

FRANCHISE DISCLOSURE DOCUMENT



NATIONAL INTERNET CORPORATION

a Delaware corporation

d/b/a WSI

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Lewes, Delaware 19958

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The franchise is for WSI Businesses which provide full service digital marketing systems to businesses under the trademark WSI® and other authorized marks.

The total investment necessary to begin operation of a “Regional Territory” WSI Business ranges from \$77,400 to \$90,500. This includes \$64,700 that must be paid to us or our affiliates. The total investment necessary to begin operation of a “National Territory” WSI Business ranges from \$82,400 to \$95,500. This includes \$69,700 that must be paid to us or our affiliates. The total investment necessary to begin operation of a “International Territory” WSI Business ranges from \$92,400 to \$106,500. This includes \$79,700 that must be paid to us or our affiliates.

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 our Administrative Department at 91 Skyway Avenue, Suite 104, Toronto, Ontario, M9W 6R5 Canada, or (888) 678-7588 or admin@wsicorporate.com.

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

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

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

Date of Issuance: April 24, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits 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 Exhibits E and F.
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 C 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 National Internet Corporation 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 National Internet Corporation franchisee?	Item 20 or Exhibits E and F list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory. Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

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

Some States Require Registration

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

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This Franchise*

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation only in Toronto and litigation only in New York. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate with the franchisor in Canada or to litigate with the franchisor in New York than in your own state.
2. **Minimum Fees.** You must make minimum Management Service Fees, advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Mandatory Minimum Payments.** You must make minimum management service fee payments regardless of your sales levels. Your inability to make payments may result in termination of your franchise and loss of your investment.
4. **Turnover Rate.** In the last year, a large number of franchised outlets (18) ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

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

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Exhibits:

A Franchise Application Agreement	G Manuals Table of Contents
B Franchise Agreement	H State-Specific Disclosures and Amendments
C Financial Statements	I General Release
D State Administrators and Agents for Service of Process	J Franchisee Disclosure Acknowledgment
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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, “we,” “us,” “our,” or “NIC” means National Internet Corporation, the franchisor. “You” means the person who is awarded the franchise and includes your owners if you are a corporation, partnership, limited liability company or other business entity.

Company History

WSI Digital Marketing was founded in 1995 by Dan Monaghan, Paul Monaghan and Mark Dobson, in Toronto, Canada. The company was one of the first digital marketing agencies in the world. In the years that followed, WSI Digital Marketing expanded rapidly, opening offices in dozens of countries around the world and serving clients across a wide range of industries. Today, WSI Digital Marketing offers everything from web design and SEO to social media management and online advertising. WSI Digital Marketing remains committed to its core values of transparency, integrity, and customer service, working closely with clients to deliver customized solutions that meet their unique needs and drive real results.

Description of a WSI Business

NIC offers to you the right to own and operate a full service WSI Digital Marketing business of your own. In your business, you will use our trademark, trade name and sophisticated procedures and trade secrets. You will operate as an independent business owner, providing digital marketing services to clients in their local markets. WSI Digital Marketing services are delivered through certified approved quality suppliers within our E-Marketplace. The range of services shall include but not limited to competitive analysis, personal development, paid search advertising, content marketing, inbound marketing, marketing automation, website design and development, social media marketing, search engine optimization, landing page optimization, email marketing, web analytics, and consulting. Our business model allows the addition of any new future service or product or platform to be added to the range of services as dictated by the industry. As a franchisee, you will receive training and support in all aspects of digital marketing, as well as ongoing updates and access to suppliers, tools and technologies. You will have full access to suppliers that can deliver all your digital marketing services. You will also have access to a network of other franchisees providing the same services. You will likely focus on clients within specific industries as you build and grow your business.

The Franchise

We currently grant franchises to qualified candidates in the U.S.A. for the operation of businesses which offer full-service digital marketing systems to businesses (the “System”) under the trademark WSI® and other authorized marks. We call these businesses “WSI Businesses”; we call your WSI Business the “Franchised Business.” The System has evolved over time and there are other WSI franchisees who operate under different forms of franchise agreements, fee structure and trademark designations. We also offer similar licenses under different terms to experienced marketing agencies. We have no other business activities. We offer three types of licenses. Before signing the Franchise Agreement, you will select one of the following three types of licenses:

- **Regional Territory License**, which allows you to offer and sell to customers located in a particular state; and
- **National Territory License**, which allows you to offer and sell to customers anywhere in the United States.

- **International Territory License**, which allows you to offer and sell to customers anywhere in any country where it is lawfully permitted to do so.

All territory licenses are non-exclusive.

The System

Our WSI Consulting Network provides businesses and individuals with advanced digital marketing solutions that allow businesses to respond successfully to the constantly increasing demands of the marketplace and capitalize on technological changes that are forever becoming part of our society. Through your Franchised Business, you will offer products and services to customers who are located in your Designated Territory. These products and services will be accessed by you using the approved suppliers in the WSI eMarketplace. When a supplier performs the services, it will charge you a wholesale price.

Regulatory Matters

There are no regulations specific to operating a WSI Business, but you must comply with all local, state, and federal laws that apply generally to businesses.

Competition

The Digital Marketing industry is fragmented and you will generally compete with website developers, digital marketing agencies, single service providers and/or consultants. The Digital marketing industry is continuously developing and competitive in all markets. The market for digital marketing in the United States is mature with demand increasing for these services along with ability to implement any future marketing technology. Your customer base and client mix will include any type of business but is predominately focused on SMBs, both BtoC and BtoB type companies.

NIC, its Parents, Predecessors and Affiliates

NIC was incorporated in Delaware on December 31, 1996. We do business under our corporate name and the Proprietary Marks described in this Disclosure Document. Our Canadian head office address is 91 Skyway Avenue, Suite 104, Toronto, Ontario, M9W 6R5 Canada. Our U.S. principal business address is located at 16192 Coastal Highway, Lewes, Delaware 19958. We do not do business under any other names.

We have not operated a business of the type being franchised, but our affiliate, Research and Management Corporation (“RAM”) has operated a corporate owned location in the United States since May 2019. We began offering franchises in the U.S.A. for a business which offers similar services as your Franchised Business but under the mark Worldsites in 1999. From March 2001 to December 2003, we offered a franchise for a similar business under the mark MyWorldsites. We began offering WSI Businesses in September 2001. Neither we nor our affiliates have offered franchises in any other line of business.

RAM was incorporated in the Province of Ontario, Canada on July 18, 2003. RAM shares our head office address and provides all management services to us, including support, training, accounting, administration, marketing, sales and supply chain management. RAM also provides certain digital marketing solutions and training and eMarketplace and management services to our franchisees. Although RAM has previously operated two corporate owned locations in Canada from March 2005 to December 2006, RAM has never offered franchises in the U.S.

Our parent is World Technology Group Inc. (“WTG”), a corporation organized under the laws of the State of Delaware on July 12, 2000. WTG was formerly known as IIS Inc. and was incorporated in the Bahamas

on February 21, 1997. Except as described above, we have no parents that exercise control over the policies and direction of the franchise system.

WTG and its affiliates have granted franchises and licenses for WSI Businesses outside the U.S.A. under the marks WSI ICE®, Worldsites and MyWorldsites (since 1997), under the WSI IM mark (since 2006) and, more recently, under the WSI mark. Neither WTG nor its country-specific affiliates have operated a business of the type being franchised nor have they granted franchises in any other line of business. (Except for WTG, the principal business address for each of the following companies is 91 Skyway Avenue, Suite 104, Toronto, Ontario, M9W 6R5 Canada).

Name and Address	Business
World Technology Group Inc. (“WTG”), a Delaware corporation (including WSI Malaysia Ltd., WSI Taiwan Ltd., and WSI Indonesia Ltd., which were amalgamated with WTG in January 2017, with WTG as the surviving company).	WTG (formerly IIS Inc., a Bahamian corporation formed in February 1997) has offered franchises for the type of business described in this disclosure document since February 1997. WTG’s address is 16192 Coastal Highway, Lewes, Delaware 19958.
WSI Worldwide Ltd., an Ontario corporation	WSI Worldwide was incorporated in November 2004 to sell franchises in countries outside of North America with the exception of jurisdictions having specific franchise legislation where country-specific franchisors offer WSI franchise opportunities. WSI Worldwide Ltd. commenced selling franchises in January 2005. Before January 2005, WSI Worldwide Inc. and Worldsites International, Inc. sold similar franchises in the same countries where WSI Worldwide Ltd. currently sells.
WSI Canada Ltd., an Ontario corporation	WSI Canada was incorporated in November 2004 to sell WSI franchises in Canada commencing in 2005. Before January 2005, WSI Canada Inc. and Canadian Internet Corporation sold WSI franchises in Canada.
WSI Australia Ltd., an Ontario corporation	WSI Australia was incorporated in November 2004 to sell WSI franchises in Australia commencing in 2005. Before January 2005, WSI Australia Inc. sold WSI franchises in Australia.
WSI France Ltd., an Ontario corporation	WSI France was incorporated in November 2004 to sell WSI franchises in France commencing in 2005. Before January 2005, WSI France Inc. sold WSI franchises in France.
WSI Mexico Ltd., an Ontario corporation	WSI Mexico was incorporated in November 2004 to sell WSI franchises in Mexico commencing in 2005. Before January 2005, WSI Mexico Inc. sold WSI franchises in Mexico.

Name and Address	Business
WSI Brazil Ltd., an Ontario corporation	WSI Brazil was incorporated in November 2004 to sell WSI franchises in Brazil commencing in 2005. Before January 2005, WSI Brazil LLC and WSI Brazil Ltd. sold WSI franchises in Brazil.
WSI Spain Ltd., an Ontario corporation	WSI Spain was incorporated in November 2004 to sell WSI franchises in Spain commencing in 2005. Before January 2005, WSI Spain Inc. and WSI Spain LLC sold WSI franchises in Spain.
WSI Italy Inc., an Ontario corporation	WSI Italy was incorporated in August 2004 to sell WSI franchises in Italy.
WSI Emerging Markets Ltd., an Ontario corporation	WSI Emerging Markets was incorporated in June 2005, to sell franchises in Romania, in Japan, and in other future emerging markets.
WSI Belgium Ltd., an Ontario corporation	WSI Belgium was incorporated in September 2006 to sell WSI franchises in Belgium.
1175856 Ontario Ltd., an Ontario corporation	1175856 Ontario Ltd. was incorporated in August 2001 and owns the “WSI” trademarks and other intellectual property that is licensed to us (so that we can, in turn, license that to you).

Our affiliate, WSI Paid Search Ltd., an Ontario corporation, was incorporated in August 2013, as a supplier to provide online advertising services to our franchisees. These companies share our principal business address. They do not, and have never, offered franchises in this or any other line of business.

Other than as described in this Item 1, we have no predecessors or affiliates.

Our agents for service of process are listed in Exhibit D to this disclosure document.

ITEM 2 BUSINESS EXPERIENCE

The business experience of our officers and directors is listed below, as well as the business experience of the principal officers of RAM. Unless otherwise stated, all are based in Toronto, Ontario, Canada.

Director of National Internet Corporation: **Mark Dobson**

Mark Dobson was appointed a Director of NIC in January 2018. He was with RAM from March 2007 to February 2018, first as Vice President of Franchise Development (March 2007 through December 2018) and later as CEO (January 2014 to February 2018).

Senior Vice President, Franchise Development of National Internet Corporation: **Daniel Lattanzio**

Mr. Lattanzio was appointed as NIC’s Senior Vice President, Franchise Development in January 2018. He has also served as Vice President, Franchise Sales of NIC since March 1996.

President: **Valerie Brown-Dufour**

Mrs. Brown-Dufour was appointed as RAM’s President in October 2017. She has held various positions with RAM since February 2007, including Vice President of Business Strategy and Innovation (February 2007 to December 2011); Vice President of International Development (January 2012 to July 2012); Executive Vice President of Global Operations (July 2012 to June 2016); and Chief Operating Officer (July 2016 to September 2017).

Vice President of Global Operational Performance: Rimma Jaciw

Rimma Jaciw was appointed as RAM's Vice President, Global Operational Performance in July 2016. Prior to that, she was the Director of Operational Performance (March 2012 to June 2016), Director of Franchise Operations (March 2008 to March 2012) and Franchise Operations Manager (January 2004 to March 2008).

Vice President of Field Operations: Michael Monaghan

Effective July 2016, Mr. Monaghan was appointed as RAM's Vice President of Field Operations where he heads the Franchise Business Coaching as well as leading the channel of WSI supplier partners. Michael previously served as Director of Master Franchise Operations (February 2012 to March 2015) and International Development Director (September 1998 to February 2012).

Director of Marketing and Communications: Cheryl Baldwin

Effective November 2012, Cheryl Baldwin was appointed as RAM's Director of Marketing and Communications where she manages the marketing and communication strategies for the company. Cheryl previously served as Marketing Manager (November 2009 to November 2012), Product Marketing Manager (September 2008 to November 2009), Marketing Specialist (November 2006 to September 2008) and eStore Manager (November 2003 to November 2006).

Director of Business Development and Innovation: Gennady Liakhter

Effective March 2017, Mr. Liakhter was appointed as RAM's Director of Business Development and Innovation where he currently oversees the WSI eMarketplace and tests new business growth concepts. Gennady previously served as the Business Development Manager (March 2015 – 2017).

Controller: Malini Pandya

Effective July 2015, Mrs. Pandya was appointed as RAM's Controller. Mrs. Pandya previously served as RAM's Assistant Controller (February 2012 through June 2015); Accounting Manager (September 2007 to January 2012); and Senior Financial Analyst (February 2007 to August 2007).

**ITEM 3
LITIGATION**

No litigation is required to be disclosed in this Item.

**ITEM 4
BANKRUPTCY**

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

**ITEM 5
INITIAL FEES**

Initial Franchise Fee

The initial franchise fee is \$64,700 for a Regional Territory License, \$69,700 for a National Territory License, and \$79,700 for an International Territory License. These three territories are described in Item 12. The initial franchise fee constitutes compensation to us for all of our pre-opening obligations, including providing marketing materials, providing initial training, and providing the Manuals.

We are a member of the International Franchise Association (“IFA”) and participate in IFA’s VetFran Program, which provides special financial incentives to qualified veterans. Under the VetFran Program we offer qualified veterans a 20% discount off the initial franchise fee.

We have established a young entrepreneur scholarship program under which we offer qualified applicants a waiver of the initial franchise fee. In order to qualify for this program, an applicant must be between the ages of 21 and 31, must be financially disadvantaged or a member of a recognized minority class, must have references and/or testimonials, including at least one reference from a WSI consultant in good standing, and must have demonstrated certain characteristics (such as academic excellence and good business acumen) to our satisfaction that indicate that such applicant is likely to be successful in operating a WSI Business. As of the date of this disclosure document we have not granted any franchises under the young entrepreneur scholarship program within the United States.

Before signing a Franchise Agreement, you must execute a Franchise Application Agreement (attached as Exhibit A) in which you will select one of the three types of licensed territories as your “Designated Territory”. When you sign the Franchise Application Agreement, you must pay a “First Installment” of the initial franchise fee which is equal to 25% of the initial franchise fee that corresponds to your Designated Territory. Currently, for the Regional Territory License, the First Installment is \$16,175; for the National Territory License, the First Installment is \$17,425; and for the International Territory License, the First Installment is \$19,925. If we do not approve your Franchise Application Agreement within 10 business days, we will return your First Installment to you. The First Installment is deemed fully earned upon our approval of the Franchise Application Agreement and is nonrefundable after our approval has been given.

Within 5 business days of the date we approve the Franchise Application Agreement, you must sign the Franchise Agreement (attached as Exhibit B). When you execute the Franchise Agreement, you must pay to us the initial franchise fee (minus the First Installment) that corresponds to the type of territory you select as your Designated Territory. The initial franchise fee is due and payable in one lump sum, is deemed fully earned upon execution of the Franchise Agreement and is nonrefundable.

During our 2022 fiscal year, initial franchise fees ranged from \$49,700 to \$79,700.

Training

We provide mandatory initial training online for up to a maximum of 2 owners for no additional fee. If we require you to attend in-person training, you must bear all expenses of the trainees including travel, meals, lodging, entertainment, laundry and wages when necessary. If any individual is unable to attend a scheduled initial training session, you must pay a rescheduling fee of \$500 which is nonrefundable. If you wish to train more than 2 persons and we give our written consent, we charge a daily training fee of \$2,500 per person per day.

ITEM 6 **OTHER FEES**

Name of Fee (Note 1)	Amount	Due Date	Remarks
Management Services Fee (MSF)	Note 2	Note 2	This is a continuing Management Services Fee.

Name of Fee (Note 1)	Amount	Due Date	Remarks
Fees for Website Maintenance, Hosting and Other Web Services (Note 3)	Amount invoiced for website services purchased	As specified in invoice	Fees for website maintenance and hosting and other services.
Technology Tool Set (Note 4)	\$259 per month for access by Franchisee	Monthly fee is due on the due date for payment of monthly Management Services Fees	Fee for accessing Franchisor's technology tool set as defined by its Manuals. We may periodically change or enhance the Technology Tool Set, and when that happens you will have 6 months to update your technology tool at your cost.
International Branding Fee	\$100 per month	Due on the due date for payment of monthly Management Services Fees	The fee is used to promote the image of the brand and System internationally
Education Payment Plan	\$60 per person per month	Due on the due date for payment of monthly Management Services Fees	<p>Fee for participating in compulsory ongoing training programs, and other trainings according to Section 5.C of the Franchise Agreement</p> <p>Where applicable, you must also pay for all costs of attending the Franchisor's global convention including attendance fee and costs for third party courses and certifications</p>
Interest/Late Fee	1.5% per month	Due only if payments are overdue	Interest is calculated on a daily basis from the date a payment was due. The rate of interest will not exceed any limit that applies to you under state law.

Name of Fee (Note 1)	Amount	Due Date	Remarks
Transfer Fee	\$11,000	Before transferring	You must pay this Transfer Fee to cover our administrative and other expenses associated with the transfer of the Franchised Business (unless you make the transfer to a corporation formed solely to operate the Franchised Business)
Relocation Fee	\$500	Before relocating to another territory with an equivalent license	You must pay this Relocation Fee to cover our administrative expenses. Relocation within the same territory is free. Relocation outside the territory with an upgraded license requires payment of an Upgrade Fee.
Audit Fee	Cost of audit	Upon invoicing	Due only if the audit shows an understatement in any report to us of 5% or more
Additional Training Expenses	\$2,500 per person per day for initial training	During training	We will train up to two owners. You will have to pay us or RAM this additional training fee only if you would like training for additional owners and, in some cases, upon transfer or resale of the Franchised Business. We must consent to any additional training. Where applicable, you are responsible for your travel and related costs.
Indemnification	Will vary under circumstances	As incurred	Note 5
Renewal Fee	\$2,000	Due at renewal of the franchise term	You are obligated to pay a renewal fee on renewal of the franchise term.
Upgrade Fee (Note 6)	\$14,700 to \$27,400	At time of Upgrade	Only due if you wish to upgrade your license to a National or International Territory License.

Name of Fee (Note 1)	Amount	Due Date	Remarks
Local Web Presence Package (Note 7)	\$225/month	As invoiced	Note 7

Note 1 Except for the fees for website maintenance and hosting services or as otherwise stated in the preceding chart, all fees in this Item 6 are imposed by and are payable to us. All fees are nonrefundable and are uniformly applied to new system franchisees. However, in some instances that we consider appropriate, we may waive some or all of these fees.

Note 2 The Management Services Fee (MSF) will increase over the course of your time as a franchisee according to the following table:

Starting with this month after you have completed our initial training program:	Through this month after you have completed our initial training program:	The monthly MSF will be
The first complete calendar month	The 11th complete calendar month	\$500
The 12th complete calendar month	The 23rd complete calendar month	\$750
The 24th complete calendar month	The 35th complete calendar month	\$1,000
The 36th complete calendar month	The 47th complete calendar month	\$1,250
The 48th complete calendar month	The 59th complete calendar month	\$1,500
The 60th complete calendar month	The 72nd complete calendar month	\$1,750
The 73rd complete calendar month	The 84th complete calendar month	\$2,000
The 85th complete calendar month	The 96th complete calendar month	\$2,250
The 97th complete calendar month	End of the term of this Agreement	\$2,500

The MSF will be due when we issue our invoice, which we will do monthly. You must pay the MSF to us by Automated Clearing House (ACH) deduction, which we will initiate. For payments that are scheduled to be due on a national holiday, the payment will be due the next business day.

Note 3 You will pay the website development, hosting and other web-services fees plus marketing costs to one of our approved suppliers.

Note 4 This figure reflects the technology tool set package fee; however, at your option, you may purchase additional products and services at the fee we are then charging.

- Note 5 You must indemnify us and reimburse us for our costs (including our attorneys' fees), if we are sued or held liable in any case: (a) having anything to do with any securities offering you make; (b) your use of the marks (other than in the manner that we designate or approve); or (c) that has anything to do with a claim arising out of the operation of your Franchised Business.
- Note 6 If you choose to upgrade your license from a Regional Territory License to a National Territory License or from a National Territory License to an International Territory License, you would have to pay an upgrade fee of \$14,700; and to upgrade from a Regional Territory License to an International Territory License you would have to pay an upgrade fee of \$27,400.
- Note 7 The local web presence package will cost \$225/month and is a mandatory requirement for a minimum of 6 months. The local web presence package will include a comprehensive suite of search engine optimization and social media optimization services for your Franchised Business, including the development of your personalized WSI microsite, in accordance with our System and policy. If you do not opt to continue to package after 6 months, you may be charged ongoing maintenance fees related to your website.

ITEM 7
ESTIMATED INITIAL INVESTMENT

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)	\$64,700 to \$79,700	Two Installments	1st Installment of 25% is due at submission of Franchise Application Agreement; 2nd Installment of 75% is due at time of signing Franchise Agreement.	Us
Travel And Related Expenses During Training (Note 2)	\$0 to \$4,000	As arranged	As incurred	Airlines, Hotels and Restaurants
Computer and Related Equipment (Note 3)	\$0 to \$4,000	As arranged	Before opening	Third Party Suppliers
Real Estate	(See Note 4)	(See Note 4)	(See Note 4)	(See Note 4)
Office Supplies and Misc.	\$200 to \$500	As arranged	Before opening	Third Party Suppliers
Permits and Licenses	\$500	As arranged	Before opening	Government Agencies

Type of Expenditure	Amount	Method Of Payment	When Due	To Whom Payment is to be Made
Telephone/Internet (Installation)	\$100 to \$200	As arranged	Before opening	Telephone Company/ Internet Service Provider
Marketing and Lead Generation	\$9,000 to \$12,000	As arranged	Before opening and as incurred	Third Party Suppliers
Legal and Accounting	\$1,000 to \$2,000	As arranged	As incurred	Attorneys and Accountants
Insurance (Note 5)	\$400 to \$600	As arranged	Before opening	Insurance Companies
Additional Funds 3 Months (Note 6)	\$1,500 to \$3,000	As arranged	As Incurred	Not applicable
Total Estimated Initial Investment for Regional Territory (excluding real estate) (Note 7)	\$77,400 to \$90,500			
Total Estimated Initial Investment for National Territory (excluding real estate) (Note 7)	\$82,400 to \$95,500			
Total Estimated Initial Investment for International Territory (excluding real estate) (Note 7)	\$92,400 to \$106,500			

NOTES:

The initial franchise fee, equipment, and other items are shown in full, although they may be financed or leased. Except as described in the section of this Disclosure Document titled “Initial Fees”, all fees that are payable to us are nonrefundable. Refundability of other amounts depends on the terms and arrangements made between you and the third party.

1. We describe the initial franchise fee under the section of this Disclosure Document titled “Initial Fees”. The lower estimate represents the initial franchise fee for the Regional Territory License, the higher estimate represents the initial franchise fee for the International Territory License.
2. Most initial training will be provided online; however, we may require you to attend in-person training at our headquarters in the Toronto area or at another location we designate. If we require you to attend in-person training, you must pay for your transportation, accommodations, meals and other expenses associated with the initial training program. You may at your cost purchase

additional sales or related training by an approved third party supplier. This is optional to the Franchisee.

3. The low end of the range assumes you already own the computer hardware/software and related equipment necessary for the operation of the Franchised Business; the high end of the range assumes you will purchase it.
4. The table does not reflect an amount for investment in real estate, since you may either lease business premises or operate out of your home. Most of our franchisees operate out of their homes. If you choose to lease space, we have no requirements regarding site size or location.
5. During the term of the Franchise Agreement, you must pay for all insurance premiums including comprehensive general liability insurance. You must name us as an additional insured at your expense and furnish us with certificates of insurance, along with evidence that the premiums have been paid.
6. This item estimates your expenses during your first three months of operation (other than the items identified separately in the table). These figures are estimates, and we cannot guarantee that you will not have additional expenses in starting the business. Your costs depend on your management skill, experience, and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period.
7. We relied on our experience since 1998 in compiling these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the Franchised Business. We do not offer any financing directly or indirectly for any portion of the initial investment.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Purchases From Us or Designated and Approved Suppliers

In order to maintain the reputation, goodwill, high standards, quality and uniformity of the WSI System, there are certain products and services which you may purchase directly from us or from our designated sources. These products and services include stationery, operational materials, equipment, brochures, literature, forms, and other digital marketing products or services that are an integral part of the System. These products and services are provided to franchisees by designated or approved independent suppliers or solution centers. You also must conduct online paid search advertising only through the central account that we maintain with our designated supplier.

Neither NIC nor any of our affiliates had any revenue in 2022 earned from the direct sale of products or services to franchisees. Although we had no such revenue in 2022, we may in the future.

RAM derives revenues from certain approved suppliers who are authorized to sell their products and services to our franchisees. These revenues consist of Management Services Fees ranging from 5% to 10% of the proceeds of sale of the suppliers' services to franchisees. Apart from RAM's revenues, neither NIC nor any of its affiliates received any rebates or discounts in 2022 from any suppliers as a result of purchases of products or services by franchisees. Although we had no such revenue in 2022, we may derive revenue from arrangements with designated suppliers in the future.

We estimate that your purchases from us or our other designated sources will be approximately 2% of your total initial investment (not counting the initial franchise fee) and approximately 30% of your ongoing expenses (not counting royalties) in the operation of the Franchised Business. These amounts may vary.

Other than as stated above, you are not required to purchase or lease from us or a designated source any goods, services, supplies, fixtures, equipment, inventory or real estate.

We reserve the right to at any time establish exclusive purchasing arrangements with any of our designated and approved suppliers.

Purchases by Specification

In order to maintain the uniformly high standards and reputation of the WSI System, you must purchase or lease certain items in accordance with the specifications and guidelines we issue or from suppliers we approve. This requirement currently applies to certain proprietary and copyrighted materials and related products, computer, hardware, and software systems, and certain marketing presentation materials but may extend to other items in the future. Specifications may include minimum standards for quality, quantity, delivery, packaging, performance, design, appearance, durability, style, warranties, price range, and other related restrictions. We consider these specifications to be of critical importance to the success of the WSI System. These specifications are stated in our Manuals.

Supplier Approval Procedure

We currently have only general criteria for approving suppliers and, conversely, revoking approval.

In determining whether to approve a supplier or revoke approval, we consider the conformity of the supplier's products to our needs, customer service, price, quality, and our franchisees' satisfaction with the supplier's product. We do not maintain written criteria for approving suppliers, and thus these criteria are not available to you or a proposed supplier. You may submit names of suppliers whom you would like us to approve. We will then evaluate the supplier and inform you within sixty days whether we have approved or disapproved the supplier. We do not charge you any fee to secure supplier approval. We may in the future negotiate purchase arrangements and price terms with some suppliers for your benefit. We provide you with no material benefits based on your use of designated or approved suppliers, but doing so is one of your obligations under the Franchise Agreement.

We may negotiate certain purchase arrangements (including price terms) with suppliers for the purchase of certain items and/or the provision of certain services to promote the overall interests of our franchise system and our interests as the franchisor. There are currently no purchasing or distribution cooperatives serving WSI Businesses. You will have to provide certain services to your clientele (such as website development, SEO (search engine optimization), and paid search), for which you may be required to obtain and resell the services that we make available (presently, through our HUB platform).

WSI Paid Search Ltd. is our affiliate, however there are no suppliers in which any of our officers own an interest.

Insurance

During the term of the Franchise Agreement, you must obtain the insurance coverage that we periodically require. All insurance policies must be written by a responsible carrier, reasonably acceptable to us and all insurance (excluding workers' compensation) must name us, our officers, directors, shareholders, partners, agents, representatives and independent contractors as additional insureds. The insurance policies must

include a provision that the insurance carrier must provide us with no less than 30 days' prior written notice in the event of a material alteration to, or cancellation of, any insurance policy. You must provide us with a certificate of insurance at the earlier of 90 days after the date of the Franchise Agreement or before you begin the initial training program. We currently have a designated a preferred provider of insurance for the System. You must, at a minimum, obtain and maintain the following:

- Comprehensive general liability insurance, including products and completed operations, in an amount of not less than the following combined single limits: \$1,000,000 per occurrence and \$2,000,000 completed operations/products aggregate per location;
- Statutory workers' compensation insurance and employers' liability insurance as required by the law of the state in which the Franchised Business is located, including statutory workers' compensation limits and employers' liability limits of at least \$1,000,000.
- Cyber security insurance (which is recommended but not mandatory)

* * *

Except as stated above, there are no other requirements for you to purchase or lease in accordance with specifications or from approved suppliers.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Not Applicable	11
b. Pre-opening purchases/leases	5.G and 5.H.	8
c. Site development and other pre-opening requirements	5	6, 7 and 11
d. Initial and ongoing training	5.B and 5.C.	11
e. Opening	5	11
f. Fees	4, 5.B, 12.B.3(k)	5 and 6
g. Compliance with standards and policies / Operating Manual	5.A, 5.F.7	11
h. Trademarks and proprietary information	5.I, 5.K, 6 and 8	13 and 14
i. Restrictions on products/services offered	5	16
j. Warranty and customer service requirements	Not Applicable	
k. Territorial development and sales quotas	1.C, 1.E and 5.J.	12
l. Ongoing product/service purchases	5	8
m. Maintenance, appearance and remodeling requirements	Not Applicable	
n. Insurance	11	7
o. Advertising	4.A.6 and 10	6 and 11

Obligation	Section in Agreement	Disclosure Document Item
p. Indemnification	18.D.	6
q. Owner's participation/management/staffing	5.E.	11 and 15
r. Records and reports	9	6
s. Inspections and audits	9.D.	6 and 11
t. Transfer	12	6 and 17
u. Renewal	2.B and 2.C.	6 and 17
v. Post-termination obligations	14	17
w. Non-competition covenants	15	17
x. Dispute resolution	24	17
y. Guarantee	Ex. B	Not applicable

ITEM 10 FINANCING

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

ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

Pre-Opening Obligations

We are required by the Franchise Agreement to provide certain assistance and service to you before you open your business (as provided in Section 3.A of the Franchise Agreement):

1. provide online marketing resources for use in promoting the Franchised Business;
2. within 6 months of execution of the Franchise Agreement, provide you with an initial training program (also provided in Section 5.B of the Franchise Agreement);
3. provide training for 2 people, owner or manager of the Franchised Business (additional seats for training are available at a fee of \$2,500/day as outlined in Section 5.B of the Franchise Agreement);
4. provide you with online access to our Brand Manuals (the "Manuals"), which will include policies, procedures and specifications for the operation of the Franchised Business (as also provided in Section 7 of the Franchise Agreement);
5. complete the exhibit to your franchise agreement which reflects the location of your Franchised Business and describes your Designated Territory;
6. provide you with access to the Franchisee Intranet – "the Virtual Office";

7. provide you with access to the private WSI Communication platform currently called – Workplace for business;
8. provide you with access to a CRM system currently powered by HubSpot;
9. provide you with an email address; and
10. provide you with a website on wsiworld.com (or applicable regional version of wsiworld).

