1597-1 Route 23 South Wayne, NJ 07470 973-694-8882

NJ Sridhar Sundararajan, Paul Aduato, Case Casspa Education Inc. Livingston, NJ, August 24, 2020, A62 Huntington Learning Center, 25 W. Northfield Road Livingston, NJ 07039 973-994-2917

NJ Nandakumar Vellasamy Rajalakshmi Enterprises, Inc. Springfield, NJ October 28, 2020, V62 Huntington Learning Center 271G Route 22 East, Springfield, NJ 07081 973-258-0085

NJ Ben Webb Phase 2 Education and Training LLC Flemington, NJ December 20, 2018, W82 Huntington Learning Center 105 Highway 31, Flemington, NJ 08822 908-824-0989

NM Sohale Mufti Mufti, Inc. Albuquerque West, NM, May 30, 2007, DW1 Huntington Learning Center, 8201 Golf Course Road NW, Suite B-3, Albuquerque, NM 87120 505-797-3073

NV John and Eda Hackmann EJHH LLC Henderson, NV October 28, 2016, H53 Huntington Learning Center Horizon Marketplace 10624 So. Eastern Avenue Henderson, NV 89052 702-778-7778

NV John and Eda Hackmann EJM LLC Summerlin, NV October 26, 2016 H52 Huntington Learning Center 7565 W. Washington Avenue #104, Las Vegas, NV 89128 702-838-1067

NV Roman Koval and Yung Hua KH Pursuits, LLC Reno, NV April 28, 2018, K82, Huntington Learning Center 4920 Virginia Street, Reno, NV 89502, 775-827-0700

NY Partha P. Chandra Grades Ahead Inc. Carle Place, NY December 04, 2019, C55 Huntington Learning Center 215 Glen Cove Road Unit 10, Carle Place, NY 11514 516-742-4559

NY Scott Coghlan Corson Associates Inc. Clifton Park, NY June 03, 2019,, C35 Huntington Learning Center 7 Southside Plaza The Shops at Village Plaza, Clifton Park, NY 12065 518-280-2671

NY Alexander Cohen Get Smart Corporation Williamsville, NY January 24, 2023, C37 Huntington Learning Center 5838 Main Street Buffalo, NY 14221 716-633-4591

NY Alexander Cohen Get Smart Corporation 2., January 24, 2023 C36 3071 Union Road Orchard Park, NY 14127 716-675-4566

NY Eileen DelMonaco & Frank Caruso EFG16 Corp. Yorktown Heights, NY May 09, 2019, D35 Huntington Learning Center 335 Downing Drive, Yorktown Heights, NY 10598 914-245-8888

NY Arlene DePrizio & Richard DePrizio ARDM Center Corporation Nanuet, NY May 23, 2019 D25 Huntington Learning Center, 58 East Route 59, Nanuet, NY 10954 845-623-4757

NY Boris Feld and Violetta Feld FBV Group NY, Inc. Park Slope, NY February 08, 2022, F46, Huntington Learning Center, 808 Union Street, 3rd Floor Brooklyn, NY 11215 718-230-0073

NY Priscilla Gamer Advangrow, LLC Pittsford, NY February 13, 2018, G92 Huntington Learning Center 3050 Monroe Avenue Unit 410 Rochester, NY 14618 585-419-6856

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State Franchised center

NY Timothy Miller and Marie Hoyt Miller T. Miller Enterprises, Inc. Fayetteville, NY October 03, 2005, MLO Huntington Learning Center, 6900 Highbridge Road Fayetteville, NY 13066 315-445-0689

NY Sean Kelly, Sr. and Sean Kelly, Jr. SPK Long Island, Inc Miller Place, NY June 17, 2019, K55 Huntington Learning Center 275 Route 25A, Suite 6, Miller Place, NY 11764 631-400-4613

NY Sean Kelly, Sr. and Sean Kelly, Jr. SPK Long Island, Inc. Smithtown, NY June 17, 2019, K56 Huntington Learning Center 8 Miller Place, Smithtown, NY 11787 631-360-0423

NY Sean Kelly, Sr. and Sean Kelly, Jr. SPK Long Island, Inc. Patchogue, NY May 22, 2020, K57 Huntington Learning Center 620 Waverly Ave, , 2nd floor Patchogue, NY 11772 631-654-5081

NY Sean Kelly, Sr. and Sean Kelly, Jr. SPK Long Island, Inc. Bay Shore, NY July 29, 2020, K58 Huntington Learning Center 607 East Main Street, Bay Shore, NY 11706 631-968-6366

NY Jeff Palmese J2GR, LLC Eastchester, NY February 27, 2020, P82 Huntington Learning Center 721 White Plains Road Scarsdale, NY 10583, , 914-722-9253

NY Aparna Rallabhandi MAK Training Solutions, LLC Plainview, NY August 04, 2021, R36, Huntington Learning Center, 443 South Oyster Bay Road, Plainview, NY 11803 516-490-7020

NY Mark A. Reich and Barbara H. Reich New Karma Holdings Corp. Upper East Side, NY June 10, 2004, RM0 Huntington Learning Center 1556 Third Avenue Suite 209 New York, NY 10128 212-534-3200

NY Nandakumar Vellasamy Rkarmegam Enterprises Inc Staten Island NY, May 02, 2022, Huntington Learning Center 2791 Richmond Ave Suite 200, Staten Island, NY 10314 718-494-8377

NY Kris Zdyb Orion Education, LLC East Northport, NY July 30, 2019, Z43 Huntington Learning Center 1928 B Jericho Turnpike Elwood Shopping Center East Northport, NY 11731 631-462-6940

OH Scott & Heather Alexander BP Starfish Ohio LLC New Albany, OH April 20, 2018 A33 Huntington Learning Center 5560 N. Hamilton Road Gahanna, OH 43230 614-478-0695

OH Gonzalo and Raquel Diaz-Infante Progressio LLC Harpers Point, OH, July 25, 2022 D63 Huntington Learning Center 11385 Montgomery Rd Suite 220 Harpers Station Shopping Center Cincinnati, OH 45249, 513-489-5777