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

Continuing Obligations

We are required by the Franchise Agreement to provide certain assistance and service to you during the operation of your Franchised Business. This includes the following WSI Business resources and support, training and tools as specified in Section 5.B of the Franchise Agreement:

1. coaching and assistance in the form of sales support, business operations support, and marketing support from our WSI Home Office team, and when applicable other members of the WSI network Suppliers;
2. research and evaluation of technical products, services and vendors that can be used by the entire network;
3. dedicated support access, including email, phone, virtual tele-conferencing, and live chat;
4. a resource library of marketing materials that you can access on-demand;
5. ongoing educational opportunities in the form of meetings, webinars, and online courses;
6. ongoing client educational resources and content, including but limited to our website content, blog posts, videos, webinars, ebooks, etc.);
7. updated information about new developments within the WSI network and the Digital Marketing industry;
8. access to the Franchisee Virtual Office, Workplace and other mandated systems;
9. the general advisory assistance that we deem to be helpful to you in the ongoing operation, advertising and promotion of the Franchised Business;
10. in our discretion, management consulting services or assistance to you, or groups of franchisees, for special projects based on the availability of our personnel, and upon a mutually acceptable arrangement pertaining to fees and expenses;
11. revisions and amendments to our Manuals;
12. to you or to your suppliers, upon request and subject to the terms of the Franchise Agreement, our standards and specifications for items not deemed to be trade secrets;

13. at our discretion, for transmission to your clients, materials and messages we deem appropriate for every digital marketing service you provide;
14. at our sole discretion, coordinate, conduct and otherwise make available to you such other optional and mandatory ongoing training programs or seminars on an annual basis or as we deem appropriate, for which we may charge a fee;
15. access to our technology tool set, the software application that accesses our global production network and manages a broad range of business functions associated with the business;
16. if you are qualified, approval for you to participate in any national accounts program we may institute, at our discretion, for customers with a nationwide presence (we are not required to institute a national accounts program); and
17. if you are qualified, and at our discretion, the option to purchase certain technologies that would allow you to offer specified digital marketing services to our other franchisees. We are not required to offer this option.

Neither the Franchise Agreement, nor any other agreement, requires us to provide any other assistance or services to you during the operation of your Franchised Business.

Site Selection and Office Location

We do not select the office location for your Franchised Business. You may operate the Franchised Business only at one location. This location must be within your Designated Territory which will be described in Attachment A to the Franchise Agreement (see Section 1.C of the Franchise Agreement). We currently do not impose any other criteria on your office location selection. We do not approve your office location selection, but you must notify us of the location and you may not relocate without our permission (see Section 1.B of the Franchise Agreement).

If you choose to relocate outside your Designated Territory for an equivalent license level, you must pay a relocation fee of \$500 before relocation. If you choose to relocate outside your Designated Territory for an upgraded license level, you must pay the applicable upgrade fee before relocation.

Typical Length of Time Before You Open Your Franchised Business

We estimate that the time period between the signing of the Franchise Agreement and the start of operations will be approximately 30 to 60 days. If you do not begin to operate the Franchised Business within 90 days after completing the initial training program, we may terminate your Franchise Agreement unless you cure the default within 30 days after we provide you notice of that default.

Submission and Approval of Promotional and Marketing Materials

All promotional and marketing materials that you intend to use (in any medium) must conform to the standards and requirements specified, from time to time, in the Manuals or otherwise. You must submit to us for our prior approval samples of all promotional and marketing materials in whatever form you desire to use and that have not been approved by us within the last three months. We will notify you of our approval or disapproval within 10 days of our receipt of such materials. You must comply with all revisions to said promotional and marketing materials which we may require before our approving said promotional and marketing materials. You may not use any advertising or promotional plans or materials that we have not approved, and you must cease to use any plans or materials promptly when we notify you. The requirement

that you obtain our approval of marketing materials applies to any online/offline materials related to your Franchised Business (Section 10 of the Franchise Agreement).

You may promote the Franchised Business through a Website which will be provided by us only, and you may not develop your own independent Website making use of the Proprietary Marks to promote the Franchised Business. You may not use any Website to promote the Franchised Business in any manner not approved by us. You may not promote or otherwise conduct business through the Internet (including all digital media, such as blogs, social media, and video channels) without our consent, which we may condition on requirements that we deem appropriate.

We do not require you to contribute to any advertising fund (although we reserve the right to implement such a fund in the future). There are not currently any local or regional advertising cooperatives, and we do not have the right to require you to participate in such a cooperative.

We plan to establish a Franchise Advisory Council (the “FAC”) to serve as a liaison between the us and our franchisees. When formed, the FAC will be made up of five members, who are each elected by other franchisees to represent the collective interests of the WSI franchisee community. The FAC will provide us with recommendations on various aspects of the System, including marketing, operations, training and ongoing support.

Computer Requirements

We do not require the use of a cash register. However, in order to operate the Franchised Business and generate digital marketing solutions for your customers, we require you to use a laptop computer and other equipment meeting our standards and specifications (See Section 5.H of the Franchise Agreement). You also must maintain an Internet connection meeting our standards as set out in the Manuals. We estimate that the cost of the computer system and equipment needed to operate the Franchised Business will be between \$1,000 and \$4,000. Neither we, our affiliates, nor any third parties are required to provide ongoing maintenance, repairs, upgrades, or updates to your computer system. Currently, there are no optional or required maintenance/upgrade contracts for the computer system and equipment.

As of the date of this disclosure document all information that is entered into the WSI system by franchisees (including such information as franchisees’ clients, orders, purchases from suppliers in the network and project activity) is independently accessible by the Franchisor. There are no contractual limitations on our right to access such information.

Prices

We may provide you with periodic guidance and assistance in establishing prices. Although we will not set the prices for the products and services that you offer, we reserve the right to set reasonable restrictions on the maximum and minimum prices you may charge for the products and services that you offer and sell through the Franchised Business (subject to applicable law).

Manuals

The table of contents of the Manuals is attached as Exhibit G. In addition to text, the Manual includes video and audio recordings that, together, total approximately 7,000 pages.

Initial Training Program

A new franchisee must successfully complete the WSI two-staged training program to our satisfaction.

Training commences with the WSI Digital Marketing Foundations (“Initial Training”). This curriculum is delivered through a combination of e-learning, and coaching and culminates with a 5 day training online unless we require you to attend in-person training at our offices in Canada or at another specified location. This curriculum focuses on both theory and practice and during this time you will begin basic operations of the Franchised Business. Upon successful completion WSI Digital Marketing Foundations, you will earn your WSI Certified Franchisee designation.

You must successfully complete Initial Training before the WSI Quick Start Program (“QSP”). QSP is focused on developing competencies to run the WSI Business and is delivered through coaching and on-the-job application of the learnings from Initial Training. QSP is 6 months in duration. Upon successful completion, you will earn the WSI Digital Marketing Professional Certification.

A maximum of two owners per franchise will be trained at no additional charge; however, if required to attend an in-person training you must pay all of your travel, lodging, meal and related expenses to attend training. Initial Training and QSP are conducted on a continuing basis, year round, through the use of presentations, videos, daily assignments and quizzes, and written materials. On occasion and in our sole discretion, we may conduct Initial Training at our main office in Etobicoke, Ontario Canada or at another location we specify. If you are unable to attend a scheduled on-site training, a rescheduling fee of \$500 will be applicable.

After this initial phase of learning, we provide numerous other learning opportunities as you progress through the WSI learning cycle and process which will allow the you to offer a wider scope of services.

This two-staged training program and other learning opportunities are described below.

WSI Digital Marketing Foundations

This Initial Training course, outlined below, is the first part of the training and certification program. It is a pre-requisite to complete prior to achieving your WSI Certified Franchisee Certification. Initial Training is delivered through elearning modules and coaching. The elearning curriculum is predominantly self-study, and you will be coached as you progress. As this course is a key element in building the foundation of your business, you must successfully complete all required reading, quizzes, exercises, and in-market activities. Only upon successfully completing Initial Training will you become eligible to begin QSP, which culminates in your WSI Digital Marketing Professional Certification.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Operations	15	5	Online unless we specify otherwise
Marketing/Sales	20	20	Online unless we specify otherwise
Digital Marketing/Technology and Delivery	15	5	Online unless we specify otherwise
Personal and Professional Development	5	5	Online unless we specify otherwise
Totals	55 Hours	35 Hours	

WSI Quick Start Program

After the completion of Initial Training, you must participate in QSP. The QSP has been designed to guide you through the first 6 months of operations. The QSP is delivered through a series of weekly group calls, and personal coaching sessions.

The program helps franchisees increase their knowledge and confidence, as well as support their business operations by focusing on activities that help build their prospect base, generate client meetings and drive sales.

As part of the QSP Program, you will have bi-weekly personal coaching sessions to track individual performance, to set goals, review activities and assist in the startup of your business.

Upon successful completion of the QSP, you will achieve the WSI Digital Marketing Professional Certification.

Advanced Training Summary

WSI advanced training programs include a number of specific learning events and opportunities, including:

Course *
WSI Convention
WSI Regional Meetings
WSI hosted Webinars
WSI eLearning Courses
WSI Open Forum
3 rd Party Courses and Certifications

(* please see Item 6, Education Payment Plan, for the associated costs)

WSI Convention and Regional Meetings

You must attend our WSI convention and any mandatory Regional Meetings at your own expense should they be held at a specific location.

Michael Monaghan supervises our education and coaching programs. He commenced this role as VP of Field Operations in February 2015. The team rotates instructional modules on a regular basis. The experience of our individual trainers and coaches ranges from 1 to 20 years and may include one or more of our franchisees.

**ITEM 12
TERRITORY**

Under a Franchise Agreement, we will award you a territory that is not exclusive but that is not restricted. You will have the right to operate a WSI business within the boundaries of that territory.

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

You must operate your Franchised Business only at one specific location which you will select. This location must be within your non-exclusive Designated Territory. You may solicit and service customers only within your Designated Territory through any method of distribution, including the Internet, telemarketing, other direct marketing, or any other channels of distribution, unless you have obtained our written consent. You will use approved marketing materials and activities to advertise within your chosen territory. You may not relocate your Franchised Business outside your Designated Territory without our written consent.

Before you sign the Franchise Agreement, you will select which one of the three types of license that we offer, which will define your “Designated Territory.” The three types of license are: (1) a Regional Territory License; (2) a National Territory License; and (3) an International Territory License. You do not receive any options, rights of first refusal or similar rights to acquire additional territory license.

The three types of licenses are:

1. Regional Territory License. If your Franchised Business is for a “Regional Territory License,” then you would have the right to offer and sell services to customers in a state, as defined in Attachment A to the Franchise Agreement.
2. National Territory License. If your Franchised Business is for a “National Territory License,” then you would have the right to offer and sell services to customers anywhere in the United States.
3. International Territory License. If your Franchised Business is for an “International Territory License,” then you have the right to offer and sell services to customers anywhere in the world. You are solely responsible for determining whether you are authorized to offer and sell services in any given jurisdiction.

Please note that no matter which type of license you select, the following details will apply:

- You will be able to offer and sell the Franchised Business’ services only to customers located within your Territory;
- Your territory will be non-exclusive and will, therefore, be shared with other WSI Businesses;
- We do not regulate the proximity of other WSI Businesses to your Franchised Business;
- Franchisees that acquire a higher-level license (that is, a National Territory License or an International Territory License) may solicit customers anywhere within their Territory; and
- The grant of territorial rights is subject to the other provisions of the Franchise Agreement, including those described below.

All franchisees have the option to purchase any type of license, and there is no limit to the number of franchisees who may have the right to sell to customers located in a territory. We also have the right, during and after the term of the Franchise Agreement, to contact any WSI customer about our promotional offers. There is no minimum geographic area granted for any type of license. You will maintain your non-exclusive rights to your Designated Territory even if the population of the Designated Territory increases, and the continuation of such rights do not depend on the achievement of certain sales volumes. You may not actively solicit or accept business from customers located outside your Designated Territory through any

method of distribution, including alternative channels such as the Internet, telemarketing, or other online and or offline direct marketing.

Our Reservation of Rights

Except as described above, we retain all rights with respect to WSI Businesses, the Proprietary Marks, the sale of similar or dissimilar products and services, and other activities including:

1. the right to establish and operate, and to grant to others the right to establish and operate, Digital Marketing service businesses or any other businesses offering similar or dissimilar products and services through similar or dissimilar channels of distribution, at any locations inside or outside your Designated Territory under any trademarks or service marks, including the Proprietary Marks, and on any terms and conditions we deem appropriate (Section 1.D.1 of Franchise Agreement);
2. the right to provide, offer and sell and to grant others the right to provide, offer and sell goods and services similar to and/or competitive with those provided at WSI Businesses, whether identified by the Proprietary Marks or other trademarks or service marks, through dissimilar distribution channels (including, without limitation, over the Internet or similar electronic media) both inside and outside the Designated Territory and on any terms and conditions we deem appropriate (Section 1.D.2 of the Franchise Agreement);
3. the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at WSI Businesses, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Designated Territory) (Section 1.D.3 of the Franchise Agreement); and
4. the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at WSI Businesses, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Designated Territory (Section 1.D.4 of the Franchise Agreement).

There are no restrictions on our right to solicit or accept orders from consumers inside your Designated Territory. We reserve the right to use any and all channels of distribution, including the Internet, telemarketing, and other direct marketing, to make sales of any products and services of any kind within your Designated Territory using the Proprietary Marks or any other trademarks. We are not required to compensate you for soliciting or accepting orders from inside your Designated Territory.

ITEM 13 **TRADEMARKS**

Under a Franchise Agreement, you will be licensed to operate the franchised business under the trademarks WSI®, WSI and Half Globe Design, and the designs, logos, and other current or future trademarks that we authorize you to use to identify your franchised business (the “Proprietary Marks”). WSI Holdings Ltd. (“Holdings”) or 1175856 Ontario Ltd. (“Ontario”) registered the marks described below on the Principal Register of the US Patent and Trademark Office (USPTO). Holdings has since assigned its marks to Ontario. Holdings and Ontario filed (and intend to file when due) all necessary affidavits and renewals for these registrations.

Mark	U.S. Registration No.	Registration Date
WSI	3097395	May 30, 2006
WSI WEBSCAN	3246665	May 29, 2007
WSI (& Half Globe Design)	3491524	August 26, 2008
INTERNET SOLUTIONS LIFECYCLE	3499654	September 9, 2008

You must use all Proprietary Marks in full compliance with provisions of the Franchise Agreement and in accordance with the rules we periodically prescribe. You may not use any Proprietary Mark with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos use license to you); in any modified form; in connection with the sale of any unauthorized product or services; or in any other way we have not expressly authorized in writing.

We entered into a license agreement with Ontario (our affiliate, as described in Item 1) on May 1, 2021, under which Ontario licensed us to use the Proprietary Marks, and to confer upon us the right to license the Proprietary Marks to our franchisees (the "License Agreement"). Ontario has the right to terminate the License Agreement if we are in default. The License Agreement has a 50 year term with respect to the Proprietary Marks, which can be mutually extended.

There is no currently effective material determination of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition or cancellation proceeding or any pending material litigation involving the Proprietary Marks.

There are no superior prior rights or infringing uses actually known to us which could materially affect your use of our principal marks.

You must promptly notify us of any suspected infringement of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, or your right to use, the Proprietary Marks licensed under the Franchise Agreement. Under the Franchise Agreement, we will have the sole right to initiate, direct, and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement of the action. We also have the sole right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. If you used the Proprietary Marks in accordance with the Franchise Agreement, then we will defend you at our expense against any third party claim, suit, or demand involving the Proprietary Marks arising out of your use. If you used the Proprietary Marks but not in accordance with the Franchise Agreement, then we will still defend you, but at your expense, against those third party claims, suits, or demands.

If we take on the defense or prosecution of any litigation concerning the Proprietary Marks, you must sign any documents and must do the things that may, in our counsel's opinion, be necessary to carry out such defense or prosecution (such as becoming a nominal party to any legal action). Except to the extent that the litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of the Franchise Agreement, we will reimburse you for your out of pocket costs in doing these things, except that you will bear the salary costs of your employees, and we will bear the costs of any judgment or settlement. To the extent that the litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of the Franchise Agreement, you must reimburse us for the cost of the litigation, including attorneys' fees, as well as the cost of any judgment or settlement.

We reserve the right to modify or discontinue, in whole or in part, any aspect of the Proprietary Marks or the System or to use one or more additional or substitute trade names, trademarks and service marks for use in identifying the System, the Franchised Business and other WSI Businesses operating thereunder, all of which will become Proprietary Marks. You must comply with our directions to modify or otherwise discontinue the use of any such Proprietary Mark within a reasonable time after notice thereof. We will reimburse you for your reasonable direct expenses in modifying or discontinuing the use of a Proprietary Mark and substituting a different trademark or service mark, but we will not be obligated to reimburse you for any loss of goodwill associated with any modified or discontinued Proprietary Mark or for any expenditures you make to promote a modified or substitute trademark or service mark. All provisions of the Franchise Agreement applicable to the Proprietary Marks will apply to any additional trademark or service mark and other commercial symbols we authorize for use by the Franchised Business.

Under the Franchise Agreement, you agree not to contest, directly or indirectly, our ownership, title, right or interest in the name or marks, trade secrets, methods, procedures, and advertising techniques which are part of the System or contest our sole right to register, use or license others to use such names, marks, trade secrets, methods, procedures, or techniques.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Ontario has licensed us the right to use and to sublicense U.S. Patent 10,115,062 B2 (issued on October 30, 2018 and expiring March 10, 2025) (the “Patent”), relating to a system and method for facilitating development of customized website projects. Using the process covered by the Patent for a business method, consultants provide specialized business solutions to clients via the Internet.

The Patent is licensed to us under the License Agreement with Ontario, as explained in Item 13 above. However, the license to use the Patent under the License Agreement expires when the Patent expires. We do not claim ownership of or rights in any other patent or patent application that is material to our business.

Our License Agreement with Ontario includes the right to use and license the use of certain proprietary confidential information relating to the development and operation of WSI Businesses. Neither Ontario nor we have registered these materials with the U.S. Registrar of Copyrights, but need not do so to protect them. This confidential information includes (1) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating WSI Businesses; (2) market research and promotional, marketing and advertising programs for WSI Businesses; (3) knowledge of specifications for and suppliers of, and methods of ordering, certain materials, equipment and supplies that WSI Businesses use; (4) knowledge of the operating results and financial performance of WSI Businesses; (5) client communication programs, along with data used or generated in connection with those programs; (6) the terms of the Franchise Agreement; (7) the Manuals; and (8) graphic designs and related intellectual property. The customer lists, customer databases and mailing lists developed in connection with the Franchised Business are also part of the Confidential Information and are our property (except for certain pre-existing customers identified by a franchisee in accordance with the Franchise Agreement). You will not acquire any interest in Confidential Information, other than the right to use certain Confidential Information in operating the Franchised Business.

Ontario also claims the copyrights in our Manuals and in other proprietary materials which are associated with the System, including proprietary advertisements, all WSI materials presented to your prospective customers, printed materials, and forms associated with the operation of a Franchised Business. These materials have not been registered with the U.S. Registrar of Copyrights, but neither we nor Ontario need to do so to protect them. There are limitations on the use of the Manuals by you and your employees.

You must also promptly tell us when you learn about unauthorized use of any of this proprietary information. We are not obligated to take any action but will respond to this information as we deem appropriate. We have the right to control any litigation relating to the proprietary materials. We will not indemnify you for expenses or damages in a proceeding involving your use of this information. Upon our request, you must modify or discontinue the use of this information.

Confidential Information

Except for the purpose of operating the Franchised Business under the Franchise Agreement, you may never (during Franchise Agreement's term or later) communicate, disclose, or use for any person's benefit any of the confidential information, knowledge, or know-how concerning the operation of the Franchised Business that may be communicated to you or that you may learn by virtue of your operation of the Franchised Business. You may divulge confidential information only to those of your staff as needed to operate your franchised business. All information, knowledge, know-how, and techniques that we designate as confidential will be deemed confidential for purposes of the Franchise Agreement. This will not include information that you can show came to your attention before we disclosed it to you; or that at any time became a part of the public domain, through publication or communication by others having the right to do so.

We may also require you and your principals, and certain of your staff, to sign a Non-Disclosure and Non-Competition Agreement. Each of these agreements must provide that the person signing will maintain the confidentiality of information that they receive in their employment or affiliation with you or the Franchised Business. These agreements must be in a form that we find satisfactory, and must include, among other things, specific identification of our company as a third-party beneficiary with the independent right to enforce the covenants.

Manual

In order to protect our reputation and goodwill and to maintain high standards of operation under our Proprietary Marks, you must conduct your business according to the Manuals. We will lend you (or provide you with access to) our Manuals for the term of the Franchise Agreement (which may be in paper and/or in electronic form, such as through an internet website or an extranet). We claim common law copyrights in and to the Manuals and other material that we provide or make available to you.

You must always treat in a confidential manner the Manuals, any other manuals we create (or that we approve) for use with the Franchised Business, and the information contained in the Manuals. You must use best efforts to maintain this information as secret and confidential. You may not copy, duplicate, record, or otherwise reproduce the Manuals and the related materials, or any part (except for the parts of the Manuals that are meant for you to copy, which we will clearly mark), nor may you otherwise let any unauthorized person have access to these materials. The Manuals will always be our sole property. You must always secure access to the Manuals.

We may periodically revise the contents of the Manuals, and you must make corresponding revisions to your copy of the Manuals and comply with each new or changed standard. If there is ever a dispute as to the contents of the Manuals, our master copy of the Manuals (maintained at our headquarters) will be controlling.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE
ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must directly supervise and participate in the day-to-day operations of the WSI Business. The WSI Business may be directly supervised by a manager who has successfully completed our Initial Training. The manager must sign a written agreement to maintain confidentiality of the information learned at the Initial Training. There is no limitation on who you may hire for a manager, except you cannot hire a person who concurrently works for a competing business or WSI Franchisee. The manager need not have an equity interest in the Franchise. If Franchisee is an entity, all owners of an interest in the Franchisee entity and their spouse will be required to personally sign a guarantee of the entity (See signature pages of the Franchise Agreement).

You will be required to use your best efforts to promote and increase the sales and consumer recognition of the services offered by the Franchised Business to achieve the widest and best possible distribution of authorized services from the Franchised Business. You also must conduct approved lead-generation activities in accordance with our requirements and standards.

The Franchise Agreement also requires that any of your employees, officers, directors and shareholders and other owners who have access to our proprietary information sign non-competition and non-disclosure agreements.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those services that we have approved. We may change the approved product offerings and any related merchandising and promotional materials at any time. You may use only items bearing our trademarks that we have approved.

We may prescribe standard uniforms and attire for all of your personnel consistent with our brand standards.

We have the right to add other authorized services that you may (or must) offer. We are not limited as to our right to make these changes.

In addition, all Website design, hosting services, and digital marketing services must be purchased through one of our designated suppliers or a third party supplier you have requested and has been approved by us. You may not offer or sell products or services not authorized by us. Without our written consent, you may only solicit business inside your Designated Territory.

ITEM 17
RENEWAL, TERMINATION, TRANSFER & DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a. Length of the term of the franchise	2.A.	10 years
b. Renewal or extension of the term	2.B. and 2.C.	If you are in good standing you may renew for one additional ten year term
c. Requirements for franchisee to renew or extend	2.C.	Your renewal right permits you to remain as a franchisee after the initial term of your franchise agreement expires. However, to remain a franchisee, you must meet all required conditions to renewal, including signing our then-current form of franchise agreement, which may have materially different terms and conditions than your original franchise agreement. Other requirements include: give notice, pass inspection, sign new agreement, train, and sign release.
d. Termination by franchisee	Not Applicable	Not Applicable
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with “cause”	13	We may terminate only if you default
g. “Cause” defined – curable defaults	13.B.	You have 30 days to cure any default for not complying with the Franchise Agreement (for any non-curable default described below (and listed in Section 13.A. of the Franchise Agreement).
h. “Cause” defined defaults which cannot be cured	13.A. and 15.O.	Non-curable defaults: your insolvency, copying Confidential Information; threat to public safety; you make a material misrepresentation; conviction of felony; violation of non-compete; repeated defaults even if cured; abandonment; unapproved transfer; termination of another of your Franchise Agreements; 2 or more notices of default in any 12 month period; offer of unapproved product or service; unapproved use of customer lists; under the cross-default provision, termination of any other unexpired agreement between us or one of our affiliates and you.
i. Franchisee’s obligations on termination / non renewal	14	Obligations include complete de-identification and payment of amounts due (also see r, below)

Provision	Section in Franchise Agreement	Summary
j. Assignment of contract by franchisor	12.A.	No restriction on our right to assign
k. “Transfer” by franchisee – defined	12.B.	Includes transfer of contract or assets or ownership change
l. Franchisor approval of transfer by franchisee	12.B.	We have the right to approve all transfers but will not unreasonably withhold approval
m. Conditions for franchisor approval of transfer	12.B.	Buyer qualifies and signs current agreement, transfer fee paid, training arranged, parties sign a transfer agreement to implement the transfer (which will include mutual releases, etc.). Buyers may not be those who were involved in our sales process or related persons or companies controlled by such persons at any time during the 12 months before you submit your transfer application (also see r, below)
n. Franchisor’s right of first refusal to acquire franchisee’s business	12.D.	We have the right (not obligation) to match any bona fide offer.
o. Franchisor’s option to purchase franchisee’s business	Not Applicable	Not Applicable
p. Death or disability of franchisee	12.E.	Representative must promptly apply for our approval to transfer interest and pay reasonable costs we incur in reviewing transfer, which must be within six months of death or disability.
q. Non-competition covenants during the term of the franchise	15.A.	You may have no involvement in competing business anywhere in US (subject to state law).
r. Non-competition covenants after the franchise is terminated or expires	15.B.	No competing business for one year located within your Designated Territory (if you have a National Territory or International Territory, within 25 miles from your location or any customers of your business) and also within the territory of any other WSI franchisee who was in the System at the time of expiration, transfer or termination of this Agreement.

Provision	Section in Franchise Agreement	Summary
s. Modification of the agreement	16	By mutual agreement in writing.
t. Integration/ merger clause	22	Only the final written terms of the Franchise Agreement are binding, subject to state law. Any representation or promises outside of this disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by mediation	24.C	Except for injunctive relief claims (which may be litigated in court), all disputes must first be submitted for non-binding mediation in Toronto.
v. Choice of forum	24.B and 24.C	For any disputes not fully resolved by mediation, you must bring your claims against us in the courts with jurisdiction over Erie County, New York (subject to applicable state law). We may bring our claims in those courts. In addition to the provisions noted in the above chart, the Franchise Agreement contains a number of provisions that may affect your legal rights, including a waiver of jury trial, waiver of punitive or exemplary damages, and limitations on when claims may be raised. See Franchise Agreement Sections 24.D and 24.E. We recommend that you carefully review all of these provisions, and the entire contract, with an experienced franchise lawyer.
w. Choice of law	24.A.	New York law applies to the Franchise Agreement (subject to applicable state law).

ITEM 18 **PUBLIC FIGURES**

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

ITEM 19 **FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and 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 performance at a particular location or under particular circumstances.

The following table is a historic financial performance representation of active franchisees that operate a franchise substantially similar to the type offered in this Disclosure Document. The table presents unaudited information about the historical maximum and minimum Gross Revenue amounts for our franchisees for the period from January 1, 2022 to December 31, 2022 (the “2022 Fiscal Year”) and from January 1, 2021 to December 31, 2021 (the “2021 Fiscal Year”). The maximum and minimum Gross Revenue amounts reported in the 2022 Fiscal Year was for 160 franchisees, and in the 2021 Fiscal Year was for 183 franchisees in the United States.

Franchisee Gross Revenue by Tenure

Tenure ⁽²⁾	2022			2021		
	Count	MIN\$ ⁽³⁾	MAX\$ ⁽³⁾	Count	MIN\$ ⁽³⁾	MAX\$ ⁽³⁾
less than 1 yr ⁽⁴⁾	14	0	36,975	20	0	33,675
1+ to 3 yrs	29	0	669,539	26	0	132,782
3+ to 6 yrs	31	0	2,652,989	31	0	2,040,780
6+ to 10 yrs	28	0	977,679	43	0	799,920
10+ yrs	62	0	12,984,682	63	0	8,652,511

Notes:

1. “Gross Revenue” is defined as all sales generated through the Franchised Business, including fees for any products or services a franchisee sells (including, for example, consulting services), for cash, credit (and regardless of collectability), barter or customer profit sharing arrangements, and income of every kind or nature related to the Franchised Business but “Gross Revenues” do not include any sales tax or other taxes collected from a franchisee's customers for transmittal to the appropriate taxing authority. “Gross Revenues” also include the retail value of all products or services sold in connection with the redemption of coupons, gift certificates, gift cards or vouchers; provided, that at the time such coupons, gift certificates, gift cards or vouchers are purchased, the retail price may be excluded from Gross Revenues for the purpose of determining the amount of Gross Revenues upon which fees are due.
2. “Tenure” refers to the franchisees’ years in operation as of December 31st, 2022.
3. The Maximum and Minimum Gross Revenue figures list the actual high and low values of Gross Revenues reported within each tenure grouping as of December 31, 2022 and as of December 31, 2021. One franchisee in each of the tenure groupings above attained the minimum and maximum Gross Revenues for the applicable reporting period. The Minimum Gross Revenue also includes franchisees with franchise agreements that do not mandate the reporting of Gross Revenue. These franchise agreements are only granted to existing digital marketing agencies that also acquire a franchise.
4. The less than one year tenure group has an average of seven months of business operations, both in 2021 and 2022.

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

Written substantiation of the data presented in this financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting our President, Valerie Brown-Dufour, 91 Skyway Avenue, Suite 104, Toronto, Ontario, M9W 6R5 Canada, 905-678-7588, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

System wide Outlet Summary For years 2020 to 2022 ⁽¹⁾				
Column 1	Column 2	Column 3	Column 4	Column 5
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	230	196	-34
	2021	196	178	-18
	2022	178	160	-18
Company Owned	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Total Outlets	2020	230	196	-34
	2021	196	178	-18
	2022	178	160	-18

Notes:

1. Data in the Item 20 tables are for each of our fiscal years, which end on December 31st each year.

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

State	Year	Number of Transfers
Texas	2020	0
	2021	2
	2022	0
Totals	2020	0
	2021	2
	2022	0

Table No. 3
Status of Franchised Outlets
For years 2020 to 2022⁽¹⁾

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
AZ	2020	3	0	0	0	0	0	3
	2021	3	1	0	0	0	0	4
	2022	4	0	0	1	0	0	3
CA	2020	30	3	2	2	0	0	29
	2021	29	0	0	6	0	2	21
	2022	21	1	0	0	0	0	22
CO	2020	9	0	0	5	0	0	4
	2021	4	1	0	2	0	0	3
	2022	3	0	0	0	0	0	3
CT	2020	4	1	0	1	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	1	0	0	0	0	5
DE	2020	2	1	0	0	0	0	3
	2021	3	0	0	1	0	0	2
	2022	2	0	1	0	0	0	1

FL	2020	15	1	0	3	0	0	13
	2021	13	3	1	2	0	0	13
	2022	13	4	1	4	0	1	11
GA	2020	11	2	0	3	0	0	10
	2021	10	1	0	1	0	0	10
	2022	10	0	2	0	0	0	8
GU	2020	1	0	0	1	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
HI	2020	1	0	0	0	0	0	1
	2021	1	0	0	1	0	0	0
	2022	0	0	0	0	0	0	0
IA	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
ID	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
IL	2020	10	0	0	2	0	0	8
	2021	8	0	0	0	0	0	8
	2022	8	0	0	1	0	0	7
IN	2020	4	0	0	3	0	0	1
	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
KS	2020	3	0	0	1	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
KY	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
LA	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	1	0	0	0
MA	2020	6	0	0	2	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	1	0	0	0	0	5

MD	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
MI	2020	4	0	0	1	0	0	3
	2021	3	1	0	1	0	0	3
	2022	3	0	0	1	0	0	2
MN	2020	8	0	0	2	0	0	6
	2021	6	1	0	0	0	0	7
	2022	7	0	0	2	0	0	5
MO	2020	4	0	1	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	1	0	0	2
MS	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
NC	2020	10	1	0	0	0	0	11
	2021	11	0	0	2	0	0	9
	2022	9	1	1	1	0	0	8
NE	2020	1	0	0	1	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
NH	2020	4	0	1	1	0	0	2
	2021	2	0	1	0	0	0	1
	2022	1	0	0	0	0	0	1
NJ	2020	14	1	0	3	0	0	12
	2021	12	1	0	3	0	0	10
	2022	10	0	0	1	0	0	9
NM	2020	2	0	0	1	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
NV	2020	4	0	0	3	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
NY	2020	9	0	0	0	0	0	9
	2021	9	0	0	1	0	0	8
	2022	8	1	0	3	0	0	6

OH	2020	5	1	0	4	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
OK	2020	3	0	0	0	0	0	3
	2021	3	1	0	1	0	0	3
	2022	3	0	0	0	0	0	3
OR	2020	2	0	0	0	0	0	2
	2021	2	0	0	1	0	0	1
	2022	1	0	0	0	0	0	1
PA	2020	9	0	0	0	0	0	9
	2021	9	2	0	0	0	0	11
	2022	11	0	2	0	0	0	9
PR	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
RI	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
SC	2020	5	0	0	1	0	0	4
	2021	4	0	0	1	0	0	3
	2022	3	0	0	1	0	0	2
SD	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
TN	2020	2	1	0	0	0	0	3
	2021	3	0	0	1	0	0	2
	2022	2	0	0	0	0	0	2
TX	2020	18	3	0	4	0	0	17
	2021	17	2	0	3	0	0	16
	2022	16	3	0	3	0	0	16
UT	2020	2	0	0	0	0	0	2
	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	0	3
VA	2020	5	1	0	1	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5

WA	2020	5	1	0	0	0	0	6
	2021	6	0	0	2	0	0	4
	2022	4	0	0	1	0	0	3
WI	2020	7	1	0	2	0	0	6
	2021	6	0	0	1	0	0	5
	2022	5	0	0	1	0	0	4
WV	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Totals	2020	230	18	4	47	0	1	196
	2021	196	16	2	30	0	2	178
	2022	178	12	7	22	0	1	160

Notes:

1. All franchisees are listed in Table No. 3 above in the state where each franchisee resides. Whenever a franchisee relocates from one state to another state (including after a transfer) the franchisee is listed in Column 8 “Ceased Operations-Other Reasons”, for the prior state from where the franchisee departed, and then in Column 4 “Outlets Opened” for the subsequent state where the franchisee has relocated to.

2. There are 4 NIC franchisees that signed a franchise agreement but had not opened their business as of December 31, 2022. (See Column 2 in the Table 5 of Projected Openings.) When combined with those open as of December 31, 2022, the total is 164.

3. Column 4 refers to new franchisees starting their business within the relevant calendar year.

4. Column 5 – To clarify, we terminated these franchisees after reasonable advance notice to correct any defaults for the following reasons:

- Noncompliance
- Non-collectable
- Non-branded or infringing negatively on trademark

5. Column 6 includes franchisees that we did not renew following the end of the term of their agreement.

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

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
All States (Note 1)	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Totals	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1

Notes:

1. This business is operated by our affiliate, RAM, from its Toronto offices, with a US national territory.

**Table No. 5
Projected Openings as Of December 31, 2022**

State	Franchise Agreements Signed but Outlet Not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
AZ	0	1	0
CA	0	1	0
CO	0	1	0
FL	2	1	0
GA	0	1	0
IL	0	1	0
IN	0	1	0
KS	0	1	0
KY	0	1	0
LA	0	1	0
MA	0	1	0
MI	0	1	0
MN	0	1	0
MS	0	1	0

State	Franchise Agreements Signed but Outlet Not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
NC	1	1	0
NE	0	1	0
NH	0	1	0
NJ	1	1	0
NV	0	1	0
NY	0	1	0
OH	0	1	0
OR	0	1	0
PA	0	1	0
PR	0	1	0
SC	0	1	0
TN	0	1	0
TX	0	1	0
VA	0	1	0
WA	0	1	0
WI	0	1	0
Totals	4	30	0

Notes:

1. The franchisees in Column 2 are listed in Exhibit E to this Disclosure Document with the designation “PT” to indicate that the franchisee has not attended training.
2. The number of projected new franchisees in 2023, per state, is derived from our projected market penetration.

In Exhibit E, we list the name, business address, and business telephone number of each current franchisee as of December 31, 2022.

In Exhibit F, we list the name, city and state, and current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who has had a franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year, or has not communicated with us within 10 weeks of the date of this disclosure document.

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

As of the date of this disclosure document, we are not offering any existing franchised outlets to prospective franchisees, including those that either have been reacquired by us or are still being operated by current franchisees pending a transfer. If we begin to offer any such outlet, specific information about the outlet will be provided to you in a separate supplement to this disclosure document.

In some instances during the last three years, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the NIC 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. Franchisees who leave the NIC franchise system sign confidentiality clauses only if we and they have mutually agreed to a termination or settlement.

In the past, we sponsored a franchisee organization, the Internet Consultant Advisory Council or “ICAC”, which is a franchisee advisory council whose members are NIC franchisees nominated and elected by our franchisees as whole to represent key strategic markets within the NIC franchise system. ICAC may be contacted at (905) 678-7588 or icac@wsicorporate.com. As of the date of this disclosure document, no independent trademark-specific franchisee organizations have asked to be included in this disclosure document.

ITEM 21 **FINANCIAL STATEMENTS**

Attached as Exhibit C are our audited financial statements as of December 31, 2022, December 31, 2021, and December 31, 2020.

ITEM 22 **CONTRACTS**

The Franchise Application Agreement is Exhibit A. The Franchise Agreement is Exhibit B. The General Release is Exhibit I. The Franchise Disclosure Acknowledgement is Exhibit J.

ITEM 23 **RECEIPTS**

The last two pages of this disclosure document are identical pages acknowledging receipt of this entire document (including the exhibits). Please sign and return to us one copy; please keep the other copy together with this disclosure document.

EXHIBIT A

FRANCHISE APPLICATION AGREEMENT



FRANCHISE APPLICATION AGREEMENT

The undersigned, _____ (the “Applicant”), wishes to apply as a potential franchisee with National Internet Corporation (the “Company”). The Applicant has submitted the sum of _____ to be applied as a partial deposit/payment for the franchise in the territory of _____ priced at \$_____.

IT IS UNDERSTOOD AND AGREED THAT:

1. The Applicant has submitted to the Company a fully completed application, for consideration by the corporate management team.
2. The Applicant shall have a period of five (5) business days to complete payment for the territory after final approval by the corporate management team.
3. The Applicant acknowledges that there have been no representations made by the Company or any of its representatives other than those contained in official Company literature or in its franchise disclosure document.

This deposit/payment is nonrefundable unless the Applicant is not approved by the Company for any territory, in which case the entire deposit shall be returned to the Applicant in full forthwith without interest or deduction. The Company shall notify the Applicant in writing within ten (10) business days if the Applicant is not approved.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement. Applicant acknowledges the receipt of a copy of this agreement.

DATED at _____, this _____ day of _____ 202_____.

NATIONAL INTERNET CORPORATION
per:

Applicant

In the event that the applicant is approved, the final payment bank wire would be received from _____ (Sender’s name) from _____ (Bank name) in _____(City).

EXHIBIT B

FRANCHISE AGREEMENT

NATIONAL INTERNET CORPORATION
d/b/a “WSI”
FRANCHISE AGREEMENT

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Attachments:

- A Designated Territory and Franchised Business Premises
- B Guaranty
- C Form of Non-Competition and Non-Disclosure Agreement

NATIONAL INTERNET CORPORATION

**WSI
FRANCHISE AGREEMENT**

THIS AGREEMENT is made and entered into on _____, 202____ (the “**Contract Date**”) by and between:

- **National Internet Corporation**, a Delaware corporation, whose principal place of business is 16192 Coastal Highway, Lewes, Delaware 19958 (“**We**”, “**Us**”, “**Our**” or the “**Franchisor**”); and
- _____, [an individual] [a corporation] [a limited liability company] [a partnership] [organized in the State of _____], whose principal place of business is _____ (“**You**”, “**Your**” or the “**Franchisee**”).

WITNESSETH:

WHEREAS, Franchisor and its parent company, World Technology Group Inc., a Delaware corporation (“**WTG**”), as the result of the expenditure of time, skill, effort, and money, have developed a proprietary system (as it may be changed, improved and further developed from time to time) (the “**System**”) relating to the establishment, development and operation of a digital marketing business identified by the trade name WSI (each, a “**WSI Business**”);

WHEREAS, the distinguishing characteristics of the System include operational methods and techniques, technical assistance and training in the operation, management and promotion of a WSI Business, specialized reporting, bookkeeping and accounting methods and documents, and advertising and promotional programs, all of which may be changed, improved and further developed by Us;

WHEREAS, WTG has granted to us the exclusive right and license in the United States to use and to license others to use the System; and 1175856 Ontario Ltd., an Ontario corporation (“**Ontario**”), has granted to Us the exclusive right and license in the United States to use and license others to use the marks “WSI”, “WSI Globe and Design”, and certain other trademarks, service marks, and commercial symbols (together, the “**Proprietary Marks**”);

WHEREAS, You desire to operate a WSI Business under the System and the authorized Proprietary Marks (the “**Franchised Business**”) and to obtain a license from Us for that purpose, as well as to receive the assistance provided by Us in connection therewith;

NOW, THEREFORE, the parties, in consideration of the promises, undertakings and commitments of each party to the other set forth herein, hereby mutually agree as follows:

1. GRANT OF FRANCHISE.

A. Grant.

We grant to You, and You accept, upon the terms and conditions of this Agreement, the non-exclusive right and obligation to operate the Franchised Business in the Territory (defined in Section 1.C) in strict conformity with Our quality control standards and specifications, which are a material part of the System. Such license shall include the use of the Confidential Information (defined in Section 8.C) and such copyrighted material as We may in Our sole discretion designate, and which may be disclosed online or

transmitted through email. You may operate the Franchised Business only at one specific location (the “**Premises**”) which You will select within the Designated Territory (defined in Section 1.C). If You have an International Territory License, the Premises must be located within the United States. You agree to accept the license and obligations granted under this Agreement, and both You and Guarantor agree to perform all obligations as provided in this Agreement. You acknowledge that We, Our affiliates or related companies have the right to develop and establish other similar or dissimilar business systems using the Proprietary Marks, or other names or marks, and have the right to grant licenses to use those systems without providing any rights to You.

B. Location.

You may operate the Franchised Business only at and from the Premises which must be situated at one location within the Designated Territory. You may relocate within the Designated Territory by giving Us prior written notice, and without a fee, but You may not relocate the Franchised Business outside the Designated Territory provided for in this Agreement without Our express written consent. If We approve Your proposed relocation to another territory with an equivalent license, You agree to pay a relocation fee of Five Hundred Dollars (\$500). If We approve Your proposed relocation to another territory with an upgraded license, You agree to pay the applicable upgrade fee of: (i) Fourteen Thousand Seven Hundred Dollars (\$14,700) for an upgrade from a Regional Territory License to a National Territory License; (ii) Fourteen Thousand Seven Hundred Dollars (\$14,700) for an upgrade from a National Territory License to an International Territory License; or (iii) Twenty Seven Thousand Four Hundred Dollars (\$27,400) for an upgrade from a Regional Territory License to an International Territory License. The location of the Franchised Business Premises shall be as set forth on Attachment A.

C. Designated Territory.

For greater certainty, the word “**Territory**” whenever used in this Agreement shall refer to the geographic limitation upon the right to offer digital marketing services only to customers who are located within the defined boundaries of the Territory, either as marked on a map or as may be described in words, and as will be described in either case in Attachment A forming an integral part of this Agreement, and it is understood and agreed that Your territorial rights are as set out in Attachment A. Before signing this Agreement, You shall select one of the following three types of license which will define Your “**Designated Territory**”. You must notify Us whenever You intend to offer Your services under such licenses outside the “Designated Territory.” referred to in Attachment A to this Agreement and You must obtain Our prior written consent to all such sales. The three types of license are described below.

In Attachment A, the parties have designed the type of license that will apply to Your Franchised Business. No matter which type of license You select, the following details will apply:

You will be able to offer and sell the Franchised Business’ services only to customers located within Your Territory;

Your territory will be non-exclusive and will, therefore, be shared with other WSI Businesses;

We do not regulate the proximity of other WSI Businesses to Your Franchised Business;

Franchisees that acquire a higher-level license (that is, a National Territory License, or an International Territory License as defined below) may solicit customers anywhere within their Territory; and

The grant of territorial rights is subject to the other provisions of this Agreement, including Section 1.D below.

The three types of licenses are:

1. The Regional Territory License. If Your Franchised Business is for a “Regional Territory License,” then You will have the right to offer and sell services to customers in a selected state, as defined in Attachment A to this Agreement.
2. The National Territory License. If Your Franchised Business is for a “National Territory License,” then You will have the right to offer and sell services to customers anywhere in the United States.
3. The International Territory License. If Your Franchised Business is for an “International Territory License,” then You will have the right to offer and sell services to customers anywhere in the world where it is lawfully permitted to do so. You are solely responsible for determining whether You are authorized to offer and sell services in any given jurisdiction.

D. Reservations of Certain Rights.

Except as expressly licensed to You under this Agreement, We, and Our affiliates or related companies retain all rights with respect to WSI Businesses, the System, the Proprietary Marks, the sale of similar or dissimilar products and services, and any other activities We deem appropriate whenever and wherever We desire, including:

1. the right to establish and operate, and to grant to others the right to establish and operate, digital marketing consulting service businesses or any other businesses offering similar or dissimilar products and services through similar or dissimilar channels of distribution, at any locations inside or outside the Designated Territory under any trademarks or service marks, including the Proprietary Marks, and on any terms and conditions We deem appropriate;
2. the right to provide, offer and sell and to grant others the right to provide, offer and sell goods and services similar to and/or competitive with those provided at WSI Businesses, whether identified by the Proprietary Marks or other trademarks or service marks, through dissimilar distribution channels (including, over the Internet, social media or similar electronic media) both inside and outside the Designated Territory and on any terms and conditions We deem appropriate;
3. the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided by WSI Businesses, and the right to enter into franchising, licensing or similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Designated Territory); and
4. the right to be acquired (whether through acquisition of assets, ownership interest or otherwise, regardless of the form of transaction), by another business including, a business providing products and services similar to those provided by WSI Businesses, even if such business owns, operates, franchises and/or licenses businesses which compete with WSI Businesses in the Designated Territory.

2. TERM AND RENEWAL.

A. Initial Term.

Except as otherwise provided herein, the term of this Agreement shall be for ten (10) years commencing on the Contract Date, unless earlier terminated in accordance with the terms of this Agreement.

B. Renewal Term.

You may, at Your option, continue the operation and management of the Franchised Business for one (1) additional ten (10) year term, subject to the following conditions, all of which You must meet before the renewal term may begin:

1. You shall give Us written notice of Your election to renew this Agreement not more than eighteen (18) months nor less than six (6) months prior to the end of the current term of this Agreement;
2. Following the Franchisees intent to renew, Franchisor shall give notice of all required modifications to the nature and quality of the products and services offered in connection with the Franchised Business, as well as Your advertising, marketing and promotional programs, and You shall implement such modifications in connection with the renewal;
3. You shall not be in default of any provision of this Agreement, any amendment hereof or successor to this Agreement, or any other agreement between You and Us or Our subsidiaries, affiliates and suppliers. You shall have substantially complied with all of the terms and conditions of such agreements during the terms hereof and thereof;
4. You shall have satisfied all of Your monetary obligations to Us and Our subsidiaries, affiliates and suppliers, and shall have timely met those obligations throughout the term of this Agreement;
5. We reserve the right to require You to execute, upon renewal, Our then-current form of Franchise Agreement, which agreements shall supersede in all respects this Agreement, and the terms of which may differ from the terms of this Agreement, including a higher percentage management services fee and the implementation of additional fees;
6. Unless waived by Us, You must successfully complete Our then-current qualification and training programs at Your expense;
7. You, Your owners, directors, officers and/or equivalent managers shall execute a general release, in a form prescribed by Us, of any and all claims against Us, Our subsidiaries, or affiliates, and their respective officers or equivalent managers, directors, agents and employees;
8. Your operation and management of the Franchised Business shall be in full compliance with the System;
9. You shall maintain and be in good standing with all of Your necessary and appropriate licenses and permits;

10. You shall have maintained the mandated NPS score as updated annually; and
 11. You shall be required to pay Us a renewal fee of \$2,000 in order to exercise the renewal option.
- C. If any one or more of the conditions specified in Section 2.B above has not been met before expiration of the current term of this Agreement, then We shall have no obligation to renew this Agreement.

3. OUR DUTIES.

A. Pre-Opening Obligations.

Our duties prior to the opening of the Franchised Business are:

1. provide online marketing resources for use in promoting the Franchised Business;
2. within six (6) months of execution of the Franchise Agreement, provide You with an initial training program;
3. the training will be provided for two (2) people (the owner or manager of the Franchised Business). Additional seats for training are available at a discounted fee of \$2,500/day as outlined in Section 5.B below;
4. provide You with online access to Our Brand Manuals (the “**Manuals**”), which will include policies, procedures and specifications for running the Franchised Business in a manner consistent with Our brand standards (the Manuals are confidential and remain Our property, and We may modify, add to, or delete from the Manuals; the modifications will not alter Your status or rights under the Franchise Agreement);
5. complete Attachment A to this Agreement to reflect the location of Your Franchised Business and Your Designated Territory;
6. provide You with access to the Franchisee Intranet – the “**Virtual Office;**”
7. provide You with access to the private WSI Facebook platform (currently named “Workplace for Business”);
8. provide You with access to Our current CRM system;
9. provide You with an email address; and
10. provide You with a Consultant Listing on wsiworld.com (or applicable regional version of wsiworld).

B. Post-Opening Obligations.

Our obligations following the opening of the Franchised Business are to provide WSI Business resources and support, training and tools that include;

1. coaching and assistance in the form of sales support, business operations support, and marketing support from Our WSI Home Office team, and when applicable other members of the WSI network suppliers;
2. research and evaluation of technical products, services and vendors that can be used by the entire network;
3. dedicated support access, including email, phone, virtual tele-conferencing, and live chat;
4. a resource library of marketing materials that You can access on-demand;
5. ongoing educational opportunities in the form of meetings, webinars, and online courses;
6. ongoing client educational resources and content, including Our website content, blog posts, videos, webinars, ebooks, etc.);
7. updated information about new developments within the WSI network and the Digital Marketing industry;
8. access to the Franchisee Virtual Office, Workplace and other mandated systems;
9. such general advisory assistance deemed by Us to be helpful to You in the ongoing operation, advertising and promotion of the Franchised Business;
10. in Our discretion, management consulting services or assistance to You, or groups of franchisees, for special projects based on the availability of Our personnel, and upon a mutually acceptable arrangement pertaining to fees and expenses;
11. updates, revisions and amendments to Our Manuals;
12. upon request and subject to the terms of this Agreement, You or to Your suppliers Our standards and specifications for items not deemed to be trade secrets;
13. at Our discretion, for transmission to Your clients, materials and messages We deem appropriate for every digital marketing service You provide;
14. at Our sole discretion, coordinate, conduct and otherwise make available to You such other optional and mandatory ongoing training programs or seminars on an annual basis or as We deem appropriate, for which We may charge a fee;
15. access to Our system, the software application that accesses Our global production network and manages a broad range of business functions associated with the business;

16. if You are qualified, approval for You to participate in any national accounts program We may institute, at Our discretion, for customers with a nationwide presence. We are not required to institute a national accounts program; and
17. if You are qualified, and at Our discretion, the option to purchase certain technologies that would allow You to offer specified digital marketing services to Our other franchisees. We are not required to offer this option.

We will offer the programs and options that are described above if You are in compliance with Your obligations under this Agreement and meet all of the requisite qualifications. You may not qualify for all, or any, of such programs and options and waive any and all claims against Us, Our affiliates and Our respective officers, directors, owners and employees arising out of or as a result of Your failure to qualify. Any of these obligations may also be fulfilled by Our affiliate who is so authorized.

4. FEES.

A. Payments to Us.

In consideration of the right and license to operate the Franchised Business granted herein, You shall pay to Us, or to Our affiliates, or to an independent supplier approved or designated by Us, if so directed, all of those fees which are payable pursuant to the terms of this Agreement, including the following non-refundable fees, all of which are payable in U.S. Dollars:

1. Initial Franchise Fee.

Upon execution of this Agreement, You must pay Us the initial franchise fee in the amount of ____ Dollars (\$_____) that corresponds to the license for Your Designated Territory as set forth in Section 4.A.4 below (less any amount You have already paid as a “First Installment” under the Franchise Application Agreement). The initial franchise fee constitutes compensation for all of Our pre-opening obligations, as described in Section 3.A. hereof, and is deemed fully earned upon the execution of this Agreement. We acknowledge that We have previously received _____ Dollars (\$_____) from You as a First Installment under the Franchise Application Agreement.

2. Management Services Fees.

(a) You shall pay to Us a continuing fee (the “**Management Services Fee**”), to be payable on receipt of an invoice for each month, which constitutes compensation to Us for all post-opening obligations. Unless We notify You differently in writing, all Management Services Fees payable to Us shall be delivered by You to Research and Management Corporation, a corporation that provides management services to Us.

(b) Your obligation to pay us a Management Services Fee shall commence on the first complete calendar month after completion of the Initial Training.

The monthly Management Services Fee payment shall be as provided in the following chart. Reference to “months” in the following chart are measured from when You complete the Initial Training described in Section 5.B.1 of this Agreement.

Starting with this month after You have completed Our initial training program:	Through this month after You have completed Our initial training program:	The monthly MSF will be
The first complete calendar month	The 11th complete calendar month	\$500
The 12th complete calendar month	The 23rd complete calendar month	\$750
The 24th complete calendar month	The 35th complete calendar month	\$1,000
The 36th complete calendar month	The 47th complete calendar month	\$1,250
The 48th complete calendar month	The 59th complete calendar month	\$1,500
The 60th complete calendar month	The 72nd complete calendar month	\$1,750
The 73rd complete calendar month	The 84th complete calendar month	\$2,000
The 85th complete calendar month	The 96th complete calendar month	\$2,250
The 97th complete calendar month	End of the term of this Agreement	\$2,500

3. Website Development, Hosting and Other Digital Marketing Services.

You may contract with Us, Our affiliate or an independent supplier approved by Us, for website development, hosting and other digital marketing services, and You must pay Us, Our affiliate, or the approved suppliers as applicable and when invoiced, for such services.

4. Initial Franchise Fee.

The initial franchise fee is:

- (a) Sixty Four Thousand, Seven Hundred Dollars (\$64,700) for a Regional Territory License;
- (b) Sixty-Nine Thousand, Seven Hundred Dollars (\$69,700) for a National Territory License; and
- (c) Seventy-Nine Thousand, Seven Hundred Dollars (\$79,700) for an International Territory License.

5. Technology Tool Set Fee.

You shall have access to Our technology tool set at a cost of Two Hundred and Fifty-Nine Dollars (\$259) per month. At your option, You may purchase additional products and services for the then current fee charged by Us. You must utilize Our technology tool set and systems as further defined by the Manuals in the operation of the Franchised Business. We may periodically change or enhance the technology tool set

to keep up with latest technological advancements. Once a change or enhancement is released, You will have six (6) months to update Your technology tool set at your cost.

6. International Branding Fee.

You shall pay to Us One Hundred Dollars (\$100) per month as an international branding fee, intended to promote international branding of Our Marks and System.

7. Education Payment Plan.

You shall pay to Us monthly, together with Your Management Services Fees, Sixty Dollars (\$60) per person each month to cover Your mandatory registration fees for the ongoing training events that You must successfully complete online or in person, if required, pursuant to Section 5.C of this Agreement. This shall be in addition to any other costs You incur, including costs of meals, entertainment, lodging, travel, laundry and wages to attend training events, all of which shall be at Your sole expense. The Education Payment Plan fee shall be subject to annual revision. Attendance fees and other associated costs for mandatory attendance at Our convention shall be at Your cost and shall be additional to the Education Payment Plan payments provided for herein.

8. Upgrade Fee.

If You elect to upgrade Your license and We approve of such upgrade, You must to pay Us the applicable upgrade fee in an amount equal to: (i) Fourteen Thousand Seven Hundred Dollars (\$14,700) for an upgrade from a Regional Territory License to a National Territory License; (ii) Fourteen Thousand Seven Hundred Dollars (\$14,700) for an upgrade from a National Territory License to an International Territory License; or (iii) Twenty Seven Thousand Four Hundred Dollars (\$27,400) for an upgrade from a Regional to an International Territory License.

9. Local Web Presence Package.

The local web package will cost \$225/month and You are required to purchase this package for a minimum of six (6)-months. The local web package will include a comprehensive suite of search engine optimization and social media optimization services for your Franchised Business, including the development of your personalized WSI microsite, in accordance with Our System and policy. If you do not opt to continue to package after six months, you may be charged ongoing maintenance fees related to your website.

B. Payment Procedures and Interest on Late Payments.

1. All payments required by this Section to be paid to Us or as otherwise directed shall be paid at the time and in the manner that We specify, and, if applicable, upon receipt of invoice. Any payments that are due on a national holiday shall be due on the first business day following such holiday and any payment not actually received by Us on or before such due date shall be deemed overdue. If any payment is late, then You agree to pay Us, in addition to the overdue amount, interest on the overdue amount from the date it was due until paid, at the rate of one and one-half percent (1.5%) per month (the “**Default Rate**”) (but if there is a legal maximum interest rate that applies to You in Your jurisdiction, not more than that maximum rate). Our entitlement to such interest will be in addition to any other remedies We may have.
2. Notwithstanding that We may accept payment of the First Installment of the Initial Franchise Fee described in Section 4.A.1 by credit card, payment of the balance of the

Initial Franchise Fee by credit card shall be prohibited. Payment of the balance of the Initial Fee shall be made by any other payment method approved by Us. Fees due under Sections 4.A.2, 4.A.3, 4.A.5, 4.A.6, and 4.A.7 of this Agreement shall be paid to Us through pre-authorized payment by Automated Clearing House (“**ACH**”) transfers. Payment for services by credit card shall not be permitted except with Our prior consent. We do, however, require You to provide Us with a valid credit card, which We shall utilize in the event that an ACH transfer cannot be processed. Management Services Fees shall be processed automatically each month by Us, in accordance with a consent for pre-authorization which must be provided to Us when executing this Agreement.

3. We will have the right to apply any payment We receive from You to any amounts You owe Us or Our affiliates under this Agreement or any other agreement, even if You have designated the payment for another purpose or account. We may accept any check or payment in any amount from You without prejudice to Our right to recover the balance of the amount due or to pursue any other right or remedy. No endorsement or statement on any check or payment or in any letter accompanying any check or payment or elsewhere shall constitute or be considered as an accord or satisfaction. In addition, if there are any amounts that We owe to You pursuant to this Agreement or otherwise, You agree that We may elect to set off Your payments to Us under this Agreement in order to pay such amounts.
4. In the event that any amounts due and payable to Us pursuant to this Agreement are overdue, We may suspend Your access to Our technology tool set or other services, including email and web property access, for as long as such amounts remain unpaid; provided, however, that Our suspension of Your access does not relieve You of any of Your duties and obligations under this Agreement and is not exclusive of any other right or remedy provided or permitted by law or equity or by this Agreement. You acknowledge and agree that any such suspension will not prevent You from performing Your obligations under this Agreement and does not constitute a constructive termination of this Agreement. We may impose a reasonable reactivation fee prior to restoring any suspended services to You.

C. Definition of Gross Revenues.

“Gross Revenues” is defined as all sales generated through the Franchised Business, including fees for any products or services sold by You, including cash or credit (regardless of collectability), barter or customer profit-sharing arrangements and income of every kind or nature related to the Franchised Business; provided, however, that “Gross Revenues” shall not include any sales tax or other taxes collected from Your customers for transmittal to the appropriate taxing authority. Without limitation of the foregoing, “Gross Revenues” shall also include the retail value of all products or services sold in connection with the redemption of coupons, gift certificates, gift cards or vouchers; provided, that at the time such coupons, gift certificates, gift cards or vouchers are purchased, the retail price thereof may be excluded from Gross Revenues for the purpose of determining the amount of Gross Revenues upon which fees are due.

D. You May Not Withhold Payments.

You agree that You will not, on grounds of the alleged nonperformance by Us of any of Our obligations hereunder, withhold payment of any Management Services Fee, or other amounts due to Us, Our authorized suppliers, or Our designee.

E. US Dollars.

All payments due under this Agreement are expressed in U.S. Dollars and shall be paid to us in U.S. Dollars.

5. YOUR DUTIES.**A. Compliance with System.**

You understand and acknowledge that every detail of the appearance and operation of the Franchised Business in compliance with the System and Manuals is critical to Us, to You and to other franchisees operating under the System, in order to: (1) develop and maintain high and uniform operating standards; (2) increase the demand for the products and services sold by WSI Businesses; and (3) protect the Proprietary Marks and the System, and Our trade secrets, reputation and goodwill. You agree to operate the Franchised Business in accordance with the System, including the Manuals and Our operating policies and procedures.

B. Initial Training.

1. In accordance with the terms and conditions set forth in Section 3 above, We will require successful completion of Our Initial Training Program (currently entitled “WSI Digital Marketing Foundations” (also referred to as “Initial Training”), as We have specified at the time and in the manner required by Us. Attendance must commence within six (6) months of notification of proposed training dates by Us and training must be completed prior to the opening of the Franchised Business. After successfully completing the mandatory courses, You will be a “**WSI Certified Franchisee**” and will be able to operate the Franchised Business and offer clients a wide range of standardized products and services.

2. You must also attend and successfully complete the second portion of Our training program (currently, the “Quick Start Program”) as We have specified.