OH Gonzalo and Raquel Diaz-Infante Progressio, LLC Cincinnati/Hyde Park, OH October 16, 2017 D62 Huntington Learning Center, 3870 Paxton Road, Suite E Cincinnati, OH 45209 513-909-4040

OH Jory Edlin The Jedco Group, Inc. Anderson, OH April 17, 2015 YU0 Huntington Learning Center 7759 5 Mile Road Cincinnati, OH 230, 513-528-7417

OH Hernan & Barbra Estrada HB Estrada, LLC Broadview Heights, OH November 29, 2016,, E42 Huntington Learning Center 7983 Broadview Road, Broadview Heights, OH 44147 440-526-0357

OH Steve Feldman & Tobi Kipling The Kipling Feldman LLC Holland, OH October 05, 2016 F32 Huntington Learning Center 6638 Centers Drive, Spring Meadow Plaza Holland, OH 43528 419-868-1600

OH Stefany L. and Bradley J. Hardewig Cincinnati/Northgate, OH March 31, 2017, H72 Huntington Learning Center 9896 Colerain Avenue, Cincinnati, OH 45251 513-834-8217

OH Daniel Mathis High Achievement Enterprises, Inc West Chester, OH. October 30, 2007, ZM0 Huntington Learning Center 7906 Tylersville Square Drive Suite A West Chester, OH 45069 513-860-4416

OH Maureen & Philip Wagner Gemini Pointe, LLC Columbus-Lewis Center, OH April 03, 2017, W42, Huntington Learning Center 83 Neverland Drive Lewis Center, OH 43035 614-918-9800

OH Maureen and Philip Wagner Orion Pointe, LLC Huntington Learning Center Worthington OH October 12, 2022 W43 2704 Sawmill Place Blvd Columbus, OH 43235 614-889-8888

OH Kimberly Walter Elite Academics of Mentor, LLC Mentor, OH April 22, 2019 W93 Huntington Learning Center 8000 Plaza Boulevard, Unit H Mentor, OH 44060 440-205-8226

OH Kimberly Walter Elite Academics, LLC Mayfield Heights, OH April 22, 2019 W92 Huntington Learning Center 1510 Golden Gate Plaza Mayfield Heights, OH 44124 440-683-1219

OH Stefany Hardewig Hardewig Associates Inc.. Centerville, OH June 30, 2023 H73 Huntington Learning Center, 175 E. Alex-Bell Road Suite 212 Cross Pointe Shopping Center Centerville, OH 45459 937-433-7612

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

OK Christopher Appel and Lee Appel Thrive Family Education LLC., Broken Arrow, OK April 24, 2023, A24 Huntington Learning Center, 947 North Elm Place Broken Arrow, OK 74012 918-893-5551

OR Greg Kulander Kulander Enterprises LLC Portland, OR January 31, 2014, UY0, Huntington Learning Center, 15220 NW Laidlaw Road, Bethany Village Terrace Portland, OR 97229 503-533-4020

OR Qi (Sandy) Shen Lake Oswego, OR February 20, 2019 S55, Huntington Learning Center, 355 Second Street, Lake Oswego, OR 97034, 503-636-0156

PA K. Burkett, S. Holmes, P. Holmes PKS Education, Inc. Greensburg, PA January 12, 1996,, BH0 Huntington Learning Center 56 Sheraton Drive Extension Suite 300 Greensburg, PA 15601 724-836-6336

PA K. Burkett, S. Holmes, P. Holmes PKS Education Inc. North Hills, PA June 11, 2002, BH2 Huntington Learning Center 4721 McKnight Road, Pittsburgh, PA 15237 412-367-8140

PA K. Burkett, S. Holmes, P. Holmes PKS Education, Inc. Monroeville, PA November 22, 2000, BH1 Huntington Learning Center 4326 Northern Pike Monroeville, PA 15146 412-856-5250

PA Richard Kanter Future Success, Inc. North Wales, PA October 08, 2007, IK0 Huntington Learning Center 1210 Bethlehem Pike Suite B-11, North Wales, PA 19454 215-793-4951

PA Thomas Murphy Head Smart Enterprises, LLC Springfield, PA January 01, 2008, UM1 Huntington Learning Center, 891 Baltimore Pike Springfield, PA 19064 610-690-4460

PA Thomas Murphy Head Smart Abington LLC Abington PA June 16, 2022, U23 Huntington Learning Center 947 Old York Road, Abington, PA 19001 215-887-0801

PA Jay Murray and Tammy Murray Julius Gray Innovation and Development I Harrisburg-North East, PA May 01, 2018 M33 Huntington Learning Center 5094-D Jonestown Road Colonial Commons Shopping Center, Harrisburg, PA 17112 717-657-2002

PA Nicole and Christopher Settembrino JNK Holdings, LLC Langhorne, PA May 16, 2018, S25 Huntington Learning Center 514 Oxford Valley Road, Langhorne, PA 19047 215-757-9334

PA Robert J. Smith SFI, LLC Bethlehem, PA February 04, 2010, XN0 Huntington Learning Center 216 Nazareth Pike Bethlehem, PA 18020 610-866-4064

PA Lorie Simko Strennen Unlimited Education, Inc., McMurray, PA November 30, 1994, US0 Huntington Learning Center, 2848 Washington Road McMurray, PA 15317 724-942-2890

PA Stephen Whalen SFXW Enterprises LLC Limerick, PA September 28, 2018, W72 Huntington Learning Center, 1810 East Ridge Pike Suite 103 Royersford, PA 19468 610-792-4700

SC Jewel Wiesinger Leila Rob Schellenberg JLAB Resources II, Inc. Fort Mill, SC November 29, 2021, W23 1500 Fort Mill Parkway, Suite 105, Fort Mill, SC 29715 803-548-8070

SC Emily and Martha Brooks Palmetto Progress LLC Bluffton, SC October 12, 2023 B26 Huntington Learning Center 1050 Fording Island Road, Suite 406 Bluffton, SC 29910 843-258-9700