3. All of the training programs described above are limited to a maximum of two persons. You may ask to have additional owners of the Franchised Business (or employees) also attend training, subject to Our prior written consent and payment of a daily training fee of Two Thousand Five Hundred Dollars (\$2,500). If You (or any of Your additional trainees) do not attend a scheduled training session, then You agree to pay a rescheduling fee of Five Hundred Dollars (\$500) for that session.

4. All of the training programs described above will be conducted in the manner and the place that We designate. We have the right to conduct some or all of these sessions in the modality that We select, which includes in-person sessions at Our offices in Toronto or a location in the US, as well as online sessions.

C. Ongoing Additional Training.

You must also, at Your own cost, attend in-person or online, Our convention and any mandatory area trainings (which may include regional meetings, WSI hosted webinars, WSI elearning courses, and third party courses and certifications), such trainings to be designated for Your required attendance by advance notice from Us. You shall be responsible for any and all other expenses incurred in training, including the costs of meals, entertainment, lodging, travel, laundry and wages. You shall attend and complete, to Our reasonable satisfaction, such special programs or periodic additional training as We may require in writing from time to time, at the costs set out in Section 4.A.7 above.

D. Working Capital.

You shall meet and maintain sufficient levels of working capital as is reasonably necessary for the successful management and operation of the Franchised Business.

E. Best Efforts.

You covenant that during the term of this Agreement, You (or, if You are a legal entity, an owner approved by Us) shall devote Your full time, energy and best efforts to the efficient and effective management and operation of the Franchised Business. If You are an established corporate entity, investor, or passive owner, You may designate a full-time manager, who need not own an equity interest in You, to operate the Franchised Business; otherwise, You must operate the Franchised Business on a full time basis. You must monitor the performance of any permitted manager and no such appointment will relieve You from Your duties and obligations under this Agreement.

Otherwise, an individual Franchisee or the approved owner of an entity Franchisee may devote less than full time to the Franchised Business with Our prior written approval and with adequate staffing in place to carry on the Franchised Business full time.

F. Compliance with Uniform Standards.

You shall operate the Franchised Business in conformity with such uniform methods, standards and specifications as We may, from time to time, prescribe to ensure that the highest degree of quality and service is uniformly maintained. You shall conduct Your business in a manner which reflects favorably at all times on the System and the Proprietary Marks. You shall at no time engage in deceptive, misleading or unethical practices or conduct any other act which may have a negative impact on Our reputation and goodwill or on any other franchisee operating under the System. Pursuant to this ongoing responsibility, You agree:

1. To sell or offer for sale only and all such products and services as meet Our uniform standards of quality and quantity and which have been expressly approved for sale in writing by Us in accordance with Our methods and techniques;
2. To not deviate from Our standards and specifications for serving or selling such products or services; and to discontinue selling and offering for sale any such products or services as We may, in Our sole discretion, disapprove in writing at any time;
3. To operate the Franchised Business at a standard of excellence consistent with the requirements set forth in the Manuals;
4. To use only Us, Our affiliates or other designated suppliers approved by us, for all digital marketing services, and to comply with all policies of the Franchisor as may be contained in the Manuals relating to the purchase of such services from approved or designated suppliers. We assume no direct or indirect liability or obligation to You for services performed by any approved or designated supplier. And We reserve the right to at any time establish exclusive purchasing arrangements with a supplier (which may include a single third party supplier, Us or Our affiliates). You acknowledge and agree that (a) We may change the number of approved or designated suppliers at any time and may designate Us, an affiliate, or a third party as the exclusive source for any particular item, and (b) We and/or Our affiliates may profit from Your purchases from approved or designated

suppliers and may receive payments, fees, commissions or reimbursements from such suppliers in respect of Your purchases unless approved in writing by Us.

5. To conduct online paid search advertising only through Our central account with Our supplier;
6. To promptly deliver products and services to Your customers, including any required after servicing necessary, in accordance with all representations made to Your customers and consistent with reasonable business practices;
7. To submit all leads, prospects and clients using Our designated CRM; customer projects and client purchase orders to Our approved suppliers;
8. To comply with all requirements as set out or required by the WSI Branding Manual, Guidelines, and the System; and
9. To use Our Net Promoter Scoring System (currently HubSpot) or an alternate system on exception by the approval of the Franchisor, and stay within 15 points of the company average NPS which will be updated annually.

G. Purchase and Lease of Materials.

Other than for items that We provide to You without additional charge in accordance with Section 1.A, and in accordance with Our requirements, if applicable You may lease or purchase certain proprietary and copyrighted materials and related brochures, literature, and supplies, relating to the establishment and operation of the Franchised Business solely from suppliers We have approved and who meet and continue to meet Our reasonable standards and specifications for such products and related items.

H. Purchase of Computer System and Equipment.

You must obtain and utilize in the operation of the Franchised Business such computer hardware, software and other equipment as We specify from time to time in the Manuals.

You understand that as technology develops and the System matures, Franchisor in its sole discretion may require additional software, hardware and other equipment. You understand and agree that You will upgrade and change Your computer system and equipment periodically as required by Franchisor.

I. Proprietary Information and Methods.

You understand that Franchisor has developed or has obtained rights to certain information, products, services, operational systems and management techniques and may continue to develop and acquire rights to additional information, products, services, operational systems and management techniques for use in the operation of the Franchised Business which are all highly confidential and which constitute Our proprietary information and trade secrets. Proprietary information shall include all information transmitted electronically, including emails, and any information posted on Our or Your website. Because of the importance of quality control, uniformity of product and the significance of such proprietary information in the System, it is to the mutual benefit of the parties that We closely control the dissemination of this proprietary information. Accordingly, You agree that in the event such proprietary information becomes a part of the System, You shall comply and strictly follow it (including all proprietary techniques) in the operation of its Franchised Business and shall purchase from Us or from an approved source designated by Us any supplies or materials necessary to protect and implement such proprietary techniques.

J. Development of the Market.

You shall at all times use Your best efforts to promote and increase the sales and consumer recognition of the services offered by the Franchised Business pursuant to the System and the Manuals, to effect the widest and best possible distribution of Our authorized services from the Franchised Business. You also agree to conduct approved lead-generation activities in accordance with Our requirements and standards.

K. Display of Proprietary Marks and Logos.

You shall display Our Proprietary Marks and logos in the manner prescribed by Us. The color, design and location of said displays shall be specified by Us and may be changed from time to time at Our sole discretion.

L. Non-competition and Non-Disclosure Agreements.

You must enter into non-competition and non-disclosure agreements similar in content to those attached to this Agreement as Attachment C with Your employees, officers, directors, shareholders and independent contractors.

M. Customer Invoicing.

You shall invoice Your customers of the Franchised Business through Our designated system, or such other systems as We may designate from time to time. In the event that You invoice a customer of the Franchised Business outside of the designated system, You shall be considered to be in default of this Agreement and therefore subject to termination in accordance with Section 13.A of this Agreement.

N. Other Requirements.

You shall comply with all other requirements set forth in this Agreement, in the Manuals or as Franchisor may designate from time to time. Without limitation of the foregoing, Franchisor reserves the right, to the fullest extent allowed by applicable law, to establish maximum, minimum or other pricing requirements with respect to the prices that You may charge for products or services. The obligation to train, manage, pay, recruit and supervise employees of the Franchised Business rests solely with You. Nothing contained herein shall cause Us to be responsible for or liable to any of Your employees or independent contractors.

6. PROPRIETARY MARKS.**A. Grant of License.**

We hereby grant You the non-exclusive right and license to use the WSI mark and other Proprietary Marks We authorize in connection with the operation of the Franchised Business in accordance with the System and subject to the terms and conditions of this Agreement. We and Our affiliates disclaim all warranties of any nature regarding the Proprietary Marks.

B. Conditions for Use.

With respect to Your use of the authorized Proprietary Marks pursuant to the license granted under this Agreement, You agree to comply with all of the following:

1. You shall use only the Proprietary Marks designated by Us as the sole identification of the Franchised Business, and shall use them only in the manner required or authorized and permitted by Us.
2. You shall use the authorized Proprietary Marks only in connection with the right and license to operate the Franchised Business granted hereunder.
3. During the term of this Agreement and any renewal hereof, You shall promote and market Your business as outlined in Our Branding Policy, and not as the owner of the authorized Proprietary Marks.
4. During the term of this Agreement and any renewal of this Agreement, You agree:
 - (A) To identify Yourself (in a manner reasonably acceptable to us) as the owner of the Franchised Business in conjunction with any use of the Proprietary Marks, including uses on invoices, order forms, receipts, and contracts, as well as the display of a notice in such content and form and at such conspicuous locations at the Premises as We may designate in writing; and
 - (B) Not to make any reference to us and/or the Proprietary Marks in employment and human resources documents, including applications, pay stubs, payment notices, employment agreements, correspondence with Your employees, etc.
5. Your right to use the authorized Proprietary Marks is limited to such uses as are authorized under this Agreement or in the Manuals, and any unauthorized use thereof shall constitute an infringement of Our rights and grounds for termination of this Agreement.
6. You shall not use the Proprietary Marks to incur or secure any obligation or indebtedness.
7. You shall not use the Proprietary Marks as part of Your corporate or other legal name though You may use the Proprietary Marks in an assumed or fictitious name registration in accordance with sub-paragraph 8 below. You shall further not use the Proprietary Marks with any prefix, suffix or other modifying words, terms, designs or symbols; or in any modified form; or in connection with the offer or sale of any unauthorized product or service; or in any other manner not expressly authorized in writing by Us.
8. You shall comply with Our standards in filing and maintaining the requisite trade name or fictitious name registrations. You also agree to execute and deliver to us any documents deemed necessary by Us or Our counsel to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.
9. You shall not use the Proprietary Marks or any abbreviation or other name associated with Us or the System as part of any email address, domain name, Web site, search engine, or other identification of Yourself in any electronic medium without Our prior written consent, which may be conditioned or withheld in Our sole discretion. You agree not to transmit or cause any other party to transmit advertisements or solicitations by email or other electronic media without first obtaining Our written consent as to the content of such email advertisements or solicitations as well as Your plan for transmitting such advertisements. We may provide You with an authorized email address and, if We do so, then You will be permitted (and/or required) to use that authorized email address and to do so in accordance with Our standards.

C. Notification of Infringements and Claims.

If You become aware of any infringement of the Proprietary Marks, or if Your use of the Proprietary Marks is challenged by a third party, then You agree to immediately notify Us in writing. You agree not to communicate with any person other than Us and Our counsel in connection with any such infringement, challenge, or claim. With respect to litigation or other proceeding involving the Proprietary Marks, the parties agree that:

1. You must promptly notify us of any suspected infringement of the Proprietary Marks, any known challenge to the validity of the Proprietary Marks, or any known challenge to Our ownership of, or Your right to use, the Proprietary Marks licensed hereunder. You acknowledge that We will have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. We will also have the sole right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks.
2. If You have used the Proprietary Marks in accordance with this Agreement, then We will indemnify and defend You, at Our expense, against any third party claim, suit, or demand involving the Proprietary Marks arising out of Your use thereof. If You have used the Proprietary Marks but not in accordance with this Agreement, then We will still defend You, but at Your expense, against such third party claims, suits, or demands.
3. If We undertake the defense or prosecution of any litigation relating to the Proprietary Marks, You must execute and deliver to us any and all documents and do such acts and things as may, in the opinion of Our counsel, be necessary to carry out such defense or prosecution, including becoming a nominal party to any legal action. Except to the extent that such litigation is the result of Your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, We agree to reimburse You for Your out-of-pocket costs in doing such acts and things, except that You must bear the salary costs of Your employees, and We will bear the costs of any judgment or settlement. To the extent that such litigation is the result of Your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, then You agree to reimburse us for the cost of such litigation, as and at the time We incur such expenses (with invoices to be paid within thirty (30) days of Your receipt), including attorney's fees, as well as the cost of any judgment or settlement.

D. Discontinuance of Use of Proprietary Marks.

We reserve the right to modify or discontinue, in whole or in part, any aspect of the Proprietary Marks or the System or to use one or more additional or substitute trade names, trademarks and service marks for use in identifying the System, the Franchised Business and other WSI Businesses operating thereunder, all of which shall become Proprietary Marks. You agree to comply with Our directions to modify or otherwise discontinue the use of any such Proprietary Mark within a reasonable time after notice thereof. We shall reimburse You for Your reasonable direct expenses in modifying or discontinuing the use of a Proprietary Mark and substituting therefor a different trademark or service mark, provided however, that We shall not be obligated to reimburse You for any loss of goodwill associated with any modified or discontinued Proprietary Mark or for any expenditures made by You to promote a modified or substitute trademark or service mark. All provisions of this Agreement applicable to the Proprietary Marks will apply to any additional trademark or service mark and other commercial symbols hereafter authorized for use by the Franchised Business.

E. Acts Using the Proprietary Marks.

You agree not to directly or indirectly engage in any activities that would be detrimental to or interfere with the operation, reputation, or goodwill of the Franchised Business, us, or the System. You acknowledge and agree that such activities include making, posting, and/or transmitting disparaging comments about the Proprietary Marks, the Franchised Business, us, Our affiliates, other WSI Businesses, and/or the System, in any advertisement, letter, email, digital chat room or equivalent, teleconference, website, blog, social or professional networking site, and/or any other such medium. Nothing in this Section however will preclude You, subject to Your obligation to not disclose any confidential information regarding the Franchised Business or the System, from honestly answering questions asked by prospective franchisees seeking information about the Franchised Business, us, or the System.

F. Acknowledgements Concerning the Proprietary Marks

You understand and acknowledge that:

1. We are the owner (and/or the authorized licensee) of all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them.
2. The Proprietary Marks are valid and serve to identify the System and those who are authorized to operate under the System.
3. Neither You nor any of Your principals may directly or indirectly contest the validity or Our ownership of the Proprietary Marks, nor shall You, directly or indirectly, seek to register the Proprietary Marks with any government agency, except with Our express prior written consent.
4. Your use of the Proprietary Marks does not give You any ownership interest or other interest in or to the Proprietary Marks, except the license granted by this Agreement.
5. Any and all goodwill arising from Your use of the Proprietary Marks shall inure solely and exclusively to Our benefit, and upon expiration or termination of this Agreement and the license granted under this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Your use of the System or the Proprietary Marks.
6. The right and license of the Proprietary Marks granted hereunder to You is non-exclusive, and We thus have and retain the right, among others: (a) To use the Proprietary Marks in connection with selling products and services; (b) To grant other licenses for the Proprietary Marks, in addition to those licenses already granted to existing franchisees; and (c) To develop and establish other systems using the same or similar Proprietary Marks, or any other proprietary marks, and to grant licenses or franchises thereto without providing any rights therein to You.

7. CONFIDENTIAL MANUALS.**A. Compliance.**

In order to protect Our reputation and goodwill and to maintain uniform standards of operation in connection with the Proprietary Marks, You shall conduct Your business in strict compliance with the operational systems, procedures, policies, methods and requirements prescribed in the Manuals (which shall include any specifically named manuals, together with all other manuals, books, pamphlets, videos,

webinars, recordings, online certifications, memoranda, directives, instructions and any supplemental bulletins, notices, revisions, modifications, updates or amendments thereto, and other materials, whether in written, machine readable, electronic or other form, and all of which shall be deemed a part thereof). Electronic access to the Manuals shall be provided to You from Us during the training program. We may alternatively transmit a copy of the Manuals and any revisions by electronic mail, internet, intranet or other electronic means or post the Manuals and any revisions on a website.

B. Use.

You agree to immediately adopt and use the programs, services, methods, techniques, specifications, standards, materials, policies and procedures set forth in the Manuals, as they may be modified by Us from time to time. You confirm that We or Our affiliates or related companies are the owner or licensee of all proprietary rights in and to the System, and the Manuals, and any changes or supplements thereto.

C. Confidentiality.

You shall at all times treat the Manuals, any other manuals created for or approved for use in the operation of the Franchised Business and all of the information contained therein as proprietary and confidential, and shall use all reasonable efforts to maintain such information as confidential. To protect the confidentiality of the Manuals, We, in Our sole discretion, may require Your staff to execute Our pre-approved form of confidentiality agreement.

D. Trade Secrets.

You understand that certain portions of the Manuals are “trade secrets” (which We may or may not designate as such) owned by Us, or Our affiliates or related companies and such designated portions are treated as such by Us.

E. Access.

The trade secrets must be accorded maximum security consistent with Your need to make frequent reference thereto. You shall strictly limit access to the Manuals to employees or agents who have a demonstrable and valid need to know the information contained therein in order to perform their duties. You shall strictly follow any provisions in the Manuals regarding the use of the Manuals and all related proprietary information.

F. Duplication.

You shall not at any time, without Our prior written consent, copy, duplicate, record, download or otherwise reproduce in any manner any part of the Manuals, updates, supplements or related materials, in whole or in part, including on disc, on or offline back-up other electronic means, or otherwise make the same available to any unauthorized person.

G. Our Property.

The Manuals shall at all times remain Our sole property. Upon the expiration or termination of this Agreement for any reason, You shall return to Us the Manuals and all supplements thereto, including any approved copies, records, extracts or reproductions thereof.

H. Updates or Revisions.

We retain the right to prescribe additions to, deletions from or revisions to the Manuals, which shall become binding upon You upon being mailed, emailed or otherwise delivered to You, as if originally set forth therein. The Manuals, and any such additions, deletions or revisions thereto, shall not alter Your fundamental rights and obligations hereunder.

8. CONFIDENTIAL INFORMATION.**A. Confidential Relationship.**

The parties expressly understand and agree that We will be disclosing and transmitting to You certain trade secrets and other confidential and proprietary information concerning various aspects of Your operation of the Franchised Business, its methods of operation, techniques and all proprietary systems, procedures and materials relevant thereto pursuant to the System and this Agreement (the “**Confidential Information**”, which has been more specifically defined in Section 8.C below).

B. Your Obligations.

In order to preserve and protect the trade secrets and the Confidential Information which are disclosed to You during the term of this Agreement, You agree that:

1. You shall treat and maintain the Confidential Information as confidential both during the term of this Agreement and thereafter for as long as the Confidential Information is not in the public domain, but information in the public domain solely through the wrongful actions of You or Your affiliates shall be considered to be Confidential Information notwithstanding;
2. You shall use the Confidential Information only for Your operation of the Franchised Business under this Agreement;
3. You shall disclose the Confidential Information only as necessary to Your employees or agents who have a demonstrable and valid need to know the Confidential Information and not to anyone else;
4. You shall restrict disclosure of the Confidential Information to only those of Your employees or agents who are directly connected with the performance of work requiring knowledge thereof and shall disclose only so much of the Confidential Information as is required to enable those employees or agents to carry out their assigned duties;
5. You shall advise Your employees or agents of the confidential nature of such Confidential Information and the requirements of non-disclosure thereof;
6. We and You shall conduct a review to determine which employees will have access to the Confidential Information and to the Manuals. You shall not disclose any Confidential Information or provide access to the Manuals to such employee or agent until that person executes a non-disclosure agreement in a form substantially similar to Attachment C to this Agreement, acknowledging the confidential and proprietary nature of the Confidential Information and agreeing not to disclose such information during the course of employment or thereafter. Franchisor shall be designated a third-party beneficiary of such

non-disclosure agreements with the right to enforce its provisions independently of You; and

7. You shall promptly notify Franchisor if You learn about any unauthorized use of the Confidential Information. We are not obligated to take any action but will respond to this information as We in Our sole discretion deem appropriate. We have the right to control any litigation relating to the Confidential Information. Upon Our request, You must modify or discontinue the use of this Confidential Information.

C. Confidential Information Defined.

We possess (and may continue to develop and acquire) certain confidential information relating to the development and operation of WSI Businesses (the “**Confidential Information**”), which includes:

1. methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating WSI Businesses;
2. market research and promotional, marketing and advertising programs for WSI Businesses;
3. knowledge of specifications for and suppliers of, and methods of ordering, certain materials, equipment and supplies that WSI Businesses use;
4. knowledge of the operating results and financial performance of WSI Businesses other than the Franchised Business;
5. client communication programs, along with data used or generated in connection with those programs;
6. the customer list, the customer database, and the mailing list (excepting for such preexisting customer list of Yours as may be attached to this Agreement and initialed by both parties);
7. the terms of this Agreement;
8. the Manuals; and
9. graphic designs and related intellectual property.

You agree that: (i) You will not acquire any interest in the Confidential Information, other than the right to use certain Confidential Information in operating the Franchised Business during this Agreement’s term and according to this Agreement’s terms and conditions; (ii) Your use of any Confidential Information in any other business would constitute an unfair method of competition with Us and Our franchisees and may violate certain laws; and (iii) the Confidential Information is proprietary, includes Our trade secrets (and/or those of Our affiliates or related companies) and is disclosed to You only on the condition that You, Your owners and employees who have access to it agree, and they do agree, that You, and Your owners and such employees:

- (a) will not use any Confidential Information in any other business or capacity;
- (b) will keep the Confidential Information absolutely confidential during and after this Agreement’s term and for as long as the Confidential Information is not in the

public domain (and information in the public domain solely through the wrongful actions of You or Your affiliates shall be considered as Confidential Information notwithstanding);

- (c) will not make unauthorized copies of any Confidential Information whether disclosed via electronic medium or in written or other tangible form; and
- (d) Confidential Information shall not include information which You can demonstrate came to Your attention prior to its disclosure by Us or which, at the time of its disclosure by Us to You, had become a part of the public domain through publication or communication by others or which, after disclosure to You by Us, becomes a part of the public domain through publication or communication by others. It is understood and agreed that information, improvements to the System or techniques prepared, compiled or developed by You, Your employees or agents during the term of this Agreement and relating to the Franchised Business, whether developed separately or in conjunction with Us, shall be considered as part of the Confidential Information. You may not use such improvements or techniques in the operation of the Franchised Business or otherwise unless approved by Us. You hereby grant to Us an irrevocable, worldwide, exclusive, royalty-free license, with the right to sublicense such information, improvement or technique.

D. Protection of Information.

You understand that Our franchisees will have knowledge of confidential matters, trade secrets, management and training techniques, operational, accounting, quality control procedures, programs and other methods developed by Us through and in Our System which, for purposes of this Agreement, are owned by Us and which are necessary and essential to the operation of the Franchised Business, without which information You could not efficiently and effectively operate the same. You further confirm and agree that: (a) You did not know the Confidential Information before negotiation for and execution of this Agreement; (b) the distinctive and novel combination of “know how” and methods that We have developed and licensed to You for the operation of the Franchised Business are exclusively Our property; (c) You shall take all steps necessary, at Your own expense, to protect the Confidential Information; and (d) You shall not divulge the Confidential Information either during or upon the termination of this Agreement without Our prior written consent.

E. Remedies.

You understand that, in the event of any breach of this Section 8, We could suffer substantial loss and damage, which monetary damages cannot adequately remedy. You accordingly agree that We shall be entitled to specific performance, injunctive or other equitable relief in enforcing Your obligations under this Agreement in addition to all other remedies available at law. You also agree that, in addition to any remedies available to Us under Section 13 hereunder, and including the right to seek damages, where applicable, You will pay all court costs and reasonable attorneys’ fees incurred by Us in obtaining specific performance of, a temporary restraining order and/or an injunction against, violation of the requirements of this Section 8.

9. ACCOUNTING, INSPECTIONS AND RECORDS.

A. Maintenance of Books and Records.

You shall maintain during the term of this Agreement and shall preserve for not less than seven (7) years from the date of preparation full, complete and accurate books, records and accounts in accordance with the System and in the form and manner prescribed by Us in the Manuals or otherwise in writing.

B. Weekly and Monthly Reports, Financial and Related Reporting.

During the term of this Agreement and any renewal hereof, You shall be required, at Your expense, to submit to Us a monthly statement of Gross Revenues, and a monthly operating report (which may be unaudited) for the Franchised Business in the form prescribed by Us. The report shall include, but not be limited to, a statement of the sources of all income by customer. The monthly report shall be due not later than the tenth (10th) day of each month for the preceding month and shall be submitted, using Our designated online communications system, to Franchisor. You shall also be required to submit all sales, leads, and client interactions using Our designated systems. Additionally, We reserve the right to require from time to time that You submit to Us, at Your expense, weekly activity reports within one hundred and twenty (120) days of the completion of Your fiscal year. You shall also prepare, and submit at Your expense, an annual financial statement which shall include an income statement and balance sheet prepared in accordance with generally accepted accounting principles and a list of revenue by customer together with copies of federal and state tax returns for the Franchised Business. Each annual financial statement and tax return shall be prepared by an independent certified public accountant and signed by Your President or Treasurer attesting that the statement is true and correct.

We also reserve the right to require You to submit to Us certified financial statements and/or annual financial statements for any period or periods of any fiscal year, which shall be certified by Your accounting firm and attested to by Your Treasurer or Chief Financial Officer. You shall also submit to Us, upon request, a copy of any of Your periodic federal and state sales or income tax returns applicable to the Franchised Business.

C. Other Submissions.

You shall also submit to Us, for review and auditing, such other forms, and other reports and any and all other information and data as We may reasonably designate, in the form and at the times and places reasonably required by Us, upon request and as specified from time to time in the Manuals or otherwise in writing, at any time during the term of this Agreement.

D. Inspection.

We or Our designated agents shall have the right at all reasonable times to examine and copy, at Our expense, Your books, records, receipts and tax returns. We shall also have the right, at any time, to have an independent audit made of Your books. You agree to afford us sufficient access to Your books, records, receipts, and tax returns, whether in paper or digital form to implement this clause, whether We seek to inspect those items at the Premises or remotely (for example, by access to electronic records or by Your submission to us of accurate copies), in accordance with Our reasonable requests. If an inspection discloses that You understated any amounts owed to Us by ten percent (10%) or more, or if You did not maintain and/or provide us with access to Your records, then You agree (in addition to paying Us the overdue amount and interest) to reimburse Us for any and all costs and expenses We incur in connection with the inspection (including travel, lodging and wages expenses, and reasonable accounting and legal costs). These remedies

will be in addition to any other remedies We may have. We may exercise Our rights under this Section directly or by engaging outside professional advisors (for example, a CPA) to represent Us.

10. ADVERTISING.

A. Promotional and Marketing Materials.

All promotional and marketing materials to be used by You in any medium shall conform to such standards and requirements as We may specify, from time to time, in the Manuals or otherwise. You shall submit to Us for Our prior approval, samples of all promotional and marketing materials in whatever form that You desire to use and that have not been approved within the last three (3) months by Us. We shall notify You of Our approval or disapproval thereof within ten (10) days from the date of receipt by Us of such materials. You shall comply with all revisions to said promotional and marketing materials, which Franchisor may require prior to approving said promotional and marketing materials. You shall not use any advertising or promotional plans or materials that have not been approved by Us, and You shall cease to use any plans or materials promptly upon notice by Us. Failure by You to obtain Our prior approval for all proposed advertising shall be deemed a default of this Agreement in accordance with Section 13.B. hereof.

B. Use of the Internet.

You shall, during the term of this Agreement, maintain access to the Internet and comply with all Internet, social media and privacy policies announced by Us from time to time, and as required by applicable law. Any advertising or other presence or promotion by You on the Internet and in social media must comply with Our Internet, social media and privacy policies, data protection requirements and applicable law, including the contents of Your Website.

You may promote the Franchised Business through a Digital Site which may be provided by Us or on any other Digital Site pre-approved in writing by Us, but You may not develop Your own independent Digital Site making use of the Proprietary Marks to promote the Franchised Business. The term “**Digital Site**” used in this Agreement is agreed to mean one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including the Internet, World Wide Web, webpages, microsites, social media sites, social networking sites (including Facebook, Twitter, LinkedIn, YouTube, TikTok Pinterest, Instagram, etc.), blogs, vlogs, podcasts, applications to be installed on mobile devices (e.g., iOS or Android apps), and other applications, etc. Any and all material (including social media handles, addresses, mobile property, address, domain name, and other identifiers) used in any Digital Site owned or maintained by or for Your benefit shall belong exclusively to Us.

You agree that You will not utilize any Digital Site used to promote the Franchised Business in any manner not approved by Us including misuse of the Proprietary Marks, and You agree to abide by all terms and conditions prescribed by Us in relation to any Digital Site provided to You or used by You for the promotion of the Franchised Business. You accordingly agree not to promote or otherwise conduct business hereunder through the Internet without Our consent. In connection with any such consent, We may establish such requirements as We deem appropriate, including:

- (a) obtaining Our prior written approval of any Internet domain name, home page and social media addresses;
- (b) obtaining of account information for any of the Internet customer accounts used by You in the Franchised Business;

- (c) submission for Our approval of all Digital Site pages, advertising materials and content including content on social media;
- (d) use of all meta-tags, hyperlinks and other links;
- (e) restrictions on use of any materials (including text, video clips, photographs, images and audio clips) in which any third party has any ownership interest;
- (f) obtaining Our prior written approval of any modifications; and
- (g) consenting in advance to removal of any Digital Site pages, materials, advertising and content as We deem desirable, in Our sole discretion, to maintain and enhance the goodwill associated with the Proprietary Marks.

We may, at Our discretion, promote and offer franchises, or otherwise conduct business through the Internet on such terms and conditions as We deem appropriate. In connection therewith, You agree to abide by such reasonable requirements and restrictions as We may impose from time to time. We may require You to participate in any such endeavors, including participation with pages on any of Our Digital Sites, and to execute such agreements and to pay such fees as We deem reasonably appropriate in connection therewith.

11. INSURANCE.

A. Procurement.

You shall procure, and thereafter maintain in full force and effect during the term of this Agreement, at Your expense and consistent with requirements in the Manuals and as set out below, an insurance policy or policies protecting You and Us, and Your and Our respective officers, directors, partners and employees. All insurance policies required below must be written by a responsible carrier, reasonably acceptable to us and all insurance (excluding workers' compensation) must name us, our officers, directors, shareholders, partners, agents, representatives and independent contractors as additional insureds. The insurance policies must include a provision that the insurance carrier must provide us with no less than 30 days' prior written notice in the event of a material alteration to, or cancellation of, any insurance policy. A certificate of insurance must be furnished by you to use at the earlier of 90 days after the Contract Date of this Franchise Agreement or prior to the commencement of our initial training program. Insurance coverage must be at least as comprehensive as the minimum requirements set forth below. You must consult your carrier representative to determine the level of coverage necessary for the Franchised Business. Higher exposures may require higher limits. Currently, we have designated a preferred provider of insurance for the System. You must, at a minimum, obtain and maintain the following:

- (a) Comprehensive general liability insurance, including products and completed operations, in an amount of not less than the following combined single limits: \$1,000,000 per occurrence and \$2,000,000 completed operations/products aggregate per location;
- (b) Statutory workers' compensation insurance and employers' liability insurance as required by the law of the state in which the Franchised Business is located, including statutory workers' compensation limits and employers' liability limits of at least \$1,000,000; and
- (c) Cyber security insurance (recommended but not mandatory).

B. No Relief of Liability to Us.

The procurement and maintenance of such insurance shall not relieve You of any liability to Us under any indemnity requirements of this Agreement.

12. TRANSFER OF INTEREST; OPERATION BY US.**A. Transfer by Us.**

We shall have the right to assign this Agreement, and any or all of Our rights and privileges hereunder, to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by Our assignee of the functions of Franchisor: (1) the assignee shall, in Our sole judgment, at the time of such assignment, be capable of performing Our obligations hereunder, and (2) the assignee shall expressly assume and agree to perform such obligations.

B. Transfer by You.

1. The rights and duties set forth in this Agreement are personal to You, and You understand that We have entered into this Agreement and granted the license hereunder in reliance on Your business skill and financial capacity. Accordingly, neither You, any immediate or remote successor to any part of Your interest in the Franchised Business, any individual, partnership, corporation, limited liability company or other legal entity which directly or indirectly owns an interest in You, if You are a corporation or limited liability company, nor any general partner or any limited partner (including any entity which controls, directly or indirectly, any general or limited partner) if You are a partnership, shall sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in You and You shall not sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in the Franchised Business or this Agreement without Our prior written consent unless the transfer is a Permitted Transfer as hereinafter defined. Any purported assignment or transfer, by operation of law or otherwise, not having Our written consent, or any purported assignment or transfer to a candidate for a franchise who has responded to Our promotional efforts, or to a related person of such candidate, or to a company controlled by such candidate, and who is therefore already currently in or who has been in the Our selection process at any time within the prior twelve (12) months preceding Your submission of application to transfer, shall be null and void and shall constitute a material breach of this Agreement, for which We may then terminate without opportunity to cure pursuant to Section 13.A. of this Agreement.
2. For the purposes of this section, a Permitted Transfer is either (i) a transfer of an ownership interest in You (if You are an entity) of less than five percent (5%), or (ii) a transfer of any ownership interest in You (if You are an entity) to a spouse, child, sibling or parent, or a trust or a similar entity created for the benefit of any of the foregoing persons, provided that neither (i) nor (ii) may result in transferee's ownership of a controlling ownership stake in You, whether through one or an aggregated series of such transfers. You must provide us with written notice of any Permitted Transfer in You or Your entity. Any individual who becomes an owner in You due to a Permitted Transfer (a) may not be one of Our competitors or associated with one of Our competitors, (b) may not violate Section 13.A.6. or Section 15.O. of this Agreement, and (c) must (if they have not already) sign a personal guaranty in the form found in Attachment B to this Agreement.
3. We shall not unreasonably withhold Our consent to a transfer of any interest in You or in this Agreement; provided, however, that if a transfer, alone or together with other previous, simultaneous or proposed transfers, would have the effect of transferring an interest in You, this

Agreement or the Franchised Business, We may, at Our sole discretion, require any or all of the following as conditions of Our approval:

- (a) All of Your accrued monetary obligations and all other outstanding obligations to Us (our subsidiaries, affiliates and suppliers), and to Your vendors, shall be up to date, fully paid and satisfied;
- (b) Neither You nor any individual(s), corporation(s), partnership(s) or other legal entities directly or indirectly controlling You, nor Your officers and directors shall be in default of any provision of this Agreement, any amendment hereof or successor to this Agreement, or any other franchise agreement, or any other agreement between You and Us, or Our subsidiaries, affiliates or suppliers;
- (c) You and each of Your shareholders and other owners, officers and directors shall have executed a general release, in a form satisfactory to Us, of any and all claims against Us, Our subsidiary, related or affiliated companies, together with the officers, directors, shareholders and employees of all such companies in their corporate and individual capacities, including claims arising under federal, state and local laws, rules and ordinances;
- (d) The seller, the buyer, and their respective principals shall enter into a written transfer agreement, in a form that We prepare (and the buyer's principals shall sign a personal guarantee of this Agreement to take effect upon the closing of the transfer);
- (e) Other than a Permitted Transfer, the transferee shall demonstrate to Our satisfaction that the transferee meets Our educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to operate the Franchised Business (as may be evidenced by prior related experience or otherwise); has at least the same managerial and financial abilities required of new franchisees and shall have sufficient equity capital to operate the Franchised Business, and transferee shall be required to consent in writing to an investigation of transferee's credit rating by Us and to the obtaining of a credit report by Us;
- (f) At Our option, the transferee shall execute (and/or, upon request, shall cause all interested parties to execute) for a term ending on the expiration date of this Agreement and with such renewal term as may be provided by this Agreement, the standard form of Franchise Agreement then being offered to new franchisees and such other ancillary agreements as We may require for the Franchised Business, which agreements shall supersede this Agreement in all respects and the terms of which agreements may differ from the terms of this Agreement, including a higher percentage management services fee, and the implementation of additional fees;
- (g) You shall remain liable for all direct and indirect obligations to Us in connection with the Franchised Business prior to the effective date of the transfer and shall continue to remain responsible for its obligations of non-disclosure, noncompetition and indemnification as provided elsewhere in this Agreement and shall execute any and all instruments reasonably requested by Us to further evidence such liability;
- (h) Transferee and its employees must successfully complete any training programs then in effect for current franchisees upon such terms and conditions as We may reasonably require, and transferee shall pay for all costs of attendance including transportation,

accommodation, food and other sundry expenses of transferee and its employees while attending training. Two persons may attend training free of charge but additional persons shall be charged a per diem fee to attend training in accordance with Section 5.B hereof;

- (i) The transferee shall have signed an Acknowledgment of Receipt of all required legal documents, such as the Franchise Disclosure Document and the then-current Franchise Agreement and ancillary agreements;
 - (j) You shall comply with the covenant in Section 15.B – Post-Term Non-Competition for a period of one year beginning on the effective date of the transfer;
 - (k) You shall pay to Us a Transfer Fee equal to Eleven Thousand Dollars (\$11,000). The nonrefundable Transfer Fee shall cover Our administrative expenses and other costs in connection with the proposed transfer and shall be fully payable prior to any such transfer. However, no Transfer Fee will be due if You are an individual who is transferring this Agreement to a business entity wholly owned by You and formed solely for the purpose of operating the Franchised Business or if the transfer is otherwise a Permitted Transfer; and
 - (l) You shall comply with all of Our transfer and re-sale policies as they are in effect from time to time in the Manuals and shall execute Our standard transfer and resale documentation. Under Our transfer and re-sale policies, You may transfer only to transferees who are not now and were not, at any time during the twelve (12) month period prior to Your submission of an application for transfer, included within Our sales process or within the sales process of any broker organizations that are under contract with Us.
4. You shall grant no security interest in You, this Agreement, the Franchised Business or in any of Your assets used in the Franchised Business unless the secured party agrees that, in the event of any default by You under any documents related to the security interest, We shall have the right and option (but not the obligation) to be substituted as obligor to the secured party and to cure any default of Yours. Notwithstanding the foregoing, We shall not be construed as a guarantor or surety for You.
 5. You agree that each of the foregoing conditions of transfer which must be met by You and the transferee are necessary and reasonable to assure such transferee's full performance of the obligations hereunder.

C. Additional Requirements – You as Legal Entity.

The following requirements shall apply to You if You are an entity (whether a corporation, limited liability company, partnership, or other legal entity) in addition to those requirements set forth elsewhere in this Agreement, the Manuals, and otherwise:

1. The entity formed to operate the Franchised Business must not be used for any unlawful purpose.
2. Copies of Your Articles of Incorporation, Bylaws and other governing documents, and any amendments thereto, including the resolutions of the Board of Directors or equivalent documents authorizing entry into this Agreement, shall be promptly furnished to Us.

3. Each stock certificate, membership certificate or other evidence of an ownership interest in the entity formed to operate the Franchised Business shall have conspicuously endorsed upon its face a statement in a form satisfactory to Us, such as:

“The transfer, pledge or alienation of this security is subject to the terms and restrictions contained within the franchise agreement between National Internet Corporation and dated [date].”

4. You shall maintain a current list of all owners of record and all beneficial owners of any class of voting stock, membership interest or other ownership interest in You and shall furnish the list to Us upon request, together with the addresses and phone numbers of each shareholder or member.

All Your shareholders, members or other owners shall jointly and severally guarantee Your performance hereunder and shall bind themselves to the terms of this Agreement; provided, however, that the requirements of this Section 12.C shall not apply to a publicly held corporation.

D. Franchisor’s Right of First Refusal.

If You and/or any party that holds an interest (as reasonably determined by Us) in You or in the Franchised Business, wishes to accept any bona fide offer from a third party to purchase that interest, You agree to notify Us in writing of each such offer. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification, to send written notice to the seller that We intend to purchase the seller’s interest on the same terms and conditions offered by the third party. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by Us as in the case of an initial offer. In the event that We elect to purchase the seller’s interest, closing on such purchase must occur by the later of: (a) the closing date specified in the third party offer; or (b) within thirty (30) days from the date of notice to the seller of Our election to purchase. Our failure to exercise the option afforded by this Section shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 12 with respect to a proposed transfer.

In the event the consideration, terms and/or conditions offered by a third party are such that We may not reasonably be required to furnish the same consideration, terms and/or conditions, then We may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree, within a reasonable time, on the reasonable equivalent in cash of the consideration, terms and/or conditions offered by a third party, an independent appraiser shall be designated by Us, and his determination shall be final and binding.

E. Transfer Upon Death, Mental Incapacity or Disability.

Upon the death, mental incapacity or disability of You or a shareholder of a corporation, a member of a limited liability company or a general partner of a partnership which has been formed to own and operate the Franchised Business, Franchisor shall consent to the transfer of said interest in You, the Franchised Business and this Agreement to the spouse, heirs or relatives by blood or by marriage, of the deceased, incapacitated or disabled person, whether such transfer is made by will or by operation of law, if, in Our sole discretion and judgment, such spouse, heirs or relatives meet Our educational, managerial and business standards; possess a good moral character, business reputation and credit rating; have the aptitude and ability to conduct the Franchised Business herein; have at least the same managerial and financial abilities required of new franchisees and shall have sufficient equity capital to operate the Franchised Business. If said transfer is not approved by Us, the executor, administrator or personal representative of the deceased,

incapacitated or disabled person shall transfer his interest to a third party approved by Us within six (6) months after such death, mental incapacity or disability. Such transfer shall be subject to Our right of first refusal and to the same conditions as any inter vivos transfer. For purposes of this Agreement a person is deemed to be physically disabled if he or she is physically unable to carry out his or her responsibilities and obligations under this Agreement for a minimum of six (6) months as a result of such disability. A person is deemed to be mentally incapacitated for purposes of this Agreement who is incapable of carrying out his or her responsibilities and obligations under this Agreement by virtue of being confined in a mental health care facility for a period of six (6) months or more by virtue of a declaration or finding of mental incompetence or mental incapacity of the individual by a doctor or by a court of law.

F. Non-Waiver of Claims.

Our consent to a transfer of any interest in You, the Franchised Business or this Agreement shall not constitute a waiver of any claims We may have against the transferring party, and it will not be deemed a waiver of Our right to demand exact compliance with any of the terms of this Agreement, or any other agreement to which We and the transferee are parties, by the transferee.

13. TERMINATION BY US.

A. Without Opportunity to Cure.

You shall be deemed to be in default and We may, at Our option, terminate this Agreement and all rights granted hereunder, without affording You any opportunity to cure the default, effective immediately upon receipt of notice from Us to You, upon the occurrence of any of the following events:

1. If You become insolvent or make a general assignment for the benefit of creditors, or if a bill in equity or other proceeding for the appointment of a receiver or other custodian for Your business or assets is filed and consented to by Franchisee, or if a receiver or other custodian (permanent or temporary) of Franchisee's business or assets is appointed by any court of competent jurisdiction, or if proceedings for a conference with a committee of creditors under any state, federal or foreign law should be instituted by or against You, or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless *supersedeas* bond is filed), or if execution is levied against Your operating location or property, or suit to foreclose any lien or mortgage against the premises or equipment is instituted against You and not dismissed within thirty (30) days, or if any substantial real or personal property of the Franchised Business must be sold after levy thereupon by any sheriff, marshal or constable;
2. If You attempt to duplicate, tamper with or adulterate the Confidential Information or any of Our proprietary materials;
3. If a threat or danger to public health or safety results from the establishment, maintenance or operation of the Franchised Business;
4. If You have made any material misrepresentation or omission in this Agreement or the franchise application process or other request for consideration submitted to Us in order to determine Your eligibility and qualifications;
5. If You are convicted of a crime of moral turpitude or similar felony or is convicted of any crime or offense that We reasonably believe is likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith or Our interest therein;

6. If a judgment or a consent decree against You, or any of Your officers, senior managers, directors, owners or partners is entered in any case or proceeding involving allegations of fraud, racketeering, unfair or improper trade practices or any similar claim which is likely in Our reasonable judgment, to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith or Our interest therein;
7. If You (or the principal owner or general partner of a corporate, limited liability company, or partnership franchisee) purports to transfer any right or obligation under this Agreement to any third party without Our prior written consent, contrary to any of the terms of Section 12 of this Agreement;
8. If You fail to comply with any of the covenants contained in Section 15 of this Agreement, or if any of Your representations contained in Section 15 were or become inaccurate;
9. If, contrary to Sections 7 and 8 of this Agreement, You disclose or divulge the contents of the Manuals or any other trade secrets or Confidential Information provided to You by Us;
10. If You knowingly maintain false books or records or submit any false statements, applications or reports to Us or any assignee of Ours;
11. If You willfully and repeatedly engage in a course of conduct which constitutes a misrepresentation or a deceptive or unlawful act or practice in connection with Your sale of the services and products offered in connection with the Franchised Business;
12. If any other Franchise Agreement issued to You or Your affiliates by Us or any subsidiary, related or affiliated company is terminated for any reason;
13. If You receive two (2) or more notices of default under Section 13.B. of this Agreement during any twelve (12) month period during the term hereof whether or not such defaults are cured after notice;
14. If You offer any product or service directly or indirectly in connection with the Franchised Business which has not been approved in advance in writing by Us;
15. If You utilize the Confidential Information, in any manner not authorized in writing by Us;
16. If You invoice a customer of the Franchised Business outside of the designated enterprise system; or
17. If You fail to comply with Our ethical standards, which We periodically make available to You in the Manuals and otherwise in writing, and in particular if You place any material on the Internet which would have a negative effect on Us or the Franchised Business including information of a pornographic, illegal or distasteful nature.

B. With Opportunity to Cure.

Except as otherwise provided in Section 13.A above, upon any other default by You, We may terminate this Agreement only by giving written notice of termination (in the manner set forth under Section 21 below) stating the nature of such default to You at least thirty (30) days before the effective date of termination; 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 of the cure to us within the thirty-day period. 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 the thirty (30) day period or such longer period as applicable law may require.

C. Injunctive Relief.

You acknowledge that Your violation of the terms of this Agreement would result in irreparable injury to us for which no adequate remedy at law may be available, and You accordingly consent to the issuance of an injunction prohibiting any conduct in violation of the terms of this Agreement. You also waive any requirement that We post a bond in order to obtain such an injunction and agree to pay all reasonable expenses (including attorneys' fees) that We incur in obtaining injunctive relief pursuant to this section.

D. No Right or Remedy.

No right or remedy herein conferred upon or reserved to Us is exclusive of any other right or remedy provided or permitted by law or equity or by this Agreement (including, and pursuant to Section 4.B. hereof, Our right to suspend access to Our system or other services including email and web property access, for such time as any amounts owed to Us pursuant to this Agreement remain unpaid).

E. Default and Termination.

The events of default and grounds for termination described in this Section 13 shall be in addition to any other grounds for termination contained elsewhere in this Agreement or otherwise, and shall also be in addition to any rights that We have in law or at equity.

14. OBLIGATIONS UPON TERMINATION OR EXPIRATION.

Upon termination or expiration of this Agreement, all rights granted hereunder to You shall forthwith terminate, and You shall observe and perform the following:

A. Cessation of Operation.

You shall immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold Yourself out as a franchisee or former franchisee of Ours.

B. Cessation of Use of Proprietary Marks.

You shall immediately and permanently cease to use, in any manner whatsoever, the Manuals, the Confidential Information (including any format, confidential methods, computer software and/or telecommunications links, customer data base, programs, literature, procedures and techniques associated with the System), and any and all Proprietary Marks or any trade dress, names, forms, slogans, uniforms, signs, symbols or devices associated with the System. In particular, You shall cease to use, without limitation, all advertising materials or promotional displays, uniforms, stationery, forms and Digital Site properties including social media, passwords, and customer advertising accounts controlled by You, and any other articles which display the Proprietary Marks associated with the System.

C. Cancellation of Name.

You shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains Our Proprietary Marks or any of Our other trademarks, trade names or service marks, and You shall furnish Us with evidence satisfactory to Us of compliance with this obligation within fifteen (15) days after termination or expiration of this Agreement. If You fail or refuse to do so, We may, in Your name, on Your behalf and at Your expense, execute any and all documents necessary to cause discontinuance of the Proprietary Marks or any related name used hereunder and We are hereby irrevocably appointed by You as Your attorney-in-fact to do so.

D. Our Right to Continue Operations.

In the event this Agreement is terminated, We may, at Our option, continue to provide services to customers and apply receipts therefrom to debts owed to Us by You. We will have no other obligations to You in connection with Our operation of the Franchised Business following said termination.

All Confidential Information (including Confidential Information assembled during the term of this Agreement) shall be Our property and shall be delivered to Us on termination or expiration of this Agreement as set forth below in Section 14.H. Further, We shall be entitled both before and after the termination or expiration of this Agreement to contact directly customers of the Franchised Business included in the Confidential Information. Notwithstanding the foregoing or any other provision of this Agreement, the Confidential Information shall be deemed to exclude any of Your pre-existing customers whose names are listed as pre-existing customers in an Attachment to this Agreement.

E. Non-Usage of Marks.

You agree, in the event You continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Proprietary Marks or trade dress, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute Our exclusive rights in and to the Proprietary Marks or trade dress, and agree not to utilize any designation of origin or description or representation which suggests or represents any past, present, or other association or connection with Us, the System, and/or the Proprietary Marks. You shall further dissociate Yourself from using the Proprietary Marks and from continuing to represent Yourself online, in social media platforms such as LinkedIn and Facebook or otherwise, as a WSI Franchisee or as having a continuing right to offer services as a WSI Franchisee, following termination or expiration of this Agreement.

F. Prompt Payment Upon Default.

You shall promptly pay all sums owing to Us and Our subsidiaries, affiliates and suppliers. In the event of termination for any default of Franchisee, such sums shall include all damages, costs and expenses, including reasonable attorneys' fees, incurred by Us as a result of the default, and such amounts as are owing to Us under this Section shall bear interest on such amounts from the date it was due until paid at the Default Rate (but in any case, not more than the maximum interest rate under any law that applies to You). Such interest shall be calculated on a daily basis. We may also require an accounting to be performed by a representative of Ours, in the event of termination for any default by You, and on receipt of a written request to do so You shall provide Our representative with full, unimpeded and unrestricted access to Your books and records in order for such accounting to be completed. Amounts which may be found due and owing from either You to Us, or vice versa, as a result of such accounting, shall be paid within sixty (60) days of completion of the accounting from the one to the other.

G. Payment of Costs.

You shall pay to Us all damages, costs and expenses, including reasonable attorneys' fees, incurred by Us subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provision of this Section 14 or any other obligation under this Agreement.

H. Return of Materials.

You shall immediately turn over to Us all copies of all materials in Your possession relating to the Franchised Business including the Manuals, all records, files, instructions, correspondence, Confidential Information (save any names as may have been excluded by Attachment to this Agreement), brochures, agreements, disclosure statements and any and all other materials relating to the operation of the Franchised Business in Your possession, and all copies thereof (all of which are acknowledged to be Our property), and You shall retain no copy or record of any of the foregoing, excepting only Your copy of this Agreement, any correspondence between the parties and any other documents which You reasonably need for compliance with any provision of law. All costs of delivering all materials required by this Section shall be borne by You. Furthermore, You shall pay to Us the sum of \$100 for each day that You withhold any materials required to be returned to Us after the due date for its return (which shall be thirty (30) days following the date of the notice of termination or expiration of this Agreement sent to You), and We shall be entitled to exercise the same remedies available to Us for collection of such amounts as We have for any other amounts owing under any other paragraph or section in this Agreement.

I. Covenant of Further Assurances.

You shall execute any legal document that may be necessary to effectuate a termination hereunder and shall furnish to Us, within thirty (30) days after the effective date of termination or expiration, written evidence satisfactory to Us of Your compliance with the foregoing obligations.

J. Compliance with Covenants.

You shall comply with all covenants contained in Section 15 of this Agreement which apply after termination or expiration of this Agreement.

K. No Further Interest.

Other than as specifically set forth above, You shall have no interest in the Franchised Business upon termination or expiration of this Agreement nor shall You have any right to a refund of the franchise fee or other amounts paid to Us pursuant to this Agreement upon its termination or expiration.

L. No Communication of Termination to Franchisees.

Upon termination of Your franchise, You shall not communicate notice of Your termination to any other franchisees of Ours or to any franchisees of any subsidiary, affiliated or related corporations franchising WSI Businesses irrespective of wherever such franchisees may be situated.

M. Cross Default.

Any default under the terms of any other unexpired agreement between Us or one of Our affiliates and You shall also be deemed to be in default under this Agreement. In the event that We terminate such other unexpired agreement based on such default, We herein shall have the right to immediately terminate this

Agreement without providing You with an opportunity to cure the default. Such termination shall be effective immediately on written notice delivered to You.

15. COVENANTS.

A. Non-Solicitation and In-Term Non-Competition.

During the term of this Agreement, You will receive valuable specialized training and confidential and other information regarding Our business, promotional, sales, marketing and operational methods and techniques and the System. You covenant that during the term of this Agreement, and except as otherwise approved in writing by Us, You shall not, either directly or indirectly, for Yourself, or through or on behalf of or in conjunction with any person, persons, partners or legal entity:

1. Divert or attempt to divert any business or customer of the Franchised Business or any other WSI Business to any Competitive Business (defined below), 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 Proprietary Marks and the System;
2. Own, maintain, engage in, be employed by, advise, assist, invest in, franchise, make loans to or have any controlling interest in any Competitive Business which is the same as or substantially similar to the Franchised Business; and/or
3. Permit any person referred to in Section 15.I to fail to execute covenants similar to those otherwise set forth in Section 15 for signature by You, such covenants to be executed by such person on or before commencement of any active involvement of such person with the Franchised Business.

The term “**Competitive Business**” means any business that is: (a) the same as or substantially similar to the Franchised Business; and/or (b) derives more than twenty-five percent (25%) of its revenue from providing digital marketing services to its customers.

B. Post-Term Non-Competition.

You covenant that, except as otherwise approved in writing by Us, for a continuous uninterrupted period commencing upon the expiration, transfer, and/or termination of this Agreement, regardless of the cause for termination, and continuing for one (1) year thereafter, You will not either directly or indirectly, for itself or through, on behalf of or in conjunction with any person, persons, partnership, corporation, limited liability company or other legal entity, own, maintain, engage in, be employed by, advise, assist, invest in, franchise, make loans to, or have any interest in any Competitive Business that is located or to be located in the Restraint Area, as defined below. The term “**Restraint Area**” means:

- (a) if You have selected a Regional Territory – each of the following:
 - i. the Regional Territory under this Agreement; and
 - ii. anywhere within the local territory and/or regional territory of any other WSI franchisee who was in the System at the time of expiration, transfer or termination of this Agreement.

- (b) if You have selected a National Territory – each of the following:
 - i. anywhere within twenty five (25) miles from: (a) the Premises; and/or(b) any customers of Your Franchised Business; and
 - ii. anywhere within the local territory and/or regional territory of any other WSI franchisee who was in the System at the time of expiration, transfer or termination of this Agreement.
- (c) if You have selected an International Territory – each of the following:
 - i. anywhere within twenty five (25) miles from: (a) the Premises; and/or(b) any customers of Your Franchised Business; and
 - ii. anywhere within the local territory and/or the regional territory of any other WSI franchisee who was in the System at the time of expiration, transfer or termination of this Agreement.

You further covenant not to use Our suppliers or to do business with other franchisees of Ours, during the period and within the Restraint Area provided for above.

You acknowledge and agree that gaining access to Our Proprietary Marks, specialized training and Confidential Information is a primary reason for entering into this Agreement and that such Proprietary Marks, specialized training and Confidential Information provide a competitive advantage that will be used by You in operating the Franchised Business. You further agree that it would provide You with an unfair competitive advantage and would be damaging to Our legitimate business interests if You were to trade on the goodwill associated with the Franchised Business by operating a Competitive Business in the Restraint Area after a transfer, expiration, and/or termination of this Agreement. You acknowledge that it is difficult to estimate the damage such actions would cause Us and that elements of Our damages are inherently difficult to calculate and the proof of such damages would be burdensome and costly, although such damages are real and meaningful. You therefore agree that should You, during the one (1) year period following the expiration or termination of this Agreement, directly or indirectly, for Yourself or through, on behalf of or in conjunction with any person, persons, partnership, corporation, limited liability company or other legal entity, own, maintain, engage in, be employed by, advise, assist, invest in, franchise, make loans to, or have any interest in any Competitive Business located in the Restraint Area.

C. No Undue Hardship.

You acknowledge and agree that the covenants not to compete set forth in this Agreement are fair and reasonable and will not impose any undue hardship on You, or Your owners if You are a legal entity, since You, and Your owners have other considerable skills, experience and education which afford You, Your shareholders or partners the opportunity to derive income from other endeavors.

D. Inapplicability of Restrictions.

The non-competition covenants contained herein shall not apply to ownership by You of less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly held corporation.

E. Independence of Covenants.

The parties agree that each of the covenants in this Agreement shall be construed as independent of any other covenant or provision of this Agreement. If any or all portions of the covenants in this Agreement are held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which We are a party to, You expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

F. Modification of Covenants.

We have the right to reduce the scope of any covenant set forth in this Section 15 or any portion thereof, without Your consent, effective immediately upon receipt by You of written notice thereof, and You agree that You shall then comply with any covenant as so reduced, which shall be fully enforceable (notwithstanding the provisions of Section 16 below).

G. Enforcement of Covenants.

You expressly agree that the existence of any claims You may have against Us, whether or not arising from this Agreement, shall not constitute a defense to Our enforcement of the covenants in this Agreement. You agree to pay all costs and expenses (including reasonable attorneys' fees) that We incur in connection with the enforcement of the covenants set forth in this Agreement.

H. Injunctive Relief.

You acknowledge that Your violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Us for which no adequate remedy at law is available. Accordingly, You hereby consent to the entry of an injunction prohibiting any conduct by You in violation of the terms of the covenants not to compete set forth in this Franchise Agreement. You expressly agree that it may be presumed conclusively that any violation of the terms of said covenants not to compete was accomplished by and through Your unlawful utilization of Our Confidential Information, know-how, methods and procedures.

I. Written Agreements.

At Our request, You shall require and obtain execution of covenants similar to those set forth in Attachment C to this Agreement (which shall also be applicable upon the termination of a person's relationship with You) from any or all of the following persons: (1) all directors and managers of the Franchised Business and any other personnel employed by You who have received training from Us; (2) all officers, directors and persons in comparable positions with You, and holders of a beneficial interest of five percent (5%) or more of the ownership interests in You (if You are an entity) and in any legal entity directly or indirectly controlling You; and (3) the general partners and any limited partners (including any legal entity, and the officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of any legal entity which controls, directly or indirectly, any general or limited partner) if You are a partnership; and (4) Your spouse, if You are an individual. All covenants required by this Section shall be in forms satisfactory to Us, including specific identification of Us as a third party beneficiary of such covenants with the independent right to enforce them. Failure by You to obtain execution of the covenants required by this Section shall constitute a default under Section 13.B above.

J. Financial Ability.

You represent and warrant that You have the financial ability to perform the transactions contemplated by this Agreement.

K. No Conflicts.

Neither the execution of this Agreement nor the consummation of the transactions contemplated by this Agreement conflict with, result in a breach of, or constitute a default under any agreement to which You are a party, or any ruling or obligation to which You are bound.

L. Power and Authority.

You have the power and authority to enter into this Agreement and to execute such other documents and to take such actions as are necessary and proper to consummate the terms of this Agreement.

M. Bank Account.

You covenant that Your Gross Revenue receipts will be deposited into a specified bank account within no more than five (5) days after receipt, that We shall on request be notified of the name and address of the bank selected by You, its telephone and fax numbers, and the name of the account representative from time to time in charge of said account, and that We on request shall be provided with copies of bank statements, checks, deposit receipts, and such other evidence as We may reasonably require to monitor account activity in respect to Gross Revenues and Sales.

N. Payment of Costs and Expenses.

You covenant to pay Our costs and expenses, including attorneys' fees, in successfully enforcing Our rights and remedies specified in the Agreement, both during the term of this Agreement and following any termination or expiration thereof, and Our right to collect the same shall be identical to Our right to collect any other amounts owing under any other paragraph of this Agreement.

O. Anti-Terrorist Activities.

You certify that neither You nor Your owners, employees or anyone associated with You is listed in the Annex to Executive Order 13224.

(The Annex is available on the U.S. Department of the Treasury (Office of Foreign Assets Control) website, currently at: <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>)

You agree not to hire or have any dealings with a person listed in the Annex. You certify that You have no knowledge or information that, if generally known, would result in You, Your owners, employees, or anyone associated with You being listed in the Annex to Executive Order 13224. You agree to comply with and/or assist Us to the fullest extent possible in Our efforts to comply with the Anti-Terrorism Laws (as defined below). In connection with such compliance, You certify, represent, and warrant that none of Your property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that You and Your owners are not otherwise in violation of any of the Anti-Terrorism Laws. You are solely responsible for ascertaining what actions must be taken by You to comply with all such Anti-Terrorism Laws, and You specifically acknowledge and agree that Your indemnification responsibilities as provided in Section 18.D of this Agreement pertain to Your obligations under this Section. Any misrepresentation by You under this Section or any violation of the Anti-Terrorism Laws by You, Your owners, or employees shall constitute

grounds for immediate termination of this Agreement and any other agreement You have entered into with Us or one of Our affiliates in accordance with the terms of Section 13.A. of this Agreement. As used herein, “**Anti-Terrorism Laws**” means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority (including the United States Department of Treasury Office of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war.

P. Abusive Language.

You covenant to refrain from the use of language which is considered, at Our sole discretion, to be abusive when communicating with Us, Our affiliates or their staff, or with other franchisees, or with Your customers, or others.

16. CHANGES AND MODIFICATIONS

We and You may modify this Agreement only upon the execution of a written agreement. We reserve and shall have the sole right to make changes in the Manuals, the System and the Proprietary Marks at any time and without prior notice to You. You shall promptly alter any business materials or related items at Your sole cost and expense upon receipt of written notice of such change or modification in order to conform with Our revised specifications.

You understand and agree that due to changes in competitive circumstances, presently unforeseen changes in the needs of customers and/or presently unforeseen technological innovations, the System must not remain static, in order that it best serve Our interests, those of the franchisees and the System. Accordingly, You expressly understand and agree that We may from time to time change the components of the System, including, altering the programs, services, methods, standards, forms, policies and procedures of the System; adding to, deleting from or modifying those programs, products and services which the Franchised Business is authorized to offer; and changing, improving or modifying the Proprietary Marks. Subject to the other provisions of this Agreement, You expressly agree to abide by any such modifications, changes, additions, deletions and alterations.

17. TAXES AND INDEBTEDNESS.

A. Payment.

You shall promptly pay, when due, all taxes levied or assessed by any federal, state or local taxing authority and any and all other indebtedness incurred by You in the operation of the Franchised Business. In addition, if any amount to be paid or reimbursed under this Agreement to Us is subject to any deductions or withholdings for any present or future taxes, levies, imposts, duties, fees, charges, or liabilities imposed by any competent governmental authority, then You must pay or reimburse an additional amount to Us as is necessary so that the net amount actually received by Us after such deduction, payment or withholding will equal the full amount stated to be payable or reimbursable under this Agreement. To the extent applicable law requires any such amounts to be paid by You directly to a governmental authority, You shall pay such deductions or withholdings promptly and receipts or other written proof of such payment shall be provided to Us promptly upon receipt.