TN Cedric and Esterlene Dukes Focused Connection LLC Murfreesboro, TN November 13, 2019, D55 Huntington Learning Center 2812 Old Fort Parkway Suite K Murfreesboro, TN 37128 615-624-9044

TN Matthew and Krista McGrath East Tennessee Learning, Inc. Knoxville, TN September 01, 2015, M10 Huntington Learning Center 117 North Peters Road Knoxville, TN 37923 865-691-1697

TN Clay Crumbliss and Rachael Crumbliss Oaktree Education Inc. Chattanooga, TN February 1, 2023, C34 Huntington Learning Center, 7401 East Brainerd Road Unit 190 Chattanooga, TN 37421 423-206-2200

TN Leonard Silverman The Minerva Group, LLC Hendersonville, TN May 05, 2004 LE0 Huntington Learning Center 112 Saundersville Road, The Crossings at Indian Lakes Hendersonville, TN 37075 615-826-5255

TN Brian and Jennifer Telford Teton Education Group, LLC Brentwood, TN March 01, 2020,, T35 Huntington Learning Center 95 Seaboard Lane, Suite 106 Brentwood, TN 37027 615-376-8004

TX Khurram Agha and Muiyda Agha Agha Holdings, LLC Frisco TX September 12, 2022, A23 Huntington Learning Center 4760 Preston Road, Suite 236 Frisco, TX 75034 214-919-0093

TX Pranab Bajpai Banarp Inc Round Rock, TX November 04, 2022, B23, Huntington Learning Center, 2800 S IH 35 Suite

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

- 150 Round Rock, TX 78681 512-910-4051
- TX Michael Barber Anthem Opportunity Corp. Fort Worth, TX, October 17, 2016, B42 Huntington Learning Center 2826 South Hulen Street, Fort Worth, TX 76109 817-924-5801
- TX John L Dial II Gainful Learning LLC Cypress, TX November 20, 2023, D36, Huntington Learning Center , 9955 Barker Cypress Road, Suite 200 Cypress, TX 77433 281-410-5001
- TX Syed and Carolyn Hassan ARCH Educational Services, LLC Kingwood, TX August 31, 2005, YH0, Huntington Learning Center, 2714 West Lake Houston Parkway Suite 220 Kingwood, TX 77339 281-360-0030
- TX Sherry and James Huffman Sherry Huffman and James Huffman Austin, TX February 23, 1998 HF0 Huntington Learning Center, 13011 Shops Parkway Suite 300 Bee Cave, TX 78738 512-301-7880
- TX Asif Bashir and Samina Q Chaudhry MAZH Enterprises, LLC Pearland, TX April 17, 2023 B24 Huntington Learning Center 3225 East Broadway Street, Suite 8 Pearland, TX 77581281-485-3685
- TX Calvin and Jamina McFadden C & J Associates Enterprises, LLC Clear Lake City, TX May 11, 2021, M26 Huntington Learning Center, 2323 Clear Lake City Blvd Suite 170 Houston, TX 77062 832-460-1200
- TX Ann Habisreitinger Barré Educational Services of TX, LLC The Woodlands, TX April 14, 2023, H25 Huntington Learning Center, 26400 Kuykendahl Road Suite C280 The Woodlands, TX 77375 832-761-7533
- TX Giridharan Namasivayam SIDVIN Enterprises Inc Flower Mound, TX March 10, 2022, N53 Huntington Learning Center 1901 Long Prairie Road, Flower Mound, TX 75022 972-325-2015
- TX Giridharan Namasivayam SIDVIN Enterprises Inc. Coppell, TX October 18, 2018, N52 Huntington Learning Center 817 South MacArthur, Suite 100 Coppell, TX 75019 972-745-4342
- TX Krupa and Amit Patel Vidya, LLC Mansfield, TX, July 01, 2013 NP0 Huntington Learning Center 708 Hunters Row Ct, Suite 104, Mansfield, TX 76063 817-539-0337
- TX Pat and Larry Payne LP Education, LLC Katy, TX, March 02, 2015, XU0 Huntington Learning Center 27278 Cinco Ranch Blvd Suite B, Katy, TX 77494 281-392-5800
- TX John and Renee Pisklak RJP Educational Services, Inc. Memorial, TX June 15, 2011, PJ0, Huntington Learning Center 9451 Katy Freeway, Houston, TX 77024 713-933-2656
- TX Thomas Keith Rice Thomas Keith Rice San Antonio-Stone Oak, TX March 05, 2007, IC0, Huntington Learning Center 19141 Stone Oak Parkway, Stone Oak Crossing San Antonio, TX 78258 210-545-4222
- TX Alkarim and Naureen Shivji Nak Growth, LLC Cedar Park/North Austin, TX June 18, 2019, S65 Huntington Learning Center 1335 E. Whitestone Blvd. 1890 Ranch Shopping Center Cedar Park, TX 78613 512-288-9731
- TX Teresa Tien-Lin and Chris Lin CAAT Educational Services, LLC Sugar Land, TX March 03, 2015, Y10 Huntington Learning Center, 4961 Sweetwater Blvd. Sugar Land, TX 77479 281-242-6222
- TX Kermit and Wendy Tilford Kerwen Group, Inc. Houston Heights, TX, September 25, 2017, T21 Huntington Learning Center 5307 North Main Street, Houston, TX 77009 281-810-6011
- TX Mitchell Pham and Daniel Cruz West University Place, TX March 23, 2023 C38, Huntington Learning Center, 2726 Bissonnet Street Suite 300 Houston, TX 77005 832-834-4751
- TX Ajith Varghese Sharper Kids Inc. Georgetown, TX February 26, 2019, V72 Huntington Learning Center 904 W. University Blvd. Suite 110, Georgetown, TX 78626 512-886-0103
- TX Shaili N. Vora and Niraj Vora Gurukul Management LLC Temple, TX April 15, 2021, V25 Huntington Learning Center, 9325 Tarver Road, Suite A101 Temple, TX 76502 254-598-4245
- TX Jeffrey and Michele Williams SAJ Academic Enterprises, LLC North Dallas, TX September 01, 2010, YW1 Huntington Learning Center, 11700 Preston Road Preston Forest Shopping Center Dallas, TX 75230 214-363-4005
- TX Ralph and Shanda Wright The Wright Legacy Group Incorporated Southlake, TX July 31, 2018 W62 Huntington Learning Center, 480 W Southlake Blvd Suite 115 Southlake, TX 76092 817-618-5310
- TX Xiaoguang Yan and Thi Cao CY Education, LLC, Spring, TX October 07, 2021, Y23 2222 Rayford Road Suite 109 Spring, TX 77386, 281-719-5079
- UT Mandilyn Johansen Karen Johansen. Mandilynist, LLC Draper, UT Janury 31, 2023, J24 Huntington Learning Center 684