B. Dispute.

In the event of any bona fide dispute as to liability for taxes assessed or other indebtedness, You may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; provided, however, in no event shall You permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the Franchised Business.

C. Compliance with Federal, State and Local Laws.

You shall comply with all federal, state and local laws, rules and regulations, and shall timely obtain any and all permits, certificates, licenses and bonds necessary for the full and proper operation and management of the Franchised Business, including a license to do business and provide services, fictitious name registration and sales tax permits. And You shall be solely responsible for compliance with any laws pertaining to sending emails including the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (the "**CAN-SPAM Act of 2003**") as well as the Canada Anti-Spam Law (CASL). Copies of all subsequent inspection reports, warnings, certificates and ratings issued by any governmental entity during the term of this Agreement in connection with the conduct of the Franchised Business which indicate Your failure to meet or maintain the highest governmental standards or less than full compliance by You with any applicable law, rule or regulation, shall be forwarded to Us by You within three (3) days of Your receipt thereof.

D. Duty to Notify.

You shall notify Us in writing within three (3) 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 which may adversely affect the operation or financial condition of the Franchised Business. Additionally, any and all consumer related complaints shall be answered by You within fifteen (15) days after receipt thereof or such shorter period of time as may be provided in said complaint. A copy of said answer shall be forwarded to Us within three (3) days of the date that said answer is forwarded to the complainant.

18. INDEPENDENT CONTRACTOR AND INDEMNIFICATION.**A. Independent Contractor.**

1. It is understood and agreed by the parties to this Agreement that this Agreement does not create a fiduciary relationship between them, that You shall be an independent contractor, and that nothing in this Agreement is intended to make either party an agent, legal representative, subsidiary, joint ventures, partner, employee or servant of the other for any purpose whatsoever.
2. During the term of this Agreement and any extensions hereof, You shall hold Yourself out to the public as an independent contractor operating the Franchised Business pursuant to a license from Us and as an authorized user of the System and the Proprietary Marks which are owned by or licensed to Us.
3. We shall not have the power to hire or fire Your employees, and except as herein expressly provided, We may not control or have access to Your funds or the expenditures thereof or in any other way exercise dominion or control over the Franchised Business.

B. Identification.

You shall conspicuously identify Yourself and the Franchised Business in all dealings with its clients, contractors, suppliers, Your staff; public officials and others, as an independent franchisee of Ours You shall place a notice of independent ownership on all forms, business cards, stationery, advertising, signs and other materials and in such fashion as We may, in Our sole and exclusive discretion, specify and require from time to time in its Manuals or otherwise.

C. No False Representations.

Except as otherwise expressly authorized by this Agreement, neither party to this Agreement will make any express or implied agreements, warranties, guarantees or representations, incur any debt in the name of or on behalf of the other party, or represent that the relationship between You and Us is other than that of franchisor and franchisee. We do not assume any liability, and will not be deemed liable, for any agreements, representations or warranties made by You which are not expressly authorized under this Agreement. We will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to the operation of the Franchised Business.

D. Your Indemnification.

1. You agree to indemnify and hold each of the Franchisor Parties harmless against any and all Expenses arising directly or indirectly from any Claim, as well as from any claimed breach by You of this Agreement. Your indemnity obligations shall: (a) survive the expiration or termination of this Agreement, and shall not be affected by any insurance coverage that You and/or any Franchisor Party may maintain; and (b) exclude any Claim and/or Expense that a court with competent jurisdiction determines was caused solely by a Franchisor Party's gross negligence and/or willful misconduct.
2. We will give You notice of any Claim and/or Expense for which the Franchisor Parties intend to seek indemnification; however, if We do not give that notice, it will not relieve You of any obligation (except to the extent of any actual prejudice to You). You will have the opportunity to assume the defense of the Claim, at Your expense and through legal counsel reasonably acceptable to us, provided that in Our judgment, You proceed in good faith, expeditiously, and diligently, and that the defense You undertake does not jeopardize any defenses of the Franchisor Parties. We shall have the right: (a) to participate in any defense that You undertake with counsel of Our own choosing, at Our expense; and (b) to undertake, direct, and control the defense and settlement of the Claim (at Your expense) if in Our sole judgment You fail to properly and competently assume defense of the Claim within a reasonable time and/or if, in Our sole judgment, there would be a conflict of interest between Your interest and that of any Franchisor Party.
3. As used in this Section 18.D, the parties agree that the following terms will have the following meanings:

“Claim” means any allegation, cause of action, and or complaint asserted by a third party that is the result of, or in connection with, Your exercise of Your rights and/or carrying out of Your obligations under this Agreement (including any claim associated with Your operation of the WSI Franchised Business, sale of Retail Products or Services, events occurring at the WSI Franchised Business, data theft or other data-related event, or otherwise, whether asserted by a customer, vendor, employee, or otherwise), a violation of the Operating Codes, and/or any default by You under this Agreement (including all

claims, demands, causes of action, suits, damages, settlement costs, liabilities, fines, penalties, assessments, judgments, losses, and Expenses). For the sake of clarify, the parties confirm that the indemnification obligations under Sections 6.C.2 and 16.O are included within this definition of a Claim.

“**Expenses**” includes interest charges; fees for accountants, attorneys and their staff, arbitrators, and expert witnesses; costs of investigation and proof of facts; court costs; travel and living expenses; and other costs and expenses associated with litigation, investigative hearings, or alternative dispute resolution, whether or not a proceeding is formally commenced.

“**Franchisor Parties**” means us and Our shareholders, parents, subsidiaries, and affiliates, and their respective officers, directors, members, managers, agents, and employees.

- E. Our Indemnification. We agree to indemnify You with respect to Your use of the Proprietary Marks as provided in Section 6.C.2 above.

19. APPROVALS AND WAIVERS.

- A. Written Consent.

Whenever this Agreement requires Our prior approval or consent, You shall make a timely written request for such approval to Us, and the only valid approval or consent shall be in writing signed by or on behalf of Us. Such approval or consent can be sent to You via regular letter mail, email, or facsimile.

- B. No Waiver.

No failure of Ours to exercise any power reserved to Us by this Agreement, or to insist upon strict compliance by You with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Our right to demand exact compliance with any of the terms herein. Waiver by Us of any particular default by You shall not affect or impair Our rights with respect to any subsequent default of the same, similar or different nature. No delay, forbearance or omission of Ours to exercise any power or right arising out of any breach or default by You of any of the terms, provisions or covenants hereof shall affect or impair Our right to exercise the same, and no such delay, forbearance or omission shall constitute a waiver by Us of any right hereunder or of the right to declare any subsequent breach or default and to terminate this Franchise Agreement prior to the expiration of its term. Our subsequent acceptance of any payments due to Us hereunder shall not be deemed to be a waiver by Us of any preceding breach by You of any terms, covenants or conditions of this Agreement.

20. NOTICES.

Any and all notices that are required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by certified U.S. mail, or by other means that affords the sender evidence of delivery, of rejected delivery, or attempted delivery to the respective parties at the addresses shown below (unless and until a different address has been designated by written notice to the other party). Any notice by a means that gives the sender evidence of delivery, rejected delivery, or delivery not possible because the recipient has moved and left no forwarding address shall be deemed to have been given at the date and time of receipt, rejected, and/or attempted delivery. The Manual, any changes that We make to the Manual, and/or any other written instructions that We provide relating to operational matters, are not considered to be “notices” for the purpose of the delivery requirements in this Section 20.

Notices to Us:

National Internet Corporation

Attn: Valerie Brown-Dufour, President
Email: ybrown-dufour@wsicorporate.com

With a copy to:

Email: legal@wsiworld.com

Notices to You:

with courtesy copies to:

21. RELEASE OF PRIOR CLAIMS.

If this is not the first contract between You (and Your affiliates) and us (and Our affiliates):

By executing this Agreement, You, individually and as applicable on behalf of Your owners, officers, directors, managers, heirs, legal representatives, successors and assigns and any other person claiming by or through You or them, and each assignee of this Agreement by accepting assignment of the same, hereby forever releases and discharges Us and Our officers, directors, employees, agents and servants, including any subsidiary and affiliated corporations of Ours, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any franchise agreement or any other agreement between the parties executed prior to the date of this Agreement including any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities or antitrust laws of the United States, Canada or of any state, province or territory thereof, but excluding claims based on any representation that We made in the most recent Franchise Disclosure Document (including its exhibits and amendments) that We delivered to You or Your representative in connection with the offer of this Agreement, subject to agreed-upon changes to the contract terms described in that Franchise Disclosure Document and reflected in this Agreement (including any riders or addenda signed at the same time as this Agreement).

22. ENTIRE AGREEMENT; THIRD PARTY BENEFICIARIES.

This Agreement, the documents referred to herein and the Attachments to this Agreement, which are incorporated herein by reference, constitute the entire, full and complete Agreement between the parties to this Agreement concerning the subject matter hereof, and they supersede all prior agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document that We furnished to You. No other representations of Ours or any third party have induced You to execute this Agreement. No amendment, change or variance from this Agreement shall be binding on the parties to this Agreement unless mutually agreed to by the parties and

executed by themselves or their authorized officers or agents in writing, unless otherwise permitted by Section 16 of this Agreement.

Except as expressly stated herein, nothing in this Agreement is intended to or shall be deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

23. SEVERABILITY AND CONSTRUCTION.

A. Severability.

Except as expressly provided to the contrary herein, each section, part, term and/or provision of this Agreement shall be considered severable, and if, for any reason, any section, part, term and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms and/or provisions of this Agreement as may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties to this Agreement, and said invalid sections, parts, terms and/or provisions shall be deemed not to be a part of this Agreement; provided, however, that if We determine that such finding of invalidity or illegality adversely affects the basic consideration of this Agreement, We, at Our option, may terminate this Agreement.

B. Covenants.

You expressly agree to be bound by any promise or covenant imposing the maximum duty permitted by law which 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 which a court may hold to be unreasonable and unenforceable in a 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 order.

C. Construction.

All captions in this Agreement are intended solely for the convenience of the parties, and none of the captions shall be deemed to affect the meaning or construction of any provision hereof. All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by You shall be deemed jointly and severally undertaken by all of the parties executing this Agreement in an individual capacity on behalf of You. This Agreement may be executed in one or more originals, each of which shall be deemed an original.

Wherever the word “including”, “includes”, or a similar term is used in this Agreement, the parties agree that it means “including but not limited to” or “including without limitation” unless otherwise indicated.

D. Definition of Franchisee.

As used in this Agreement, the term “Franchisee” shall include all persons who succeed to the interest of the original Franchisee by transfer or operation of law and shall be deemed to include not only the individual or entity defined as the “Franchisee” in the introductory paragraph of this Agreement, but shall also include all partners of the entity that executes this Agreement, in the event said entity is a partnership; all shareholders, officers and directors of the entity that executes this Agreement, in the event said entity is a corporation; and all members of the entity that executes this Agreement, in the event said entity is a limited

liability company. By their signatures to this Agreement, all partners, shareholders, members, managers, officers and directors of the entity that signs this Agreement as Franchisee acknowledge and accept the duties and obligations imposed upon each of them, individually, by the terms of this Agreement (but agree that they may not exercise the rights granted to the “Franchisee” under this Agreement).

E. Force Majeure.

Neither party shall be responsible to the other for non-performance or delay in performance occasioned by causes beyond its control, including without limiting the generality of the foregoing: (a) acts of nature; (b) acts of war, terrorism, or insurrection; and/or (c) strikes, lockouts, labor actions, boycotts, floods, fires, hurricanes, tornadoes, other environmental emergencies, epidemics, pandemics, public health emergencies, and/or other casualties. The inability of either party to obtain and/or remit funds shall be considered within control of such party for the purpose of this Section 23.E. If any such delay occurs, any applicable time period shall be automatically extended for a period equal to the time lost; provided, however, that the party affected makes reasonable efforts to correct the reason for such delay and gives to the other party prompt notice of any such delay; and further provided, however, that You will remain obligated to promptly pay all fees owing and due to us under this Agreement, without any such delay or extension.

F. Survival.

The parties agree that whenever performance by a party is contemplated to extend beyond the expiration, termination, and/or transfer of this Agreement, such performance obligation shall survive the expiration, termination, and/or transfer of this Agreement.

24. APPLICABLE LAW AND DISPUTE RESOLUTION.

A. Choice of Law. This Agreement takes effect only when all of the parties have signed this document. The parties agree that New York has a deep body of law that will aid in interpreting and understanding the terms of this Agreement and that they therefore have agreed that this Agreement will be interpreted and construed exclusively under the laws of the State of New York (which laws will prevail in the event of any conflict of law, without applying New York choice-of-law rules); provided, however, that if the covenants in Section 15 of this Agreement would not be enforced as written under New York law, then the parties agree that those covenants will instead be interpreted and construed under the laws of the state in which the Franchised Business is located. Nothing in this Section 24.A. is intended by the parties to invoke the application of any franchise, business opportunity, antitrust, implied covenant, unfair competition, fiduciary, and/or other doctrine of law of the State of New York (or any other state) that would not otherwise apply without the words of this Section 24.A.

B. Choice of Venue. Subject to Section 24.C. below, the parties agree that any action that You bring against us, in any court, whether federal or state, must be brought only within the courts that have jurisdiction over Erie County, New York. Any action that We bring against You in any court, whether federal or state, may be brought within the courts that have jurisdiction over Erie County, New York.

- 1 The parties agree that this Section 24.B. will not be construed as preventing either party from removing an action from state to federal court; provided, however, that venue will be as set forth above.
- 2 The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

- 3 Any such action will be conducted on an individual basis, and not as part of a consolidated, common, or class action.
- C. Mediation. Before any party may bring an action in court against the other, the parties agree that they must first meet to mediate the dispute (except as otherwise provided in Section 24.E. below). Any such mediation will be non-binding and will be conducted in accordance with the then-current rules for mediation of commercial disputes of JAMS, Inc. (formerly, “Judicial Arbitration and Mediation Services, Inc.”) at its location in or nearest to Toronto, Ontario.
- D. Parties Rights Are Cumulative. No right or remedy conferred upon or reserved to us or You 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.
- E. Injunctions. Nothing contained in this Agreement will bar Our right to obtain injunctive relief in a court of competent jurisdiction against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions. You agree to waive any request or requirement that We post a bond in connection with seeking any such injunction.
- F. **WAIVER OF JURY TRIALS. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.**
- G. **MUST BRING CLAIMS WITHIN ONE YEAR. EACH PARTY TO THIS AGREEMENT AGREES THAT ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES’ RELATIONSHIP, AND/OR YOUR OPERATION OF THE FRANCHISED BUSINESS, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, SHALL BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR, IT IS EXPRESSLY ACKNOWLEDGED AND AGREED BY ALL PARTIES, SUCH CLAIM OR ACTION SHALL BE IRREVOCABLY BARRED. THE PARTIES AGREE THAT THIS SECTION 24.G. DOES NOT APPLY TO CLAIMS FOR INDEMNIFICATION UNDER THIS AGREEMENT.**
- H. **WAIVER OF PUNITIVE DAMAGES. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES IT HAS SUSTAINED (THE PARTIES AGREE THAT THE PROVISIONS OF SECTION 24 ARE CONSISTENT WITH THIS PROVISION AND SHALL BE ENFORCED NOTWITHSTANDING THE WAIVER IN THIS SECTION).**
- I. Payment of Legal Fees. You agree to pay us all damages, costs and expenses (including attorneys’ fees, court costs, discovery costs, and all other related expenses) that We incur in: (a) obtaining injunctive or other relief for the enforcement of any provisions of this Agreement (including Sections 6, 8 and 15 above); and/or (b) successfully defending a claim from You that We misrepresented the terms of this Agreement, fraudulently induced You to sign this Agreement, that the provisions of this Agreement are not fair, were not properly entered into, and/or that the terms

of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship.

25. ACKNOWLEDGMENTS.

A. You expressly understand and acknowledge:

1. That You have read this Agreement and Our Franchise Disclosure Document, and that You have no knowledge of any representations about the Franchised Business or about Us or Our franchising program or policies made by Us or by Our officers, directors, shareholders, employees or agents which are contrary to the statements in Our Franchise Disclosure Document or to the terms of this Agreement, and that You understand and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Our high standards of quality and service and the uniformity of those standards at all WSI Businesses and thereby to protect and preserve the goodwill of the Proprietary Marks;
2. The importance of Our uniformly high standards of quality and service and the necessity of operating the Franchised Business granted hereunder in strict conformity with Our quality control standards and specifications;
 - i. That Your success in owning and operating a franchise is speculative and will depend on many facts including, to a large extent, Your independent business ability;
 - ii. That this offering is not a security as that term is defined under applicable federal and state securities laws;
 - iii. That the obligation to train, manage, pay, recruit and supervise employees of the Franchised Business rests solely with You;
 - iv. That You have not relied on any warranty or representation or guaranty, expressed or implied, as to the potential success or projected income or profits of the business venture contemplated hereby, and You acknowledge that sales staff, personnel, employees, officers or representatives of Ours are not permitted to make claims or statements as to earnings, sales, income, profits, prospects or chances of Your success that are not disclosed to franchisees in the Our Franchise Disclosure Document, nor are they authorized to represent or estimate sales figures as to any particular franchise;
 - v. That We are not responsible to develop and generate customer leads for You, although We may from time to time and at Our sole discretion assist You in lead generation;
 - vi. That no representations or promises have been made by Us to induce You to enter into this Agreement except as specifically included herein;
 - vii. That You have no knowledge of any conditions, representations, warranties, undertakings, promises, inducements or agreements, whether direct, indirect,

- collateral, express or implied, made by Us or Our representatives to You, except as provided for in the Agreement;
- viii. That You consent to the collection, retention and disclosure of personal information in Canada as defined in the Personal Information Protection and Electronic Documents Act S.C. 2000, c.5 (“PIPEDA”), a statute of Canada, by Us and Our affiliates for Franchisee support and for all other activities related to the conduct of the Franchised Business and the operation of the System;
 - ix. That the WSI system is an English language system and all training, products and services are supplied in English unless otherwise specified; and
 - x. That completion of Our QSP program is an integral part of the System and a key component to the operation of the Franchised Business.
3. That You have conducted an independent investigation of all aspects of the Franchised Business and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon Your skills and ability as an independent business person or organization. You acknowledge that You have received, read and understand this Agreement, the Attachments to this Agreement and agreements relating thereto, and that We have accorded You ample time and opportunity to consult with advisors of Your own choosing about the potential benefits and risks of entering into this Agreement, and that prior to entering into this Agreement You have either consulted with advisors of Your own choice or determined that it did not wish to do so of its own free will without either direction or influence by Us.
 4. That You are relying solely on Us, and not on any affiliated entities or parent companies related to Us, with regard to Our financial and other obligations under this Agreement, and no employee or other person speaking on behalf of, or otherwise representing, Us has made any statement or promise to the effect that Our affiliated entities or parent companies guarantee Our performance or financially back Us.
 5. That the System has evolved over time and that there are other WSI franchisees who operate under different forms of franchise agreements, with a different fee structure and under different designations.

_____ [Please initial to acknowledge that You have read and understand this Section 25.]

IN WITNESS WHEREOF, and intending to be legally bound by the terms of this Agreement, the parties have signed and delivered this Agreement to one another as of the Contract Date.

**NATIONAL INTERNET CORPORATION
(FRANCHISOR)**

(FRANCHISEE)

Valerie Brown-Dufour
President

By: _____

Printed Name: _____

Title: _____

ATTACHMENT A
Data Sheet

1. The Premises. The location of the Premises (which must be within the Designated Territory, and subject to Section 1.B in connection with any proposed relocation) shall be: _____

2. Type of Franchise. The parties agree that the Franchised Business will be a (select one):

- Regional Territory License
- National Territory License
- International Territory License

3. Your Designated Territory shall be more particularly described as follows:

FRANCHISOR:
NATIONAL INTERNET CORPORATION

Valerie Brown-Dufour
President

FRANCHISEE:

ATTACHMENT B GUARANTY

In order to induce National Internet Corporation (“**Franchisor**”) to sign the WSI Franchise Agreement between Franchisor and _____ (“**Franchisee**”), dated _____, 202__ (the “**Agreement**”), each of the undersigned parties, jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns that all of Franchisee’s obligations (monetary and otherwise) under the Agreement as well as any other contract between you and Franchisor (and/or Franchisor’s affiliates) will be punctually paid and performed.

Each person signing this Personal Guarantee acknowledges and agrees, jointly and severally, that:

- Upon Franchisor’s demand, s/he will immediately make each payment required of Franchisee under the Agreement and/or any other contract with Franchisor and/or its affiliates.
- S/he waives any right to require Franchisor to: **(a)** proceed against Franchisee for any payment required under the Agreement (and/or any other contract with Franchisor and/or its affiliates); **(b)** proceed against or exhaust any security from Franchisee; **(c)** pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee; and/or **(d)** give notice of demand for payment by Franchisee.
- Without affecting the obligations of the undersigned persons under this Guarantee, Franchisor may, without notice to the undersigned, extend, modify, or release any of Franchisee’s indebtedness or obligations, or settle, adjust, or compromise any claims against Franchisee. Each of the undersigned persons waive notice of amendment of the Agreement (and any other contract with Franchisor and Franchisor’s affiliates) and notice of demand for payment by Franchisee, and agree to be bound by any and all such amendments and changes to the Agreement (and any other contract with Franchisor and Franchisor’s affiliates).
- S/he will defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including reasonable attorneys’ fees, court costs, discovery costs, and all other related expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any of its obligations under the Agreement (and any other contract with Franchisor and Franchisor’s affiliates) and/or any amendment to the Agreement.
- S/he will be personally bound by all of Franchisee’s covenants, obligations, and promises in the Agreement.
- S/he agrees to be individually bound by all of Franchisee’s covenants, obligations, and promises in the Agreement, which include, but are not limited to, the covenants in the following portions of the Agreement: **Section 6** (generally regarding trademarks), **Section 8** (generally regarding confidentiality), **Section 12** (generally regarding Transfers), **Section 14** (generally regarding obligations upon termination or expiration of this Agreement), and **Section 15** (generally regarding covenants against competition) of the Agreement.
- S/he understands that: **(a)** this Guarantee does not grant her/him any rights under the Agreement (including but not limited to the right to use any of Franchisor’s marks such as the “WSI” marks) and/or the system licensed to Franchisee under the Agreement; **(b)** that they have read, in full, and understand, all of the provisions of the Agreement that are referred to above in this Guarantee, and that they intend to fully comply with those provisions of the Agreement as if they were printed

here; and (c) s/he has had the opportunity to consult with a lawyer of their own choosing in deciding whether to sign this Guarantee.

This Guarantee will be interpreted and construed in accordance with **Section 24** of the Agreement (including but not limited to the waiver of punitive damages, waiver of jury trial, agreement to bring claims within one year, and agreement not to engage in class or common actions). Among other things, that means that this Guarantee will be interpreted and construed exclusively under the laws of the State of New York, and that in the event of any conflict of law, New York law will prevail (without applying New York conflict of law rules).

IN WITNESS WHEREOF, each of the undersigned persons has signed this Guarantee as of the date of the Agreement.

(in his/her personal capacity)

(in his/her personal capacity)

(in his/her personal capacity)

Printed
Name:_____

Printed
Name:_____

Printed
Name:_____

Date:_____

Date:_____

Date:_____

Home Address:

Home Address:

Home Address:

National Internet Corporation (d/b/a “WSI”)
FRANCHISE AGREEMENT
EXHIBIT C-1

**FORM OF NON-COMPETITION AND NON-DISCLOSURE AGREEMENT
(Managerial Staff)**

THIS NON-DISCLOSURE AND NON-COMPETITION AGREEMENT (“**Agreement**”) is made on _____, 202__, by and between _____ (the “**Franchisee**”), and _____, who is a Principal, manager, supervisor, member, partner, or a person in an executive or managerial position with, Franchisee (the “**Member**”).

Background:

A. National Internet Corporation (d/b/a “WSI”) (“**Franchisor**”) owns (and/or is a licensee for) a format and system (the “**System**”) relating to the establishment and operation of “WSI” full service digital marketing businesses operating under Franchisor’s Proprietary Marks, as defined below (each, a “**WSI Franchised Business**”).

B. Franchisor identifies WSI Franchised Businesses by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin (including for example the mark “WSI”) and certain other trade names, service marks, and trademarks that Franchisor currently and may in the future designate in writing for use in connection with the System (the “**Proprietary Marks**”).

C. Franchisor and Franchisee have executed a Franchise Agreement (“**Franchise Agreement**”) granting Franchisee the right to operate a WSI Franchised Business (the “**Franchised Business**”) and to offer and sell products, services, and other ancillary products approved by Franchisor and use the Proprietary Marks in connection therewith under the terms and conditions of the Franchise Agreement.

D. The Member, by virtue of his or her position with Franchisee, will gain access to certain of Franchisor’s Confidential Information, as defined in this Agreement, and must therefore be bound by the same confidentiality and non-competition agreement that Franchisee is bound by.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows:

1. Confidential Information. Member agrees that Member will not, during the term of the Franchise Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, entity, association, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of the business franchised thereunder which may be communicated to Member or of which Member may be apprised by virtue of Member’s employment by Franchisee. Any and all information, knowledge, know-how, and techniques which Franchisor designates as confidential will be deemed confidential for purposes of this Agreement.

2. Covenants Not to Compete.

(a) Member specifically acknowledges that, pursuant to the Franchise Agreement, and by virtue of his/her position with Franchisee, Member will receive valuable specialized training and confidential information, including information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the System.

(b) Member covenants and agrees that during the term of the Franchise Agreement, except as otherwise approved in writing by Franchisor, Member will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity:

(i) Divert or attempt to divert any business or customer of the Franchised Business or of any Franchised Business using the System 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 Franchisor's Proprietary Marks and the System; or

(ii) Either directly or indirectly for him/herself or on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity, own, maintain, operate, engage in, or have any interest in any business which is the same as or similar to the Franchised Business.

(c) Member covenants and agrees that during the Post-Term Period (defined below), except as otherwise approved in writing by Franchisor, Member will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity, Member will not own, maintain, operate, engage in, or have any interest in any Competitive Business located within the area in which the Franchised Business operates (or operated over the previous year).

(d) As used in this Agreement, the term "**Competitive Business**" means any business that is: (a) the same as or substantially similar to the Franchised Business; and/or (b) derives more than twenty-five percent (25%) of its revenue from providing digital marketing services to its customers.

(e) As used in this Agreement, the term "**Post-Term Period**" means one (1) year from the date of termination of Member's employment with Franchisee (except as may otherwise be required under applicable law). Any period of non-compliance with this requirement shall not count toward satisfying this requirement.

3. **Injunctive Relief.** Member acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Member agrees to pay all costs (including reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement.

4. **Severability.** All agreements and covenants contained herein are severable. If any of them, or any part or parts of them, will be held invalid by any court of competent jurisdiction for any reason, then the Member agrees that the court will have the authority to reform and modify that provision in order that the restriction will be the maximum necessary to protect Franchisor's and/or Member's legitimate business needs as permitted by applicable law and public policy. In so doing, the Member agrees that the court will impose the provision with retroactive effect as close as possible to the provision held to be invalid.

5. **Delay.** No delay or failure by the Franchisor or Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

6. **Third-Party Beneficiary.** Member hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

IN WITNESS WHEREOF, the Franchisee and the Member attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on the date first written above.

FRANCHISEE

MEMBER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

National Internet Corporation (d/b/a “WSI”)
FRANCHISE AGREEMENT
EXHIBIT C-2

SAMPLE FORM OF
NON-DISCLOSURE AGREEMENT
*(to be signed by franchisee with its
non-management staff)*

THIS NON-DISCLOSURE AGREEMENT (“**Agreement**”) is made on _____, 202____, by and between _____ (the “**Franchisee**”) and _____, who is an employee of Franchisee (the “**Employee**”).

Background:

A. National Internet Corporation (d/b/a “WSI”) (“**Franchisor**”) owns (and/or is a licensee for) a format and system (the “**System**”) relating to the establishment and operation of “WSI” full service digital marketing businesses operating under Franchisor’s Proprietary Marks, as defined below (each, a “**WSI Franchised Business**”).

B. Franchisor identifies WSI Franchised Businesses by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin (including for example the mark “WSI”) and certain other trade names, service marks, and trademarks that Franchisor currently and may in the future designate in writing for use in connection with the System (the “**Proprietary Marks**”).

C. Franchisor and Franchisee have executed a Franchise Agreement (“**Franchise Agreement**”) granting Franchisee the right to operate a WSI Franchised Business (the “**Franchised Business**”) and to offer and sell products, services, and other ancillary products approved by Franchisor and use the Proprietary Marks in connection therewith under the terms and conditions of the Franchise Agreement.

D. The Employee, by virtue of his or her position with Franchisee, will gain access to certain of Franchisor’s Confidential Information, as defined in this Agreement, and must therefore be bound by the same confidentiality and non-competition agreement that Franchisee is bound by.

IN CONSIDERATION of these premises, the conditions stated herein, and for other good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows:

1. Confidential Information. Member agrees that Member will not, during the term of the Franchise Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, entity, association, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of the business franchised thereunder which may be communicated to Member or of which Member may be apprised by virtue of Member’s employment by Franchisee. Any and all information, knowledge, know-how, and techniques which Franchisor designates as confidential will be deemed confidential for purposes of this Agreement.

2. Injunctive Relief. Employee acknowledges that any failure to comply with the requirements of this Agreement will cause Franchisor irreparable injury, and Employee agrees to pay all costs (including reasonable attorneys’ fees, court costs, discovery costs, and all other related expenses) incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Agreement.

3. Severability. All agreements and covenants contained herein are severable. If any of them, or any part or parts of them, will be held invalid by any court of competent jurisdiction for any reason, then the Employee agrees that the court will have the authority to reform and modify that provision in order that the restriction will be the maximum necessary to protect Franchisor’s and/or Employee’s legitimate business needs as permitted by applicable law and public policy. In so doing, the Employee agrees that the court will impose the provision with retroactive effect as close as possible to the provision held to be invalid.

4. Delay. No delay or failure by the Franchisor or Franchisee to exercise any right under this Agreement, and no partial or single exercise of that right, will constitute a waiver of that or any other right provided herein, and no waiver of any violation of any terms and provisions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement.

5. Third-Party Beneficiary. Employee hereby acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

IN WITNESS WHEREOF, the Franchisee and the Employee attest that each has read and understands the terms of this Agreement, and voluntarily signed this Agreement on the date first written above.

FRANCHISEE

EMPLOYEE

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT C

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

Attached as Exhibit C-1 are our audited financial statements for the fiscal years ended December 31, 2022 and December 31, 2021.

Attached as Exhibit C-2 are our audited financial statements for the fiscal years ended December 31, 2021 and December 31, 2020.

EXHIBIT C-1

FINANCIAL STATEMENTS

Our audited financial statements for the fiscal years ended December 31, 2022 and December 31, 2021.