Huntington Learning Centers, Inc. Franchise Disclosure Document

State Franchised center

	E 11400 South Suite C, Draper, UT 84020 801-495-9730
	Greg Kulander Kulander Enterprises, LLC Kaysville, UT November 02, 2021, U22 Huntington Learning Center 275 North
UT	300 West, Suite 401 Kaysville, UT 84037 801-719-6734
	Amit Bahadur Teach A Kid LLC Centreville, VA December 11, 2017, B82 Huntington Learning Center 6009 Centreville
VA	Crest Lane, Centreville, VA 20121 703-829-9935
	John Dec Foredecs Investment Company II LLC, South Riding, VA September 22, 2014, VW1 Huntington Learning
VA	Center 25055 Riding Plaza, Unit 200 South Riding, VA 20152 703-327-5521
	John Dec Foredecs Investment Company, LLC Ashburn, VA November 27, 2013, VW0 Huntington Learning Center
VA	44031 Ashburn Shopping Plaza, #107 Ashburn, VA 20147 571-223-1586
	Larry Frank Frank Ventures, LLC Richmond-Short Pump, VA August 04, 2017,, F52 Huntington Learning Center 200
VA	Towne Center West Blvd, Suite 607 Henrico, VA 23233 804-729-5371
	Tanuja and Parag Ghodgaonkar Bright Brains LLC Herndon, VA March 13, 2019, G34 Huntington Learning Center 366
VA	Elden Street, Herndon, VA 20170 703-880-5202
	John Lape Lape Educational Enterprises, Inc. Virginia Beach, VA May 29, 2019 J25 Huntington Learning Center 2476
VA	Nimmo Parkway, Unit 118A Virginia Beach, VA 23456 757-260-9705
	Zeb Miles and KaTanya Miles Miles Educational Ventures LLC Chester, VA July 05, 2016, M32 Huntington Learning
VA	Center 12748 Jefferson Davis Highway Breckenridge Plaza Chester, VA 23831804-796-5500
	Bruce Moody & Toni Zollicoffer Bright Minds, LLC Fairfax, VA December 05, 2017, M92 Huntington Learning Center
VA	10258 Main Street Fairfax, VA 22030, 571-310-0180
	Kathy Segmuller4F Enterprises, Inc. Alexandria, VA February 01, 2002, FX3 Huntington Learning Center 6408
VA	Grovedale Drive Suite 201, Alexandria, VA 22315 703-541-0674
	Beom Gu (Jason) Yeo Everybodylovesmom Inc. Woodbridge-Lake Ridge, VA May 31, 2019, B65 Huntington Learning
VA	Center 12379 Dillingham Square Lake Ridge, VA 22192 703-670-5289
	Toby and Jennifer Donovan Donovan Ventures, LLC Puyallup, WA February 26, 2016, D22 Huntington Learning Center
WA	10417 156th Street E, Suite 102 Puyallup, WA 98374 253-268-3469
	Farideh Emami and Hossein Ghoreishi HF Teach to Empower, LLC Seattle, WA November 18, 2016, E32 Huntington
WA	Learning Center, 5529 24th Avenue NW Seattle, WA 98107 206-457-8099
	Stephanie and Justin Kennedy Timberline Group, Inc. Issaquah, WA November 12, 2012, IX0 Huntington Learning
WA	Center 1490 NW Gilman Blvd., Suite J2 Issaquah, WA 98027 425-391-0614
	Murlidhar and Vimala Koushik Narada Enterprises, Inc. Shoreline, WA December 08, 2017, K72 Huntington Learning
WA	Center 18336 Aurora Avenue N Gateway Plaza Shoreline, WA 98133 206-708-3330
	Sariya Rashid Jabis Inc. North Bend, WA July 18, 2017, R72 Huntington Learning Center, 458 SW Mount Si Blvd B6,
WA	North Bend, WA 98045 425-292-3916
	Brian Riddick VR Ventures, LLC Bellevue, WA June 26, 2007, RK2 Huntington Learning Center 13218 NE 20th St. Suite
WA	300, Bellevue, WA 98005 425-643-9937
	Rebecca Thannisch PNW Supplemental Education LLC Bothell, WA April 01, 2022, T34, Huntington Learning Center
WA	22833 Bothell Everett Hwy, Suite 156 Bothell, WA 98021 425-368-2300
	George Kinsler & Ramona Rohr Middleton George LLC Middleton, WI March 17, 2008, GK1 Huntington Learning
WI	Center 6661 University Avenue, Middleton, WI 53562 608-831-5760

EXHIBIT G2

TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT

LISTS OF FRANCHISED AND COMPANY-OWNED CENTERS OPERATING AS OF DECEMBER 31, 2023

Franchised Centers with signed franchise agreements, but not open

Huntington Learning Centers, Inc. Franchise Disclosure Document

Franchised Centers with signed franchise agreements, but not open as of December 31, 2023

IN	M24	Eric Motycka and Nupur Motycka Sairic Enterprises, Inc Zionsville IN 46077 July 1, 2022	Huntington Learning Center Future Site Zionsville, IN 46077	Eric Motycka and Nupur Motycka Sairic Enterprises, Inc 13896 Berenger Lane Carmel, IN 46032
TX	S66	Alkarim and Naureen Shivji Nak Growth, LLC Austin-Four Points, TX June 18, 2019	Huntington Learning Center Future Site Austin, TX 78730	Al and Naureen Shivji Nak Growth, LLC 5700 Tapadera Trace Lane #611 Austin, TX 78727
VA	G35	Jame George and Jyotsna Jame ADJR Ventures Inc. Gainesville VA20155August 17, 2023	Huntington Learning Center Future Site Gainesville VA 20155	Jame George and Jyotsna Jame ADJR Ventures Inc.2705 Robaleed Way Herndon, VA 20171