National Internet Corporation
Financial Statements
For the years ended December 31, 2022 and 2021
(Expressed in U.S. Dollars)

National Internet Corporation
Financial Statements
For the years ended December 31, 2022 and 2021
(Expressed in U.S. Dollars)

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BDO Canada LLP
360 Oakville Place Drive, Suite 500
Oakville ON L6H 6K8 Canada

Independent Auditor's Report

To the Board of Directors of National Internet Corporation

Opinion

We have audited the accompanying financial statements of National Internet Corporation (the "Company"), which comprise the balance sheet as at December 31, 2022 and 2021, and the related statements of operations and retained earnings and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

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

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



Auditor's Responsibility

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
March 24, 2023

National Internet Corporation
Balance Sheets
(Expressed in U.S. Dollars)

December 31	2022	2021
Assets		
Current		
Cash	\$ 339,733	\$ 480,931
Accounts receivable	244,929	229,010
Due from related party (Note 1)	350,638	814,541
Deferred costs - current	34,644	35,386
	969,944	1,559,868
Deferred costs	206,528	233,590
	\$ 1,176,472	\$ 1,793,458
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities	\$ 49,062	\$ 59,599
Due to related party (Note 1)	16,600	657,900
Deferred revenue - current	170,885	291,708
	236,547	1,009,207
Deferred revenue	203,996	141,655
	440,543	1,150,862
Shareholder's equity		
Share capital (Note 2)	250,000	250,000
Retained earnings	485,929	392,596
	735,929	642,596
	\$ 1,176,472	\$ 1,793,458

On behalf of the Board:

_____ Director

_____ Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

National Internet Corporation
Statements of Operations and Retained Earnings
(Expressed in U.S. Dollars)

For the years ended December 31	2022	2021
Revenue		
Franchise	\$ 549,283	\$ 515,993
Service	<u>1,855,757</u>	<u>2,197,691</u>
	2,405,040	2,713,684
Direct costs	<u>224,018</u>	285,147
Gross profit	<u>2,181,022</u>	<u>2,428,537</u>
Expenses		
Management and licensing fees (Note 1)	2,030,234	2,286,465
Professional fees	50,448	61,077
Bank, interest and service charges	<u>7,007</u>	<u>6,254</u>
	<u>2,087,689</u>	2,353,796
Income before income taxes	93,333	74,741
Income taxes		
Current (recovery)	-	<u>(11,777)</u>
Net income for the year	93,333	86,518
Retained earnings, beginning of year	<u>392,596</u>	306,078
Retained earnings, end of year	<u>\$ 485,929</u>	<u>\$ 392,596</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

National Internet Corporation
Statements of Cash Flows
(Expressed in U.S. Dollars)

For the years ended December 31	2022	2021
Cash flows from operating activities		
Net income for the year	\$ 93,333	\$ 86,518
Adjustments to reconcile net income to net cash provided by operating activities		
Accounts receivable	(15,919)	(151,287)
Deferred costs	27,804	(104,848)
Accounts payable and accrued liabilities	(10,537)	38,898
Deferred revenue	(58,482)	47,678
	36,199	(83,041)
Cash flows from investing activity		
Repayment from related party	463,903	10,100
Cash flows from financing activity		
(Repayment to) advances from related party	(641,300)	362,500
Increase (decrease) in cash during the year	(141,198)	289,559
Cash, beginning of year	480,931	191,372
Cash, end of year	\$ 339,733	\$ 480,931

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

National Internet Corporation Summary of Significant Accounting Policies (Expressed in U.S. Dollars)

December 31, 2022 and 2021

Nature of Business

National Internet Corporation (the "Company") was incorporated under the General Corporation Law of the State of Delaware on December 31, 1996 and carries on business under the trademark WSI ICE and WSI. Since beginning active operations during 1999, the Company has been establishing a network of independent franchise Internet Consultants ("IC") through which its affiliated companies provide business consultation and delivery of advanced Internet solutions in the United States of America. A franchise agreement provides the IC with advanced Internet technology applications and access to WSI's business processes and methodologies, including the Internet Solutions Lifecycle. The Company has the right to operate its franchised business under the trademark WSI ICE and WSI by 1175856 Ontario Ltd. until 2026 by agreement. The right can be cancelled by 1175856 Ontario Ltd. if the Company does not meet certain established guidelines. The Company's sole source of income is derived from the sale of franchise territories under the trademark WSI ICE and WSI and subsequent royalties earned as continuing monthly franchise fees. The Company licenses franchises directly. As of December 31, 2022, the Company had 164 (2021 - 183) franchised stores in the U.S.

Basis of Accounting

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Revenue Recognition

Initial franchise fee revenue is recognized based on consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring service to a customer. The total transaction price is allocated to the performance obligations based on the standalone selling price, which is estimated using the relative cost of each performance obligation. As such, the revenue is recognized once the following criteria are met:

- final payment has been received;
- the franchisee has executed a franchise agreement/ evidence of an agreement exists; and
- the service related to the performance obligation is performed

National Internet Corporation Summary of Significant Accounting Policies (Expressed in U.S. Dollars)

December 31, 2022 and 2021

Revenue Recognition (continued)

Revenue from royalties is recognized over the term of the franchise agreement. The Company satisfies the following conditions under topic ASC 606-10-55-65:

- franchisor uses the IP over the life of the agreement; and
- the performance obligation to provide the continuous services to franchises is satisfied on monthly basis for which it receives sales-based royalty

Accordingly, revenue from royalties are considered as sales-based royalties received in exchange for a license of intellectual property and recognized on monthly basis.

Deferred revenue consists of initial franchise fees collected for which corresponding training remains outstanding at year end. Significant changes in the contract liability balances during the year are as follows:

	2022	2021
Deferred revenue - beginning of year	\$ 433,363	\$ 385,685
Revenue recognized	(293,962)	(213,935)
Amounts billed not recognized	235,480	261,613
Deferred revenue - end of year	\$ 374,881	\$ 433,363

Service revenue is composed of continuing monthly franchise fees relating to systems access, e-marketplace services, management and services, including amounts received on early termination of the franchise agreement. These amounts are recorded in revenue as these services are delivered and collection is reasonably assured.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued and subsequently measured at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument for those measured at amortized cost.

National Internet Corporation Summary of Significant Accounting Policies (Expressed in U.S. Dollars)

December 31, 2022 and 2021

Income Taxes

The Company provides for income taxes using the asset and liability method. This approach recognizes the amount of taxes payable for the current year, as well as deferred tax assets and liabilities for the future tax consequences of events recognized in the financial statements and income tax returns.

Deferred income tax assets, net of valuation allowances, are recognized only to the extent that, in the opinion of management, it is more likely than not that deferred income tax assets will be realized. Deferred income tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment or substantive enactment of the change.

Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts based on the expected collectibility. Credit evaluations are performed on significant customers and an allowance for doubtful accounts is established based on the aging of receivables, payment performance factors, historical trends and other information. In general, a portion of those receivables outstanding more than 90 days are allowed for. The reserve is evaluated and revised on a monthly basis on a review of specific accounts outstanding and the history of uncollectible accounts.

Foreign Currency

The Company's functional currency is the US dollar. Foreign denominated assets, liabilities and operating items of the Company are initially measured in US dollars at the exchange rate prevailing at the respective transaction dates. Monetary assets and liabilities denominated in foreign currencies, which are outstanding at year end are measured at exchange rates prevailing on the balance sheet dates.

Deferred Costs

Costs incurred in the initial set-up of a franchise are deferred and charged to operations at such time as the related deferred revenue is recognized in income.

Variable Interest Entities

The Company accounts for variable interest entities under ASC 810, Consolidation of Variable Interest Entities. This interpretation of Accounting Research Bulletin 51, Consolidated Financial Statements, addresses consolidation by business enterprises of variable interest entities in which an enterprise absorbs a majority of the entity's expected losses, receives a majority of the entity's expected residual returns, or both, as a result of ownership, contractual or other financial interests in the entity.

National Internet Corporation Summary of Significant Accounting Policies (Expressed in U.S. Dollars)

December 31, 2022 and 2021

Variable Interest Entities (continued)

The interpretation requires that if a business enterprise has a controlling financial interest in a variable interest entity, the assets, liabilities, and results of the activities of the variable interest entity must be included in the consolidated financial statements with those of the business enterprise.

The Company is a franchise of 164 outlets as of December 31, 2022 (2021 - 183), but does not possess any ownership interests in its franchisees and generally does not provide financial support to franchisees in its typical franchise relationship. On adoption of ASC 810, these franchise relationships were not deemed variable interest and the entities were not consolidated. No events or circumstances have occurred in the current year that would cause the franchisees to be classified as a variable interest entity and be consolidated.

Use of Estimates

The preparation of these financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of sales and expenses during the reporting periods.

These estimates are reviewed periodically and as adjustments become necessary, they are reporting in earnings in the year in which they become known. Significant estimates and assumptions are used for, but are not limited to (i) reasonable assurance of collection with respect to revenue recognition; (ii) allowance for doubtful accounts; (iii) provision for (recovery of) income taxes; and (iv) allocation of consideration to performance obligations based on the relative stand alone selling price.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-12, Financial Instruments - Credit Losses (Topic 326). The amendments require an entity to replace the incurred loss impairment methodology in current GAAP with a methodology that reflects current expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The ASU is effective for reporting periods beginning after December 15, 2022. The Company is currently evaluating the impact this update will have on its financial statements.

National Internet Corporation Notes to Financial Statements (Expressed in U.S. Dollars)

December 31, 2022 and 2021

1. Related Party Balances and Transactions

The amounts due from and to related parties under common control are non-interest bearing, unsecured and due on demand.

The following table summarizes the Company's related party transactions for the year ended December 31:

	<u>2022</u>	<u>2021</u>
Management fees	\$ 2,013,634	\$ 2,268,065
Licensing fees	16,600	18,400

The Company has an agreement with Research and Management Corporation ("RAM") and 1175856 Ontario Ltd ("ON117"), companies which are under common control, whereby they will provide certain services to the Company. The services provided by RAM are subject to management fees for franchise operations assistance and office support services, and licensing services involving design, development and hosting. The services provided by ON117 are subject to intellectual property fees and licensing fees.

2. Share Capital

	<u>2022</u>	<u>2021</u>
Authorized		
1,500 Common shares		
Issued		
1,000 Common shares	<u>\$ 250,000</u>	<u>\$ 250,000</u>

3. Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows:

	<u>2022</u>	<u>2021</u>
Deferred costs	\$ (41,000)	\$ (31,000)
Deferred revenue	79,000	78,000
Foreign tax credit carryforward	21,000	21,000
Non-capital loss carryforward	101,000	101,000
Intercompany net operating loss	-	41,000
Valuation allowance	<u>(160,000)</u>	<u>(210,000)</u>
	<u>\$ -</u>	<u>\$ -</u>

National Internet Corporation Notes to Financial Statements (Expressed in U.S. Dollars)

December 31, 2022 and 2021

3. Income Taxes (Continued)

Deferred income tax assets are recognized to the extent that the realization of the related tax benefit is probable.

The Company has unrecognized tax loss carry-forwards for which no deferred income tax assets could be recognized. However, the future tax deductions underlying these deferred income tax assets remain available for use in the future to reduce taxable income. The Company has non-capital losses of \$480,811 (2021 - \$480,811), of which \$349,581 will expire between 2032 and 2036 if not utilized. The remaining \$131,230 can be carried indefinitely.

4. Financial Instruments

Fair Value

The Company accounts for certain financial assets and liabilities at fair value following the provisions of ASC 820. This Topic applies to certain assets and liabilities that are being measured and reported on a fair value basis. The Topic defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosure about fair value measurements. This Topic enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that financial assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1 - quoted market prices in active markets for identical assets or liabilities

Level 2 - observable market based inputs or unobservable inputs that are corroborated by market data

Level 3 - unobservable inputs that are not corroborated by market data

The fair value of cash, accounts receivable, due from and to related party and accounts payable and accrued liabilities approximates the carrying value due to the short-term nature of these financial instruments.

Credit Risk

The Company is exposed to credit risk on its cash, accounts receivable and due from related party. The risk is mitigated by maintaining cash with major financial institutions and credit policies that include regular monitoring of the debtor's payment history and performance. This risk has decreased in the year resulting from partial repayment of the due from related party balance.

National Internet Corporation
Notes to Financial Statements
(Expressed in U.S. Dollars)

December 31, 2022 and 2021

4. Financial Instruments (Continued)

Liquidity Risk

Liquidity risk is the risk that the Company encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Company will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value which is less than what they are worth; or may be unable to settle or recover financial assets. Liquidity risk arises from accounts payable and accrued liabilities and due to related party. The Company manages this risk by maintaining adequate liquidity to meet operating working capital requirements and regular monitoring of forecasted and actual cash flows. This risk has not changed during the fiscal year.

5. Contingencies

Currently, the Company is not involved in any litigation or claims; however, they do arise from time to time in the normal course of business.

EXHIBIT C-2

FINANCIAL STATEMENTS

Our audited financial statements for the fiscal years ended December 31, 2021 and December 31, 2020.

National Internet Corporation
Financial Statements
For the year ended December 31, 2021 and 2020
(Expressed in U.S. Dollars)

National Internet Corporation
Financial Statements
For the year ended December 31, 2021 and 2020
(Expressed in U.S. Dollars)

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BDO Canada LLP
360 Oakville Place Drive, Suite 500
Oakville ON L6H 6K8 Canada

Independent Auditor's Report

To the Board of Directors of National Internet Corporation

Opinion

We have audited the accompanying financial statements of National Internet Corporation (the "Company"), which comprise the balance sheet as at December 31, 2021 and 2020, and the related statements of operations and retained earnings and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

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

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



Auditor's Responsibility

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO CANADA LLP

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
March 25, 2022

National Internet Corporation
Balance Sheet
(Expressed in U.S. Dollars)

December 31	2021	2020
Assets		
Current		
Cash	\$ 480,931	\$ 191,372
Accounts receivable	229,010	77,723
Due from related party (Note 1)	814,541	824,641
Deferred costs - current	35,386	43,128
	1,559,868	1,136,864
Deferred costs	233,590	121,000
	\$ 1,793,458	\$ 1,257,864
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities	\$ 59,599	\$ 20,701
Due to related party (Note 1)	657,900	295,400
Deferred revenue - current	291,708	313,625
	1,009,207	629,726
Deferred revenue	141,655	72,060
	1,150,862	701,786
Shareholder's equity		
Share capital (Note 2)	250,000	250,000
Retained earnings	392,596	306,078
	642,596	556,078
	\$ 1,793,458	\$ 1,257,864

On behalf of the Board:

_____ Director

_____ Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

National Internet Corporation
Statement of Operations and Retained Earnings
(Expressed in U.S. Dollars)

For the year ended December 31	2021	2020
Revenue		
Franchise	\$ 515,993	\$ 254,048
Service	<u>2,197,691</u>	<u>2,408,234</u>
	2,713,684	2,662,282
Direct costs	<u>285,147</u>	<u>387,827</u>
Gross profit	<u>2,428,537</u>	<u>2,274,455</u>
Expenses		
Management and licensing fees (Note 1)	2,286,465	2,116,300
Professional fees	61,077	83,892
Bank, interest and service charges	<u>6,254</u>	<u>5,833</u>
	<u>2,353,796</u>	<u>2,206,025</u>
Income before income taxes	74,741	68,430
Income taxes		
Current (recovery)	<u>(11,777)</u>	<u>-</u>
Net income for the year	86,518	68,430
Retained earnings, beginning of year	<u>306,078</u>	<u>237,648</u>
Retained earnings, end of year	<u>\$ 392,596</u>	<u>\$ 306,078</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

National Internet Corporation
Statement of Cash Flows
(Expressed in U.S. Dollars)

For the year ended December 31	2021	2020
Cash flows from operating activities		
Net income for the year	\$ 86,518	\$ 68,430
Adjustments to reconcile net income to net cash provided by operating activities		
Accounts receivable	(151,287)	(70,874)
Deferred costs	(104,848)	(11,323)
Accounts payable and accrued liabilities	38,898	(45,317)
Deferred revenue	47,678	(23,225)
	(83,041)	(82,309)
Cash flows from investing activity		
Repayment from (advances to) related party	10,100	(133,450)
Cash flows from financing activity		
Advances from related party	362,500	271,292
Increase in cash during the year	289,559	55,533
Cash, beginning of year	191,372	135,839
Cash, end of year	\$ 480,931	\$ 191,372

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

National Internet Corporation Summary of Significant Accounting Policies (Expressed in U.S. Dollars)

December 31, 2021 and 2020

Nature of Business

National Internet Corporation (the "Company") was incorporated under the General Corporation Law of the State of Delaware on December 31, 1996 and carries on business under the trademark WSI ICE and WSI. Since beginning active operations during 1999, the Company has been establishing a network of independent franchise Internet Consultants ("IC") through which its affiliated companies provide business consultation and delivery of advanced Internet solutions in the United States of America. A franchise agreement provides the IC with advanced Internet technology applications and access to WSI's business processes and methodologies, including the Internet Solutions Lifecycle. The Company has the right to operate its franchised business under the trademark WSI ICE and WSI by 1175856 Ontario Ltd. until 2026 by agreement. The right can be cancelled by 1175856 Ontario Ltd. if the Company does not meet certain established guidelines. The Company's sole source of income is derived from the sale of franchise territories under the trademark WSI ICE and WSI and subsequent royalties earned as continuing monthly franchise fees. The Company licenses franchises directly. As of December 31, 2021, the Company had 183 (2020 - 235) franchised stores in the U.S.

Basis of Accounting

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Revenue Recognition

Initial franchise fee revenue is recognized based on consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring service to a customer. The total transaction price is allocated to the performance obligations based on the standalone selling price, which is estimated using the relative cost of each performance obligation. As such, the revenue is recognized once the following criteria are met:

- final payment has been received;
- the franchisee has executed a franchise agreement/ evidence of an agreement exists; and
- the service related to the performance obligation is performed

National Internet Corporation Summary of Significant Accounting Policies (Expressed in U.S. Dollars)

December 31, 2021 and 2020

Revenue Recognition (continued)

Revenue from royalties is recognized over the term of the franchise agreement. The Company satisfies the following conditions under topic ASC 606-10-55-65:

- franchisor uses the IP over the life of the agreement; and
- the performance obligation to provide the continuous services to franchises is satisfied on monthly basis for which it receives sales-based royalty

Accordingly, revenue from royalties are considered as sales-based royalties received in exchange for a license of intellectual property and recognized on monthly basis.

Deferred revenue consists of initial franchise fees collected for which corresponding training remains outstanding at year end. Significant changes in the contract liability balances during the year are as follows:

	2021	2020
Deferred revenue - beginning of year	\$ 385,685	\$ 408,910
Revenue recognized	(213,935)	(204,385)
Amounts billed not recognized	261,613	181,160
Deferred revenue - end of year	\$ 433,363	\$ 385,685

Service revenue is composed of continuing monthly franchise fees relating to systems access, e-marketplace services, management and services, including amounts received on early termination of the franchise agreement. These amounts are recorded in revenue as these services are delivered and collection is reasonably assured.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued and subsequently measured at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument for those measured at amortized cost.

National Internet Corporation Summary of Significant Accounting Policies (Expressed in U.S. Dollars)

December 31, 2021 and 2020

Income Taxes

The Company provides for income taxes using the asset and liability method. This approach recognizes the amount of taxes payable for the current year, as well as deferred tax assets and liabilities for the future tax consequences of events recognized in the financial statements and income tax returns.

Deferred income tax assets, net of valuation allowances, are recognized only to the extent that, in the opinion of management, it is more likely than not that deferred income tax assets will be realized. Deferred income tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment or substantive enactment of the change.

Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts based on the expected collectibility. Credit evaluations are performed on significant customers and an allowance for doubtful accounts is established based on the aging of receivables, payment performance factors, historical trends and other information. In general, a portion of those receivables outstanding more than 90 days are allowed for. The reserve is evaluated and revised on a monthly basis on a review of specific accounts outstanding and the history of uncollectible accounts.

Foreign Currency

The Company's functional currency is the US dollar. Foreign denominated assets, liabilities and operating items of the Company are initially measured in US dollars at the exchange rate prevailing at the respective transaction dates. Monetary assets and liabilities denominated in foreign currencies, which are outstanding at year end are measured at exchange rates prevailing on the balance sheet dates.

Deferred Costs

Costs incurred in the initial set-up of a franchise are deferred and charged to operations at such time as the related deferred revenue is recognized in income.

Variable Interest Entities

The Company accounts for variable interest entities under ASC 810, Consolidation of Variable Interest Entities. This interpretation of Accounting Research Bulletin 51, Consolidated Financial Statements, addresses consolidation by business enterprises of variable interest entities in which an enterprise absorbs a majority of the entity's expected losses, receives a majority of the entity's expected residual returns, or both, as a result of ownership, contractual or other financial interests in the entity.

National Internet Corporation Summary of Significant Accounting Policies (Expressed in U.S. Dollars)

December 31, 2021 and 2020

Variable Interest Entities (continued)

The interpretation requires that if a business enterprise has a controlling financial interest in a variable interest entity, the assets, liabilities, and results of the activities of the variable interest entity must be included in the consolidated financial statements with those of the business enterprise.

The Company is a franchise of 183 outlets as of December 31, 2021 (2020 - 235), but does not possess any ownership interests in its franchisees and generally does not provide financial support to franchisees in its typical franchise relationship. On adoption of ASC 810, these franchise relationships were not deemed variable interest and the entities were not consolidated. No events or circumstances have occurred in the current year that would cause the franchisees to be classified as a variable interest entity and be consolidated.

Use of Estimates

The preparation of these financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of sales and expenses during the reporting periods.

These estimates are reviewed periodically and as adjustments become necessary, they are reporting in earnings in the year in which they become known. Significant estimates and assumptions are used for, but are not limited to (i) reasonable assurance of collection with respect to revenue recognition; (ii) allowance for doubtful accounts; (iii) provision for (recovery of) income taxes; and (iv) allocation of consideration to performance obligations based on the relative stand alone selling price.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which supersedes ASC Topic 840, Leases and creates a new topic, ASC 842, Leases. The new guidance requires the recognition of lease assets and liabilities for operating leases with terms of more than 12 months. The ASU is effective for reporting periods beginning after December 15, 2021, with early adoption permitted. The adoption of this standard is not expected to have a significant impact on the financial statements.

In November 2019, the FASB issued 2019-10 to defer the effective dates for private companies, not-for-profit organizations and certain smaller reporting companies applying standards on current expected credit losses.

National Internet Corporation Summary of Significant Accounting Policies (Expressed in U.S. Dollars)

December 31, 2021 and 2020

**Recent Accounting
Pronouncements (continued)**

The new effective dates are annual periods beginning after December 15, 2022 for current expected credit losses. In addition, the FASB also issued 2019-11 to address issues raised during the implementation of ASU 2016-03 "Financial Instruments - Credit Losses" (Topic 326): Measurement of Credit Losses on Financial Instruments. The Company is currently in the process of evaluating the impact of adoption of this guidance on the financial statements.

National Internet Corporation Notes to Financial Statements (Expressed in U.S. Dollars)

December 31, 2021 and 2020

1. Related Party Balances and Transactions

The amounts due from and to related parties under common control are non-interest bearing, unsecured and due on demand.

The following table summarizes the Company's related party transactions for the year ended December 31:

	<u>2021</u>	<u>2020</u>
Management fees	\$ 2,268,065	\$ 2,095,500
Licensing fees	18,400	20,800

The Company has an agreement with Research and Management Corporation ("RAM") and 1175856 Ontario Ltd ("ON117"), companies which are under common control, whereby they will provide certain services to the Company. The services provided by RAM are subject to management fees for franchise operations assistance and office support services, and licensing services involving design, development and hosting. The services provided by ON117 are subject to intellectual property fees and licensing fees.

2. Share Capital

	<u>2021</u>	<u>2020</u>
Authorized 1,500 Common shares		
Issued 1,000 Common shares	\$ 250,000	\$ 250,000

3. Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows:

	<u>2021</u>	<u>2020</u>
Deferred costs	\$ (31,000)	\$ (31,000)
Deferred revenue	78,000	77,000
Foreign tax credit carryforward	21,000	21,000
Non-capital loss carryforward	101,000	101,000
Intercompany net operating loss	41,000	-
Valuation allowance	(210,000)	(168,000)
	<u>\$ -</u>	<u>\$ -</u>

National Internet Corporation Notes to Financial Statements (Expressed in U.S. Dollars)

December 31, 2021 and 2020

3. Income Taxes (Continued)

Deferred income tax assets are recognized to the extent that the realization of the related tax benefit is probable.

The Company has unrecognized tax loss carry-forwards for which no deferred income tax assets could be recognized. However, the future tax deductions underlying these deferred income tax assets remain available for use in the future to reduce taxable income. The Company has non-capital losses of \$480,811 (2020 - \$480,811), of which \$349,581 will expire between 2032 and 2036 if not utilized. The remaining \$131,230 can be carried indefinitely.

4. Financial Instruments

Fair Value

The Company accounts for certain financial assets and liabilities at fair value following the provisions of ASC 820. This Topic applies to certain assets and liabilities that are being measured and reported on a fair value basis. The Topic defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosure about fair value measurements. This Topic enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that financial assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1 - quoted market prices in active markets for identical assets or liabilities

Level 2 - observable market based inputs or unobservable inputs that are corroborated by market data

Level 3 - unobservable inputs that are not corroborated by market data

The fair value of cash, accounts receivable, due from and to related party and accounts payable and accrued liabilities approximates the carrying value due to the short-term nature of these financial instruments.

Credit Risk

The Company is exposed to credit risk on its cash, accounts receivable and due from related party. The risk is mitigated by maintaining cash with major financial institutions and credit policies that include regular monitoring of the debtor's payment history and performance. The COVID-19 pandemic has had a significant impact on the general economy and adversely impacted the collection of amounts in accounts receivable and due from related party. Management recognizes the elevated credit risk and is monitoring all accounts accordingly. Subsequent to year end, there were no instances of non-collection of accounts receivable and the amount due from the related party

National Internet Corporation Notes to Financial Statements (Expressed in U.S. Dollars)

December 31, 2021 and 2020

4. Financial Instruments (Continued)

Liquidity Risk

Liquidity risk is the risk that the Company encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Company will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value which is less than what they are worth; or may be unable to settle or recover financial assets. Liquidity risk arises from accounts payable and accrued liabilities and due to related party. The Company manages this risk by maintaining adequate liquidity to meet operating working capital requirements and regular monitoring of forecasted and actual cash flows.

5. Contingencies

Currently, the Company is not involved in any litigation or claims; however, they do arise from time to time in the normal course of business.

6. Comparative Figures

Certain comparative figures have been reclassified to conform with current year's financial statement presentation.

EXHIBIT D STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESSList of State Administrators

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA Commissioner Dep’t of Financial Protection & Innovation 320 West Fourth St., Suite 750 Los Angeles, CA 90013-2344 (213) 576-7500 / Toll Free: (866) 275-2677	NEW YORK NYS Department of Law Investor Protection Bureau 28 Liberty St., 21 st Floor New York, NY 10005 (212) 416-8222
HAWAII Commissioner of Securities Dep’t of Commerce & Consumer Affairs Bus. Reg. Div., Securities Compliance Branch 335 Merchant St., Room 205 Honolulu, HI 96813 / (808) 586-2722	NORTH DAKOTA North Dakota Securities Dep’t State Capitol – Dep’t 414 600 East Boulevard Av., Fifth Floor Bismarck, ND 58505-0510 (701) 328-4712
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second St. Springfield, IL 62706 (217) 782-4465	RHODE ISLAND Dep’t of Business Regulation Securities Div., Building 69, First Floor John O. Pastore Center 1511 Pontiac Av. Cranston, RI 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, IN 46204 (317) 232-6681	SOUTH DAKOTA Div. of Insurance Securities Regulation 124 South Euclid Av., Suite 104 Pierre, SD 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Div. 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	VIRGINIA State Corporation Commission Div. of Securities and Retail Franchising 1300 East Main St., 9th Floor Richmond, VA 23219 (804) 371-9051
MICHIGAN Florida Attorney General’s Office Corporate Oversight Div., Franchise Section 525 West Ottawa St., 1st Floor Lansing, MI 48913 (517) 335-7567	WASHINGTON Dep’t of Financial Institutions Securities Div. – 3rd Floor 150 Israel Road, Southwest Tumwater, WA 98501 (360) 902-8760
MINNESOTA Minnesota Dep’t of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1600	WISCONSIN Div. of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705 (608) 266-2139

Agents for Service of Process

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

CALIFORNIA Commissioner Dep’t of Financial Protection & Innovation 320 West Fourth St., Suite 750 Los Angeles, CA 90013-2344 (213) 576-7500 / Toll Free: (866) 275-2677	NEW YORK Secretary of State One Commerce Plaza 99 Washington Av., 6 th Floor Albany, NY 12231-0001 (518) 473-2492
HAWAII Commissioner of Securities of the State of Hawaii Dep’t of Commerce & Consumer Affairs Bus. Reg. Div., Securities Compliance Branch 335 Merchant St., Room 205 Honolulu, HI 96813 / (808) 586-2722	NORTH DAKOTA North Dakota Securities Commissioner State Capitol 600 East Boulevard Av., Fifth Floor Bismarck, ND 58505-0510 (701) 328-4712
ILLINOIS Illinois Attorney General 500 South Second St. Springfield, IL 62706 (217) 782-4465	RHODE ISLAND Director of the Dep’t of Business Regulation Securities Div., Building 69, First Floor John O. Pastore Center 1511 Pontiac Av. Cranston, RI 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, IN 46204 (317) 232-6681	SOUTH DAKOTA Div. of Insurance Director of the Securities Regulation 124 South Euclid Av., Suite 104 Pierre, SD 57501 (605) 773-3563
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	VIRGINIA Clerk of the State Corporation Commission 1300 East Main St., 1 st Floor Richmond, VA 23219 (804) 371-9733
MICHIGAN Florida Attorney General’s Office Corporate Oversight Div., Franchise Section 525 West Ottawa St., 1st Floor Lansing, MI 48913 (517) 335-7567	WASHINGTON Director of Dep’t of Financial Institutions Securities Div. – 3rd Floor 150 Israel Road, Southwest Tumwater, WA 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce Minnesota Dep’t of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1600	WISCONSIN Div. of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705 (608) 266-2139

EXHIBIT E**ROSTER OF FRANCHISEES AS OF DECEMBER 31, 2022**

Arizona				
Robbins Consulting LLC	15560 N. FLW BLVD, B4-5140, Scottsdale, Arizona, 85260, United States		480	650 8157
Optimized Web Solutions Inc.	15811 S 15th Pl, Phoenix, Arizona, AZ 85048, United States		210	858 9302
Kindseth Consulting Inc.	3435 East Lance Lane, Phoenix, 85018, Arizona		480	255 2656