EXHIBIT G3

TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT

LISTS OF FRANCHISED AND COMPANY-OWNED CENTERS OPERATING AS OF DECEMBER 31, 2023

Company-Owned Centers owned or operated by Franchisor affiliate

Company-Owned Centers owned or operated by a Franchisor affiliate as of December 31, 2023

State	Address
NJ	Huntington Learning Center; 736 Brick Blvd.; Brick, NJ 08723
NJ	Huntington Learning Center; 4900 Merrick Road; South Gate Shopping Center Massapequa Park, NY 11762
NY	Huntington Learning Center; 650 Central Avenue; Scarsdale, NY 10583
NY	Huntington Learning Center; 1807 Williamsbridge Road; Bronx, NY 10461
NY	Huntington Learning Center; 656 Sunrise Highway; Baldwin, NY 11510
NY	Huntington Learning Center; 514 86th St; Bay Ridge, Brooklyn NY 11209

EXHIBIT G4

TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT

LISTS OF FRANCHISED AND COMPANY-OWNED CENTERS OPERATING AS OF DECEMBER 31, 2023

Former Franchised Centers

Franchised Centers Operating as of December 31, 2023

In 2023, the following franchisees voluntarily opted not to renew the Franchise Agreement

Doug Newman ; Sacramento Campus Commons, CA ; 916-761-3551

In 2023, the following franchisees voluntarily opted to terminate by transfer

Leonard Silverman; Montgomery, AL; 615-423-0380

Greg Kulander; Rancho Cucamonga, CA; 503-425-9551

Tony Kam & Bonnie Tam; Cupertino, CA; 415-828-1389

Leonard Silverman; Brandon, FL; 615-423-0380

Osman Fareeduddin; Lake Nona, FL; 407-474-0714

Huntington Learning Centers, Inc. Franchise Disclosure Document

Franchised Centers Operating as of December 31, 2023
Josh Krehbiel and Katie Sandvick; Mandarin, FL ; 904-866-0558
Liz Alicea-Velez and Mel Velez; Pembroke Pines, FL; 954-881-1880
Mark Tolbert; Alpharetta, GA; 404-839-6963
Vasudha Edara and Shreyas Desai, Woodstock, GA; 770-420-6543
Madelyn Yang and Ethan Yang; Roseville, MN
Erin Gibson and Carol Gray; Gulfport, MS
Paul Colucci; Morristown, NJ
Wayne Sutcliffe, Jr., Karen Myers, Kristen Sutcliffe; Williamsville NY
Karen Young; Centerville, OH; 513-652-3776
Cindy Snodgrass; Broken Arrow, OK; 918-289-1846
Kim Williams; Bluffton, SC; 410-340-9630
Sreenu Pamidi and Prathima Pamidi; Chattanooga, TN; 732-619-5264
Nadia and David Friedman; Cypress, TX; 609-213-0837
Shumaila and Sheraz Khan; Pearland, TX; 415-342-9297
Wendy Tilford; West University Place, TX; 832-748-8739
Jonathan Erickson; Draper, UT ; 801-636-6634
In 2023, the following franchisees were reasonably known by Huntington to have ceased doing business in the System
Kanin Asvaplunghprohm ; Windsor, CA; 858-729-8370
Osman Fareeduddin; Hunters Creek, FL
Marcela Lobon, Andrew & Joanna Gorzen; Mooresville, NC; 910-478-5156
Reena Sharma Vats & Hemender Vats; Overland Park, KS; 913-669-9477
Stephen Whalen; Doylestown, PA ; 484-678-5482
Lannie and Angela Milon ; The Woodlands, TX; 713-724-9118
Thomas Keith Rice, San Antonio-De Zavala, TX; 210-240-5662
Danielle and Richard Johnston; Longview, WA; 360-430-0093

EXHIBIT H
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
STATE SPECIFIC ADDENDA

California – Addendum to the Disclosure Document

As to franchises governed by the California Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

The “Special Risks to Consider About *This Franchise*” page of the Disclosure Document are amended to also include the following: THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT 14 DAYS PRIOR TO EXECUTION OF AGREEMENT.

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

Item 3 of the Disclosure Document is amended by adding the following paragraph: Neither we, nor any person or franchise broker in Item 2 of this disclosure document, is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling these persons from membership in this association or exchange.

Item 6 of the Disclosure Document is amended by adding the following sentence: If we charge interest on any amounts due to us, the maximum interest we can charge is 10% annually.

Item 17 of the Disclosure Document is amended by adding the following paragraphs: The franchise agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

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.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

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

Our website is located at <https://www.freewayinsurance.com/>.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

Illinois – Addendum to the Disclosure Document

The following is added to Item 17:

Huntington Learning Centers, Inc. Franchise Disclosure Document

- a. 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.
- b. The Illinois Franchise Disclosure Act provides that any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside of Illinois is void with respect to any action that is otherwise enforceable in Illinois.
- c. The Illinois Franchise Disclosure Act requires that Illinois law apply to any claim arising under the Illinois Franchise Disclosure Act.
- d. The conditions under which your Franchise Agreement can be terminated and your rights upon nonrenewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Illinois – Addendum to the Franchise Agreement

The Huntington Learning Centers, Inc. Franchise Agreement between Huntington Learning Centers, Inc. (“Franchisor”) and _____ (“Franchisee”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “State Addendum”):

Illinois law governs the Franchise Agreement(s).

In conformance with section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void, However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41, of the Illinois Franchise Disclosure Act, 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.

Illinois – Addendum to the Development Agreement

The Huntington Learning Centers, Inc. Development Agreement between Huntington Learning Centers, Inc. (“Franchisor”) and _____ (“Franchisee”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “State Addendum”):

Illinois law governs the Franchise Agreement(s).

In conformance with section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void, However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41, of the Illinois Franchise Disclosure Act, 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.

Huntington Learning Centers, Inc. Franchise Disclosure Document

Maryland – Addendum to the Disclosure Document

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 5 is modified to provide, “Based upon our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by you to us shall be deferred until we complete our pre-opening obligations under the Franchise Agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.”

2. Item 17 is modified to provide as follows: “This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.”

3. Item 17(b) is modified to also provide, “The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.”

4. Item 17(h) is modified to also provide, “The provision in the Franchise Agreement that provides that we may terminate the agreement upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)”

5. Item 17(u) is modified to also provide, “A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

6. Item 17(v) is modified to also provide, “Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

7. All representations (including the Franchisee Disclosure Questionnaire) 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 liability incurred under the Maryland Franchise Registration and Disclosure Law.

Maryland Addendum to the Franchise Agreement

The Huntington Learning Centers, Inc. Franchise Agreement between Huntington Learning Centers, Inc. (“Franchisor”) and _____ (“Franchisee”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “State Addendum”):

Huntington Learning Centers, Inc. Franchise Disclosure Document

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

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by you to us shall be deferred until we complete our pre-opening obligations under the Franchise Agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

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

This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

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

Maryland Addendum to the Development Agreement

The Huntington Learning Centers, Inc. Development Agreement between Huntington Learning Centers, Inc. ("Franchisor") and _____ ("Franchisee") dated _____ (the "Agreement") shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the "State Addendum"):

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by you to us shall be deferred until we complete our pre-opening obligations under the Franchise Agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

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

This development agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable."

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

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

Minnesota – Addendum to the Disclosure Document

Huntington Learning Centers, Inc. Franchise Disclosure Document

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 that require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).

- Any release required as a condition of renewal, sale and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

TERRITORY AMENDMENT TO THE HUNTINGTON LEARNING CENTERS, INC.

FRANCHISE AGREEMENT

REQUIRED BY THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the parties to the Huntington Learning Centers, Inc. Franchise Agreement (the "Franchise Agreement") agree as follows:

1. Paragraphs 3.1, 14.2, and 15.2 of the Franchise Agreement shall be supplemented by the addition of the following language at the end of each Paragraph:

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

2. Paragraph 9.3 of the Franchise Agreement shall be supplemented by the addition of the following language at the end of the Paragraph:

Huntington Learning Centers, Inc. Franchise Disclosure Document

If the Franchisor determines that you have used the Marks in accordance with this Agreement, the Franchisor will defend you against any third-party claim, suit, or demand arising out of your use of the Marks, and the cost of the defense, including the cost of any judgment or settlement, will be borne by the Franchisor. Nothing in this Agreement, however, obligates the Franchisor to defend you against a third-party claim of prior use.

3. Paragraph 24.1 of the Franchise Agreement shall be supplemented by the addition of the following language at the end of the Paragraph:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce any of franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. Paragraph 24.4 of the Franchise Agreement shall be supplemented by the addition of the following language at the end of the Paragraph:

Pursuant to Minn. Stat. §80C.17 (subd.5), this Paragraph 24.4 shall not in any way abrogate or reduce the time period for bringing a civil action under Minn. Stat. §80C.17.

5. Paragraph 24.5 of the Franchise Agreement shall be deleted in its entirety and have no force or effect.

Each provision of this Territory Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, are met independently without reference to this Territory Amendment.

TERRITORY AMENDMENT TO THE HUNTINGTON LEARNING CENTERS, INC.

DEVELOPMENT AGREEMENT

REQUIRED BY THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the parties to the Huntington Learning Centers, Inc. Development Agreement (the "Development Agreement") agree as follows:

1. Paragraph 10.1 of the Development Agreement shall be supplemented by the addition of the following language at the end of the Paragraph:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or

Huntington Learning Centers, Inc. Franchise Disclosure Document

agreements can abrogate or reduce any of franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. Paragraph 10.4 of the Development Agreement shall be supplemented by the addition of the following language at the end of the Paragraph:

Pursuant to Minn. Stat. § 80C. 17 (subd.5), this Paragraph 10.4 shall not in any way abrogate or reduce the time period for bringing a civil action under Minn. Stat. § 80C.17.

3. Paragraph 10.5 of the Development Agreement shall be deleted in its entirety and have no force or effect.

Each provision of this Territory Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, are met independently without reference to this Territory Amendment.

New York – Addendum to the Disclosure Document

As to franchises governed by the New York franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT 1 OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NYS DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, N.Y. 10005.

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

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

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

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

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

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil

Huntington Learning Centers, Inc. Franchise Disclosure Document

action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

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

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

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

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

The Initial Franchise Fee constitutes part of our general operating funds and will be used as such in our discretion.

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

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

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

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

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

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

8. The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of forum**,” and Item 17(w), titled “**Choice of law**”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

North Dakota – Addendum to the Disclosure Document

Huntington Learning Centers, Inc. Franchise Disclosure Document

The following is added to Section 5A of the Franchise Disclosure Document:

Initial franchise fees are deferred until the Franchisor has performed all initial obligations owed the Franchisee and the Franchisee has commenced doing business. This financial assurance requirement is imposed by the North Dakota Securities Department based on our financial condition.

As to franchises governed by the North Dakota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Restrictive Covenants: To the extent that covenants not to compete apply to periods after the term of the franchise agreement, they are generally unenforceable under North Dakota law.

Applicable Laws: North Dakota law will govern the franchise agreement.

Waiver of Trial by Jury: Any waiver of a trial by jury will not apply to North Dakota Franchises.

Item 17(i) of the Disclosure Document, Section 15 of the Franchise Agreement and Section 5 of the Development Agreement requires the franchisee to consent to termination or liquidated damages. The Commissioner has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Waiver of Exemplary & Punitive Damages: Any waiver of punitive damages will not apply to North Dakota Franchisees.

General Release: Any requirement that the franchisee sign a general release upon renewal of the franchise agreement does not apply to franchise agreements covered under North Dakota law.

Enforcement of Agreement: Any requirement in the Franchise Agreement that requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement is void. Instead, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Rhode Island – Addendum to the Disclosure Document

As to franchises governed by the Rhode Island Franchise Investment Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Item 17(m) of the Disclosure Document is revised to provide:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act prohibits a franchisee to be restricted in choice of jurisdiction or venue. To the extent any such restriction is purported to be required by us, it is void with respect to all franchisees governed under the laws of Rhode Island.

Item 17(w) of the Disclosure Document is revised to provide:

Rhode Island law applies.

Virginia – Addendum to the Disclosure Document

As to franchises governed by the Virginia Retail Franchising Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Item 17: Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any rights given to him by any provision contained in the franchise.

These provisions supersede any conflicting provisions in the Disclosure Document.

Washington – Addendum to the Disclosure Document

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

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

Item 5 of the FDD is hereby amended to add the following language to the end of the disclosure:

“Specifically, it will vary based on the type of Franchised Brokerage we grant you the right to operate.”

Item 6 and Item 8 of the FDD, along with the applicable provisions in the Franchise Agreement, are hereby amended to delete the charge of the 18% in connection with obtaining insurance on your behalf and replacing it with the right to seek reimbursement of our actual costs incurred in connection with obtaining insurance on your behalf (in addition to the premium amount).

Item 12 of the FDD is hereby amended to add the following language at the end of the disclosure:

“Currently, we do not have a system in place for resolving conflicts for back office support or

Huntington Learning Centers, Inc. Franchise Disclosure Document

shared marketing activities because no conflicts of that nature have arisen. We will revisit the policy in the event a conflict arises.”

Item 17 of the FDD, along with the applicable provisions in the Franchise Agreement, are hereby amended to revise the option to purchase the assets of the Franchise upon a refusal to renew the Franchise Agreement or termination of the Franchise Agreement. Specifically, to the extent required by RCW 19.100.180(2)(i), we shall purchase, at fair market value at the time of expiration, the following items of the Franchised Brokerage upon our refusal to renew the Franchise Agreement: inventory, supplies, equipment, and furnishings purchased from us, and goodwill, exclusive of personalized materials which have no value to us, and inventory, supplies, equipment, and furnishings not reasonably required in the conduct of the Franchised Brokerage: PROVIDED, That compensation need not be made to you for goodwill if (i) you have been given one year’s notice of nonrenewal and (ii) we agree in writing not to enforce any covenant which restrains you from competing with us: PROVIDED FURTHER, That we may offset against amounts owed to you under this subsection any amounts owed by you to us. Furthermore, upon termination of the Franchise Agreement for good cause, we shall purchase from you at a fair market value at the time of termination, your inventory and supplies, exclusive of (i) personalized materials which have no value to us; (ii) inventory and supplies not reasonably required in the conduct of the Franchised Brokerage; and (iii) if you are to retain control of the premises of the Franchised Brokerage, any inventory and supplies not purchased from us or on our express requirement: PROVIDED, That we may offset against amounts owed to you under this subsection any amounts owed by you to us.

Section 14(e) of the Franchise Agreement is hereby amended by deleting the last sentence.

For the avoidance of doubt, nothing in Section 19(f) of the Franchise Agreement and Section 12.7.1 of the Development Agreement is intended to, or will, waive any rights you have under RCW 19.100.180.

For the avoidance of doubt, the rights granted under the Collateral Assignment of Lease are governed by the requirements of RCW 19.100.180(2)(j).

The Sample Release Agreement in Exhibit C is hereby revised to state that it does not apply to claims arising under the Franchise Investment Protection Act, chapter 19.100 RCW, or any rules or order adopted thereunder in accordance with RCW 19.100.220(2).

Huntington Learning Centers, Inc. Franchise Disclosure Document

EXHIBIT I

**TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
AGENTS FOR SERVICE OF PROCESS AND STATE FRANCHISE ADMINISTRATORS**

State	Our Agent for Service of Process	State Franchise Administrators
California	Commissioner of Corporations; Department of Business Oversight; 320 West 4th Street; Suite 750; Los Angeles, CA 90013; 1-866-275-2677	Commissioner of Corporations; Department of Business Oversight; 320 West 4th Street; Suite 750; Los Angeles, CA 90013; webmaster@corp.ca.gov; 1-866-275-2677
Hawaii	Director of Commerce and Consumer Affairs; Business Registration Division; 335 Merchant Street; Honolulu, HI 96813	Director of Commerce and Consumer Affairs; 10335 Merchant Street; Honolulu, HI 96813; Ph: 808-586-2744
Illinois	Attorney General of the State of Illinois; 500 South Second Street; Springfield, IL 62706	Illinois Attorney General; Franchise Division; 500 South Second Street; Springfield, IL 62706; Ph: 217-782-1090
Indiana	Securities Commissions; Indiana Securities Division; Secretary of State; 302 West Washington Street; Room E-111; Indianapolis, IN 46204	Secretary of State; Franchise Section; 302 West Washington Street; Room E-111; Indianapolis, IN 46204; Ph: 317-232-6681; Fax: 317-233-3675
Kentucky	Commonwealth of Kentucky; Office of the Attorney General; Consumer Protection Division; 1024 Capital Center Drive; Suite 200; P.O. Box 2000; Frankfort, KY 40602	Commonwealth of Kentucky; Office of the Attorney General; Consumer Protection Division; 1024 Capital Center Drive; P.O. Box 2000; Frankfort, KY 40602; Ph: 502-696-5300
Maryland	Maryland Commissioner of Securities; 200 Saint Paul Place; Baltimore, MD 21202-2021; securities@oag.state.md.us	Office of the Attorney General; Securities Division; 200 Saint Paul Place; Baltimore, MD 21202-2021; Ph: 410-576-7042
Michigan	Franchise Administrator; Consumer Protection Division, Franchise Unit; Michigan Department of Attorney General; G. Mennen Williams Building; 525 W. Ottawa Street; P.O. Box 30212; Lansing, MI 48909	Franchise Administrator; Consumer Protection Division, Franchise Unit; G. Mennen Williams Building; 525 W. Ottawa Street; P.O. Box 30212; Lansing, MI 48909; Ph: (517) 373-7117
Minnesota	Minnesota Department of Commerce; 85 7th Place East, Suite 280; St. Paul, MN 55101; General.commerce@state.mn.us	Minnesota Department of Commerce; Securities Unit; 85 7th Place East, Suite 280; St. Paul, MN 55101; General.commerce@state.mn.us; Ph: 651-539-1500 Commissioner of Commerce
Nebraska	Nebraska Department of Banking and Finance; Bureau of Securities/Financial Institutions Division; Commerce Court; 1230 "O" Street; Suite 400; Lincoln, NE 68508; P.O. Box 95006	Nebraska Department of Banking and Finance; Bureau of Securities/Financial Institutions Division; Commerce Court; 1230 "O" Street; Suite 400; Lincoln, NE 68508; Ph: 402-471-2171
New York	Secretary of State; The Division of Corporations; One Commerce Plaza; 99 Washington Avenue; Albany, NY 12231-0001	New York State Department of Law; Bureau of Investor Protection and Securities; 28 Liberty Street; New York, NY 10005; Ph: 212-416-8211
North Dakota	Securities Commissioner; Office of Securities Commissioner; Capitol Bldg., 5th Floor; 600 East Boulevard Avenue; Bismarck, ND 58505	Securities Commissioner; Office of Securities Commissioner; Capitol Bldg., 5th Floor; 600 East Boulevard Avenue; Bismarck, ND 58505; ndsecurities@nd.gov; Ph: 701-328-2910

Huntington Learning Centers, Inc. Franchise Disclosure Document

State	Our Agent for Service of Process	State Franchise Administrators
Rhode Island	Director of Business Regulation; Department of Business Regulation; Building 69-1; John O. Pastore Center; 1511 Pontiac Avenue; Cranston, Rhode Island 02920	Associate Director and Superintendent of Securities; Division of Securities; Building 69-1; 1511 Pontiac Avenue; Cranston, Rhode Island 02910; Ph: 401-462-9500; Fax: 401-462-9532
South Dakota	Director of Division of Securities; Division of Securities; 124 S. Euclid Avenue, Suite 104; Pierre, SD 57501	Franchise Administrator; Division of Securities; 124 S. Euclid Avenue, Suite 104 Pierre, SD 57501; Ph: 605-773-4823; Fax: 605-773-5953
Texas	Statutory Document Section; Secretary of State; 1019 Brazos; Austin, Texas 78701	Statutory Document Section; Secretary of State; 1019 Brazos; Austin, Texas 78701; register@sos.state.tx.us; Ph: 512-463-5561; Fax: 512-463-5569
Virginia	Clerk; State Corporation Commission; 1300 East Main Street, 1st Floor; Richmond, VA 23219	Chief Examiner; State Corporation Commission; Tyler Building; 1300 East Main Street, 9th Floor; Richmond, VA 23219; Ph: 804-871-9967
Washington	Director of Financial Institutions; Department of Financial Institutions; Securities Division – 3rd Floor; 150 Israel Road, S.W.; Tumwater, Washington 98501	Securities Administrator; Department of Financial Institutions; Securities Division – 3rd Floor; 150 Israel Road, S.W.; Tumwater, Washington 98501; Ph: 360-902-8760; Fax: 360-902-0524
Wisconsin	Securities Administrators; Franchise Registration Division; Office of the Wisconsin Commissioner of Securities; 4822 Madison Yards Way, North Tower; Madison, WI 53702	Franchise Registration Division; Office of the Wisconsin Commissioner of Securities; 4822 Madison Yards Way, North Tower; Ph: 608-266-2139

EXHIBIT J

TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT

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	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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

**EXHIBIT K
TO THE HUNTINGTON LEARNING CENTERS, INC. FRANCHISE DISCLOSURE DOCUMENT
RECEIPTS**

Huntington Learning Centers, Inc. Franchise Disclosure Document Receipts

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

Except as provided in the paragraph below, if Huntington Learning Centers, Inc. (the “Franchisor”, “we”, “us”, “our”) offers you a franchise, we must provide this Franchise Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale. Under the laws of New York and Rhode Island, we must provide this Franchise Disclosure Document to you at the earliest of: (a) the first personal meeting to discuss the franchise; (b) 10 business days before you sign a binding agreement with us; or (c) 10 business days before you make any payment to us. Under the laws of Michigan, Washington, and Wisconsin, we must provide this Franchise Disclosure Document to you at the earliest of: (a) 10 business days before you sign a binding agreement with us; or (b) 10 business days before you make a payment to us.

If we do not deliver this Franchise 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 your state agency listed in Exhibit I to this Franchise Disclosure Document. We authorize the agents listed in Exhibit I to receive service of process for us.

The franchise seller(s) offering this franchise is/are circled below:
Maureen K. Eichholz

Issuance Date: April 26, 2024. If the effective date of this Franchise Disclosure Document (FDD) in your state is different, it will be listed in Exhibit J. I received a FDD that included the following exhibits:

Exhibits	
A Financial Statements	E Start-up Package
B Franchise Agreement with exhibits	F Other documents
C Development Agreement with exhibits	F1 Huntington Manuals’ table of contents
D Other agreements and documents	G Lists of Franchisees and Company-Owned Centers
D1 General Release	H State Specific Addenda
D2 Royalty Amendment	I Agents for Service of Process and State Franchise Administrators
D3 Territory Amendment	J State Effective Dates
D4 Asset Purchase Agreement	K Receipts
D5 Sublease	
D6 Letter of Intent	

Your signature	Print name
Home address	
Date	

Please sign and date this receipt and retain it for your records.

Huntington Learning Centers, Inc. Franchise Disclosure Document Receipts

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D3 Territory Amendment	J State Effective Dates
D4 Asset Purchase Agreement	K Receipts
D5 Sublease	
D6 Letter of Intent	

Your signature	Print name
Home address	
Date	

Please remove this page, sign, and date this page, and return it to Huntington Learning Centers, Inc., 496 Kinderkamack Road, Oradell, New Jersey 07649, attention Franchise Development.