California				
Kreative Webworks Inc.	620 Camino De Los Mares, Suite E465, San Clemente, California, 92673, United States		949	481 0728
Ronald M. Packer	2795 East Bidwell Street # 100 - 160, Folsom, California, 95630, United States		916	983 7708
Kevin Dean	73 Bassett St., San Jose, California, 95110, United States		510	687 9737
Alison Lindemann	27413 Tourney Road Suite 160, Valencia, California, 91355, United States		661	255 8292
Chae Son Yi	24 La Vista Way, Danville, California, 94506, United States		925	487 3400
Ardiman Elkana and Charmaine Ching-Arnold	3269 Cranbrook Place, Dublin, California, 94568, United States		925	519 0364
Don Phillipson	1090 Via Rafael, Newbury Park, California, 91320, United States		805	402 1379
Kenneth L. and Judy L. and Ryan J. Kelly	1 Bixby Court, Petaluma, California, 94952-7526, United States		707	658 2884
Howard Raymond Walker	1348 Via De Los Reyes, San Jose, California, 95120, United States		408	997 6188
Expedito Nievera in trust for a Company to be name	15500 Erwin Street, Suite 4007, Van Nuys, California, 91411, United States		818	668 7612
Michael Shaw and Lisa Shaw	916 Burlington Avenue, Ventura, California, 93004, United States		805	659 5911
Lori Bonitata	1254 Vingate Way, Auburn, California, 95603, United States		530	889 5609
Clarte Management LLC	6726 El Rodeo Road, Rancho Palos Verdes, California, 90275, United States		310	383 6313
Sergio Prusky & Robyn Jo Prusky	2280 Wolfberry Way, Santa Rosa, California, 95404, United States		636	482 3969
Next Gen Marketing INC.	1556 1st Street, Suite 101, Napa, California, 94559, United States		650	440 2676
Angelica Villicana and Ignacio Alex Jimenez	22591 Hazeltine Mission Viejo, California, 92692, United States		949	305 7737
Andrew James Peters	11836 Redwood Road, Forrestville, California, 95436, United States		650	245 7683
Push Marketing, LLC	7040 Avenida Encinas, Suite 104-5, Carlsbad, California, 92011, United States		760	809 7151
CIVOBEL CONSULTING INC.	4210 Old Topanga Canyon Road, Calabasas, 91302, California		310	922 0745
G. Mick Smith	7855 Cowles Mountain Ct Unit A18, San Diego, 92119, California		408	529 7844
MLogiX LLC	3005 Drysdale Street, Danville, 94056-4831, California		408	341 5845

Abraham Bekele Negash	2213 Promontory Circle, San Ramon, 94583, California		415	855 5019
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Colorado				
1 Click Solutions, LLC	4601 South Balsam Way, No.1036, Denver, Colorado, 80123, United States		303	973 7078
Peak Digital Strategy, Inc.	17050 Colonial Park Drive, Monument, Colorado, 80132, United States		719	425 9357
Barnaby Ventures LLC	13211 Krameria Street, Thorton, 80602, Colorado		303	359 8539

Connecticut				
Paula Sanderson	222 South East Road, New Hartford, Connecticut, 6057, United States		860	309 0942
Richard Sementilli	175 Green Pond Road, Sherman, Connecticut, 06784, United States		917	385 8726
Frontallobe Digital Solutions LLC	23 Quigley Road, Wallingford, Connecticut, 06492, United States		732	494 1411
Elevation Enterprises Corp.	121 Sleepy Hollow Road, Ridgefield, 6877, Connecticut		203	403 3191
BEGONA INURRITEGUI LLC	101 Riverside Ave, Riverside		917	2245113

Delaware				
Advanced Internet Solutions Inc.	2405 Dorval Road, New Castle, Wilmington, Delaware, 19810, United States		302	584 4641

Florida				
Mervyn L. Faris and Nancy J.Faris	7924 Oak Grove Circle, Sarasota, Florida, 34243, United States		941	358 0191
MS Solutions, LLC	10730 NW 66th Street, Apt.106, Doral, Florida, 33178, United States		305	487 2283
TopClick Marketing LLC	883 NW 53rd Street, Suite 450 Doral, Florida, 33166-4837, United States		954	636 6024
Kinzelmann, LLC	8200 NW 41st Suite 315, Doral, Florida, 33166, United States	PT	786	403 3206
JCZA Holdings LLC	80 S. W. 8th Street, Suite 2000, Miami, Florida, 33130, United States		785	571 0054
Trojan Properties LLC	1245 S. Powerline, #313,Pompano Beach, Florida,33069, United States	PT	954	732 0995
Vivianne Kassin	11746 SW 106 Terrace, Miami, 33186, Florida		796	287 0771
K and J Enterprises LLC	6780 Congress Avenue, Apt. 404, Boca Raton, 33487, Florida		203	339 2684
HAMMERSPORT MARKETING INC.	1625 Harmon Avenue, Winter Park, 32789, Florida		407	353 7647
Smarty Pantz Marketing LLC	5318 NW 99th Lane, Coral Springs, 33076		954	4067160
Growth Ninja LLC	18115 Ramble On Way, Land O' Lakes, 34638		847	6302081
MICHESCOVERA,LLC	4807 SW 195th Terrace, Miramar, FL 33029		954	6496630
Infinitum Service Group, Corp	6940 Bay Drive, Apartment 8, Miami Beach, 33141		305	5000206

Georgia				
Richard Knutsen	620 Green Valley Drive, Smyrna, Georgia, 30082, United States		678	309 9780
Paul Mathews	1 Symons Lane, Savannah, Georgia, 31411, United States		412	719 9012
Marketing Upside, LLC	328 Meadow Farm Lane, Lawrenceville, Georgia, 30045, United States		404	219 7056
William Gwinner Sutherland Jr and Esther Horne Sutherland	120 Chelveston Place, Atlanta, Georgia, 30350, United States		404	392 0205
Gerardo Ruben Kerik	3796 Sweat Creek Run, Marietta, Georgia, 30062, United States		404	247 7406
Roan Windell and Kelly Crouse Biggs	530 Montrose Lane Atlanta, Georgia 30328 United States		404	421 6773
Melissa Schroeder	765 Martina Drive, Atlanta, 30305, Georgia		404	803 3995
Andersport Solutions, LLC	425 Big Bend Trail, Sugar Hill, 30518, Georgia		678	457 1115

Illinois				
VinMman Inc.	18W140 Butterfield Road, Oakbrook Terrace, Illinois, 60181, United States		630	834 2837
Cone Internet Consulting Corporation	521 S. Lincoln Avenue, Park Ridge, Illinois, 60068, United States		847	825 6376
eProfit Solutions LLC	12864 Arboretum Drive, Belvidere, Illinois, 61008, United States		815	323 0608
Lisa Kilrea	253 Hickory Street, Frankfort, Illinois, 60423, United States		815	210 3765
Mikesell Digital Consulting, LLC	1530 South State Street, #506, Chicago, Illinois, 60605, United States		614	352 6322
Jason M. McCoy	2124 Gardner Circle East, Aurora, Illinois, 60503, United States		630	632 6422
Pamela C. DeLeon	18 Willow Bay Drive, South Barrington, Illinois, 60010, United States		312	420 2444

Indiana				
Julie S. Kiffmeyer and Joseph M Kiffmeyer	8520 Allison Pointe Blvd, Suite 220, Indianapolis, Indiana, 46250, United States		317	482 1178
Z and Z Marketing, LLC	13040 Brunn Place, Fishers, 46038, Indiana		317	514 5893

Kansas				
Jerold C. Ney and Lisa A. Ney	12718 West 118th Street, Overland Park, Kansas, 66210, United States		913	980 7131
Laura Ann Munsch	522 Pine Ridge Drive, Salina, Kansas, 67401, United States		785	577 2939

Kentucky				
WHELAN, LLC	3315 Lexington Road, Louisville, Kentucky, 40206, United States		502	552 2377

Massachusetts				
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Taliesin Web Solutions	491 Dutton Street #510, Lowell, Massachusetts, 1854, United States		781	648 0633
JCF Business Solutions Inc.	50 Raymond Tatro Lane, North Attleboro, Massachusetts, 2760, United States		508	316 1528
Miulan Millie Kwan	10 Nouvelle Way, Unit 826, Natick, Massachusetts, 1760, United States		617	899 0440
Peter D. Berson	8 Holly Lane, Westford, Massachusetts, 01886, United States		781	209 1676
Leticia Chumacero Solis	77 Jefferson St.			

Michigan				
Cook Technology Solutions LLC	12369 Verona Road, Battle Creek, Michigan, 49014, United States		269	841 5007
Sian Digital Inc	10213 Rolan Meadows Drive, Belleville, 48111, Michigan		734	474 6959

Minnesota				
Robert Koehler	8758 Wood Cliff Road, Bloomington, Minnesota, 55438, United States		952	942 9437
Marshall Greig Metzger II	9320 Duckwood Trail, Woodbury, Minnesota, 55125, United States		651	714 9454
Jason Popovich	1324 Evergreen Place, Mayer, Minnesota, 55360, United States		952	657 1175
Brenda Norkosky	50 Rhode Island Avenue South, Golden Valley, Minnesota, 55426, United States		763	218 9330
James Fredrick Swigart	5211 Baker Road, Minnetonka, 55343, Minnesota0		651	5038126

Mississippi				
K.B.D.C. Inc.	309 Oak Hollow Drive, Madison, Mississippi, 39110, United States		601	853 4449

Missouri				
Atharva Technology Group Inc.	16825 Hickory Crest Drive, Ballwin, Missouri, 63011, United States		314	473 5681
Digital Business Advisors LLC	15905 Shady Forest Ct, Ballwin, Missouri, 63021, United States		636	227 2752

Nevada				
Michael Watkins and Nicole Dupre	1778 Amarone Way, Henderson, Nevada, 89012, United States		702	271 2958

New Hampshire				
Dennis Masella	204 Proctor Hill Road, Hollis, New Hampshire, 03049-6453, United States		603	465 6573

New Jersey				
Internet Business Solutions LLC	12 Mackenzie Court, Freehold, New Jersey, 7728, United States		732	252 6025
Joseph Politano	10 Welch Road, Ringwood, New Jersey, 7456, United States		973	826 1513

No Limit Solutions Group, Inc.	1 Luft Lane, West Orange, New Jersey, 07052, United States		732	735 3159
Timothy C. and Karen M. Stauning	23 Greenview Avenue, Princeton, New Jersey, 08542, United States		917	656 9119
Henderson Associates LLC	42 Coventry Road, Wayne, New Jersey, 07470, United States		973	727 0039
Expanding Internet Horizons, LLC	6-05 Saddle River Road, #144, Fair Lawn, New Jersey, 07410, United States		201	794 1707
Primus Ventures Inc.	102 Sunset Drive, Chatham, New Jersey, 07928, United States		973	635 2131
Vikram Sharma and Gita Sharma	3 Bluebird Court, Edison, New Jersey, 08820, United States		908	672 4937
American Business Consulting Group Inc	56 Weathervane Circle, Cream Ridge, 8514, New Jersey		732	423 5978
NIO MARKETING INC	8 Hannah Lee Road, Barnegat, 8005	PT	609	6077857

New Mexico				
FinnPrint Inc.	6601 Tennyson St. NE, Apt. 4305, Albuquerque, New Mexico, 87111, United States		505	850 9177

New York				
Integrated Web Marketing Inc.	12 Hermart Lane, Lake Ronkonkoma, New York, 11779, United States		631	580 1947
A I Web Depot	600 Johnson Ave Suite E2, Bohemia, New York, 11716, United States		631	563 3513
Christopher L. and James E. Aldrich	463 Aurora Street, Lancaster, New York, 14086, United States		716	984 8950
Gloria Po-Cheung Suen	44-15 Purves Street, #3B, Long Island City, New York, 11101, United States		415	529 0725
Jean Patrick Charles	84 Hickory Road, Briarcliff Manor, New York, 10510, United States		914	843 6816
Solutech 360 Inc.	7 Galleine, Commack, 11725, New York		516	521 6204

North Carolina				
Timothy R. Bennett and Charlotte Bennett	85 Mountain Dr., Biltmore Lake, North Carolina, 28715, United States		866	751 7083
Duft Consulting Inc.	5969 Heartwood Court, Harrisburg, North Carolina, 28075, United States		704	491 7265
Internet Business Solutions LLC	1213 Culbreth Drive, Wilmington, North Carolina, 28405, United States		910	339 5916
The Dolz Group, LLC	5101 Lindstrom Drive, Charlotte, North Carolina, 28226, United States		980	333 2614
Dynamic Digital Marketing LLC	1208 Artemis Drive, Fayetteville, North Carolina, 28311, United States		910	261 9316
Maitri M. Meyer	3811 Green Pastures Rd, Charlotte, North Carolina, 28269-0683 United States		608	338 9949
Elizabeth Ann Smith	2722 Briarcliff Place, Charlotte, North Carolina, 28207, United States	PT	704	340 7326
RKW Consulting, L.C.C.	315 Greenbay Road, Mooresville, 28117 North Carolina		705	431 8756
BF Power Marketing, LLC	10524 Chambers Drive, Tampa, Florida, 33626, United States		813	600 0930

Ohio				
Amstadt Internet Consulting Inc.	3690 Orange Place, Suite 450, Beachwood, Ohio, 44122, United States		216	595 2323
The Shamrock Companies, Inc	24090 Detroit Road, Westlake, 44145, Ohio		440	899 9510

Oklahoma				
Gunnar and Leslie C. Hood	2000 Oak Valley Circle, Edmond, Oklahoma, 73025, United States		405	285 5570
Analytical Internet Marketing LLC (AIM)	6508 NW Grand Blvd., Oklahoma City, Oklahoma, 73116, United States		405	317 9980
Moeller Enterprise Digital Services Corp.	29427 North 2780 Road, Okarche, 73762, Oklahoma		405	368 7447

Oregon				
Enso Group Inc.	3 Monroe Parkway, Suite P-436, Lake Oswego, Oregon, 97035, United States		503	922 1406

Pennsylvania				
Vinkler Internet Enterprise	50 Casselberry Drive, Audubon, Pennsylvania, 19403, United States		610	650 0227
Arash Kasaian	123 Cambridge Rd, Landenberg, Pennsylvania, 19350, United States		610	274 2003
RKF Media LLC	301 Callowhill Road, Chalfont, Pennsylvania, 18914, United States		215	716 3043
Higher Images Inc	368 Commercial Street, Bridgeville, Pennsylvania, 15017, United States		412	537 8348
Digital Wizards Marketing Solutions Inc.	231 Sugartown Road, Devon, Pennsylvania, 19333, United States		610	668 6790
Ila Awasthi	110 McLaughlin Drive, Aston, Pennsylvania, 19014, United States		610	558 4425
Mairym, LLC	519 Treeline Drive, Gibsonia, Pennsylvania, 15044, United States		724	625 2325
MX4, LLC	256 Eagleview Blvd., Suite 193, Exton, Pennsylvania, 19343, United States		610	942 3400
Rizen Strategies, LLC dba Rizen Metrics	1000 Dunham Drive, Dunmore, 18512, Pennsylvania		570	840 3560

Puerto Rico				
Madeline Betancourt	1485 Ashford Avenue, #1101, San Juan, Puerto Rico, 00907, United States		787	307 3527
EASB Solutions, LLC	Sabanera 304, Camino de los Cedros, Dorado, 00646, Puerto Rico		787	626 5100

Rhode Island				
Kenneth J. Gallison	42 HOLMAN STREET, PORTSMOUTH, Rhode Island, 2871, United States		401	619 2234

South Carolina				
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Douglas N. Fowler II	320 Prado Way, Greenville, South Carolina, 29607, United States		864	354 1730
B2B Marketing Inc.	3952 Gift Blvd, Johns Island, South Carolina, 29455, United States		843	559 0753

Tennessee				
Hagy's Inc.	1340 Post Office Road, Michie, Tennessee, 38357-5062 United States		662	415 5487
EBALLEST, LLC	850 Kaylee Circle, Murfreesboro, Rutherford County, Tennessee, 37128-8232, United States		555	535 6337

Texas				
OSP Hototo LLC	1704 Prescott Dr, Flower Mound, Texas, 75028, United States		972	539 3916
Aaron L. Braunstein and Gretchen D. Braunstein	3615 Franklin #377, Waco, Texas, 76710, United States		254	235 2432
Digital Marketing Consultants LLC	5760 Legacy Dr. B3#161, Plano, Texas, 75024, United States		214	934 2359
Kalpana C. Murthy and Krishna S. Murthy	7816 Roaring Ridge Drive, Plano, Texas, 75025, United States		972	208 0473
Alexacom LLC	19914 Kellie Creek Drive, Katy, Texas, 77450, United States		281	578 2230
Aaron Jordan Whatley	6700 Cooper Lane #29, Austin, Texas, 78745, United States		282	658 6098
Randy Charles Price	983 Hurricane Creek Circle, Anna, Texas, 75409, United States		214	563 8824
A4C Digital, Inc.	221 Fawn RDG, Cibolo, Texas, TX 78108, United States		210	913 4559
MHMGRPE1, LLC	125 Lady Bird Lane, Georgetown, Texas, 78628, United States		512	850 4090
A Baer's Insight LLC	PO Box 5794, Austin, 78763, Texas		814	490 4187
Pamela Ann Bell	4301 Coronado Court, Midland, 79707, Texas		432	256 0360
Li Li	46 West Artist Grove Place, The Woodlands, 77382, Texas		713	854 1652
Richard Anthony Cruz	1104 13th St., Argyle, 76226, Texas		909	333 4015
Sirach Consulting LLC	1007 Winding Creek Place, Round Rock, 78665, Texas		512	666 1085
Juan Carlos Urdaneta	13615 Arcott Bend Drive, Tomball, 77377		713	3929870
Shirux Group, LLC	800 Town & Country Blvd. Suite 500, Houston, TX 77024		525	577265457

Utah				
Theta International Enterprises Incorporated	1072 W Tivoli Way, Syracuse, Utah, 84075, United States		801	837 6360
Joseph A. Tibolla	1346 West Skyscape Way, South Jordan, Utah, 84095, United States		801	381 0923
Jerry Lee Jackson	2485 West 800 North Street, Provo, 84601, Utah		385	204 1320

Virginia				
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American Internet Solutions LLC	1818 Woods Edge Dr, Leesburg, Virginia, 20176, United States		703	727 9933
NEAL LAPPE	PO Box 998, Midlothian, Virginia, 23113, United States		804	314 4050
Lena Marie Shafer	14441 Chamberry Circle, Haymarket, Virginia, 20169, United States		703	498 8016
RJ Business Group, LLC	9213 Olden Court, Manassas, Virginia, 20110, United States		703	331 0369
Chesapeake Digital Solutions, LLC	8250 West Park Drive, McClean, Virginia, 22103, United States		703	856 1211

Washington State				
Kenneth J. Johnson	26012 SE 152nd Street, Issaquah, Washington, 98027, United States		425	313 7356
Digital Shop Keys, LLC	7916 NE 125th Street, Kirkland, Washington State, 98034, United States		425	466 9006
WRITER'S VOICE LLC	249 Main Avenue South, North Bend, 98045, Washington State		425	223 6912

West Virginia				
Martin Addison Milligan	11 Emily Court, Fairmont, West Virginia, 26554, United States		301	801 2643

Wisconsin				
Infinet Results LLC	362 East 4 Mile Road, Racine, Wisconsin, 53402, United States		262	898 7142
Jonny Buroker & Laurie Ann Pinion Buroker	1009 Stanford Dr., Waunakee, Wisconsin, 53597, United States		608	516 8853
Stephen Palmer	3652 Fence Line Road, Franksville, Wisconsin, 53126, United States		847	401 8092
Falotico Consulting LLC	1811 Prestwick Dr., Lake Geneva, Wisconsin, 53147-4955, United States		630	947 6236

EXHIBIT F**FRANCHISEES WHO LEFT THE SYSTEM**

The following is a list of the franchisees that left our system in the fiscal year ended December 31, 2022. There are no other franchisees with whom we have not communicated in the ten week period before we issued this disclosure document.

Arizona				
Gail Keith Marketing LLC	4917 N. 108th Avenue, Pheonix, Arizona, 85037, United States		602	799 0662

Delaware				
Jeffrey Harrison – Focus 4 Digital Marketing	3352 Morningside Drive, Wilmington, Delaware, 19810, United States		410	638 9877

Florida				
Esite, LLC	246 Berenger Walk, Royal Palm Beach, Florida, 33414, United States		561	889 1808
Internet Success Inc.	419 Third St North, Jacksonville Beach, Florida, 32250, United States		904	572 3078
Bret Fore Whitmire	7810 Fashion Loop, New Port Richey, Florida, 34654		813	732 4397
Frank Padron	2902 SW 115 Avenue 303, Miramar, Florida, 33025, United States		305	496 4418
MODAC INTERNATIONAL, LLC	1396 Banyan Way, Weston, 33327, Florida		754	610 4384
BF Power Marketing, LLC	10524 Chambers Drive, Tampa, Florida, 33626, United States		813	600 0930

Georgia				
The Gordo Group, Inc.	7709 Georgetown Chase, Roswell, Georgia, 30075, United States		404	597 5434
Alan Trembley	8610 Meadowgrove Lane, Gainesville, Georgia, 30506, United States		404	931 1151

Illinois				
Natcam Digital Solutions Inc.	2585 Thornley Court, Aurora, Illinois, 60504, United States		630	898 4803

Louisiana				
Andre Savoie	1715 Logan Lane, Mandeville, Louisiana, 70448, United States		504	669 3207

Michigan				
MS Consulting Corporation	35135 Hammond, Clinton Township, Michigan, 48035, United States		586	790 2049

Minnesota				
Timm Digital Marketing Inc.	11701 Tanglewood Drive, Eden Prairie, Minnesota, 55347, United States		952	829 8176

DigNet Corporation	93 20th Avenue South West, New Brighton, Minnesota, 55112, United States		651	631 8440
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Missouri				
Nicholas J. Cunha	154 Anchor Drive Lake, Tapawingo, Missouri, 64015, United States		816	237 6187

New Jersey				
Robert Kadel	53 Valley Road, Lambertville, New Jersey, 08530, United States		215	340 1694

New York				
UK Software Services	30 Hemlock Drive, Grand Island, New York, 14072, United States		716	775 0206
Christopher Wilkinson	441 State Street, Apt. 1, Brooklyn, New York, 11217, United States		347	552 8703
David Berthiaume	669 Ashgrove Road, Cambridge, New York, 12816, United States		518	677 2729

North Carolina				
Ronald K. Bowden	901 Sunset Drive, Greensboro, North Carolina, 27408, United States		336	706 3051
Wade Phil Farrow	5320 Mirabell Road , Charlotte, North Carolina, 28226, United States		979	777 6730

Pennsylvania				
Manoj Mathew	705 Raikes Road, Huntingdon Valley, Pennsylvania, 19006, United States		215	798 1066
AXAM Group Inc	452 Saddlery Drive, Perkasie, 18944, Pennsylvania		267	362 5344

South Carolina				
Daniel Hucks	117 Dove Cote Lane, Lexington, South Carolina, 29072, United States.		803	319 8376

Texas				
Techfiniti	900 Rockmead Drive, Suite 230, Kingwood, Texas, 77339, United States		218	716 5816
Chad Christopher Lang	4019 Pearl Pass Lane, Sugar Land, Texas, 77479, United States		281	650 7546
WSI Connect, LLC	221 Fawn RDG, Cibolo, Texas, TX 78108, United States		415	518 1533

Washington State				
Edge Digital LLC	1919 Dorner Place, Wenatchee, Washington, 98801, United States		509	888 1504

Wisconsin				
Marketkoring Metrics, Corp	27798 N 25 W Prospect Avenue, Pewaukee, Wisconsin, 53072, United States		262	691 9229

EXHIBIT G**MANUALS TABLE OF CONTENTS****Table of Contents**

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**Page count changes on a daily basis. Current as of February 20, 2023. Total count including video and audio would equate to roughly 7000 pages.*

APPENDIX TO DISCLOSURE DOCUMENT

We are providing you with the following information as required by some state laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

1. The following is added to the Cover Page of this Disclosure Document:

SPECIAL RISK FACTORS

THE FRANCHISE AGREEMENT CONTAINS PROVISIONS THAT LIMIT FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN CALIFORNIA INCLUDING BUT NOT LIMITED TO A TIME LIMIT TO RAISE CLAIMS AGAINST THE FRANCHISOR, LIMITATION OF DAMAGES AND WAIVER OF JURY TRIAL.

YOUR TERRITORY IS NOT EXCLUSIVE, YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM FRANCHISOR OWNED OUTLETS OR FROM CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS FRANCHISOR CONTROLS.

2. Item 3 of the Disclosure Document is supplemented by the following language:

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

3. Item 17 of the Franchise Disclosure Document is supplemented by the following language:

- a. 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.
- b. The Franchise Agreement contains a covenant not to compete which extends beyond termination of the agreement. This provision might not be enforceable under California law.

- c. The Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 et seq.).
 - d. The Franchise Agreement requires parties to resolve disputes via mediation (in Toronto) and in court (in New York). Franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedures Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside of California.
 - e. The Franchise Agreement requires application of the laws of New York (except to the extent governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 et seq.), or other federal law). This provision may not be enforceable under California law.
 - f. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
4. You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).
 5. Corporations Code 31512 provides that: “Any conditions, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of this law or any rule or order hereunder is void.” The franchise agreement requires a shortened status of limitations period. Pursuant to Corporations Code Section 31512, this provision is void, to the extent that it is inconsistent with the provisions of Corporations Code Sections 31303 and 31304.
 6. SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF CORPORATIONS BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

ILLINOIS

1. Illinois law governs the Franchise Agreement.
2. Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.
3. Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law or Illinois is void.
4. Your rights upon termination and non-renewal of a Franchise Agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure act.

MARYLAND

1. The following is added to the end of the “Summary” sections of Item 17(c), entitled Requirements for you to renew or extend, and Item 17(m), entitled Conditions for our approval of transfer:

However, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

2. The following is added to the end of the “Summary” section of Item 17(h), entitled “Cause” defined defaults which cannot be cured:

The Franchise Agreement provides for termination upon bankruptcy. These provisions might not be enforceable under Title 11 U.S.C. Section, but we will enforce it to the extent enforceable.

3. The “Summary” section of Item 17(v), entitled Choice of forum, is amended as follows:

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

4. Item 17 is amended to add the following note at the end of that Item:

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

MICHIGAN

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

- (a) a prohibition on the right of a franchisee to join an association of franchisees.
- (b) a requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) a provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) a provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration, of the franchisee’s inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor’s intent not to renew the franchise.

- (e) a provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) a provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state. *
- (g) a provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) the failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) the fact that the proposed transferee is a competitor of the franchisor or sub franchisor.
 - (iii) the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) the failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) a provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).
- (i) a provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact that there is a notice of this franchise disclosure document 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).

** Notwithstanding Section (f) of these Michigan cover pages, we intend to enforce the provisions of the litigation section of the Franchise Agreement including without limitation the selection of the site for any litigation or arbitration.*

MINNESOTA

1. Renewal, Termination, Transfer and Dispute Resolution. The following is added at the end of the chart in Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) of the Franchise Agreement and 180 days' notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J provide that nothing in the Disclosure Document or Franchise Agreement shall in any way abrogate or reduce any rights you have under the Minnesota Franchises Law, including (if applicable) the right to submit matters to the jurisdiction of the courts of Minnesota and the right to any procedure, forum or remedies that the laws of the jurisdiction provide.

Any release required as a condition of renewal or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

Minn. Rule Part 2860.4400J might prohibit a franchisee from waiving rights to a jury trial; waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction; or consenting to liquidated damages, termination penalties or judgment notes. However, we and you will enforce these provisions in our Franchise Agreement to the extent the law allows.

NEW YORK

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NYS DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NY 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

SPECIAL RISK FACTORS

YOU MUST MAKE MINIMUM ROYALTY AND OTHER PAYMENTS, REGARDLESS OF YOUR SALES LEVELS. YOUR INABILITY TO MAKE THE PAYMENTS MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT.

DURING THE LAST 3 YEARS, A NUMBER OF FRANCHISED OUTLETS (144) WERE TERMINATED, NOT RENEWED, TRANSFERRED, OR CEASED OPERATIONS FOR OTHER REASONS.

3. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

4. 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 that officer or general partner of the franchisor held this position in the company or partnership.

5. 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.

6. 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.

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

To the extent required by the New York General Business Law, you may terminate the Agreement on any grounds available by law.

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

1. The following is added to the end of the “Summary” sections of Item 17(c), entitled Requirements for you to renew or extend, and Item 17(m), entitled Conditions for our approval of transfer:

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. The following is added to the end of the “Summary” section of Item 17(r), entitled Non-competition covenants after the franchise is terminated or expires:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we and you will enforce the covenants to the maximum extent the law allows.

3. The following is added to the end of the “Summary” section of Item 17(u), entitled Dispute resolution by arbitration or mediation:

A requirement that mediation be conducted in a forum other than North Dakota is void with respect to claims under the North Dakota Franchise Investment Law.

4. The “Summary” section of Item 17(w), entitled Choice of law, is deleted and replaced with the following:

The laws of the State of New York shall apply, except North Dakota law applies to the extent required by the North Dakota Franchise Investment Law.

VIRGINIA

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, Item 17.h. of the Franchise Disclosure Document for National International Corporation is supplemented by the following:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code Chapter 19.100, the parties to the attached NIC Franchise Disclosure Document (“FDD”) agree as follows:

Use of Franchise Brokers. The franchisor [uses/may use] the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees to ask them about their experience with the franchisor.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted

annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

HAWAII

1. Item 21, "Financial Statements," shall be amended by the addition of the following:

Our unaudited financial statements as of February 28, 2022 are attached as an Exhibit to this Hawaii Disclosure Addendum.

**EXHIBIT TO HAWAII DISCLOSURE ADDENDUM
TO NATIONAL INTERNET CORPORATION'S FRANCHISE DISCLOSURE DOCUMENT
UNAUDITED FINANCIAL STATEMENTS AS OF FEBRUARY 28, 2022**

EXHIBIT H-2**STATE AMENDMENTS****AMENDMENT TO NATIONAL INTERNET CORPORATION
FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA**

The National Internet Corporation Franchise Agreement between _____ (“Franchisee” or “You”) and National Internet Corporation (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

CALIFORNIA LAW MODIFICATIONS

The California Department of Business Oversight requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL. CORP. CODE Section 31000 *et seq.*, and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 *et seq.* To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. 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.
- b. 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.*).
- c. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
- d. The Franchise Agreement requires binding arbitration. The arbitration will occur at a location selected by the arbitrator with the costs being allocated by the arbitrator. Franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedures Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside of California.
- e. The franchise agreement requires application of the laws of New York. This provision may not be enforceable under California law.
- f. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- g. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee’s investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__.

FRANCHISOR:

NATIONAL INTERNET CORPORATION

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

**AMENDMENT TO NATIONAL INTERNET CORPORATION
FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS**

The National Internet Corporation Franchise Agreement between _____ (“Franchisee” or “You”) and National Internet Corporation (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

ILLINOIS LAW MODIFICATIONS

1. The Illinois Attorney General’s Office requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/1 *et seq.* (“Illinois Franchise Act”). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:
 - a. Illinois law governs the Franchise Agreement.
 - b. 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, arbitration may take place outside of Illinois.
 - c. 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.
2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Illinois law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

(Signatures on following page.)

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__.

FRANCHISOR:

NATIONAL INTERNET CORPORATION

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

**AMENDMENT TO NATIONAL INTERNET CORPORATION
FRANCHISE AGREEMENT AND
FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT
FOR THE STATE OF MARYLAND**

The National Internet Corporation Franchise Agreement between _____ (“Franchisee” or “You”) and National Internet Corporation (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

MARYLAND LAW MODIFICATIONS

1. The Maryland Securities Division requires that certain provisions contained in franchise documents be amended to be consistent with Maryland law, including the Maryland Franchise Registration and Disclosure Law, MD. ANN. CODE, BUS. REG., § 14-201 et seq. (2015 Repl. Vol.). The following provisions are hereby amended:
2. **Conditions of Renewal.**
Notwithstanding anything in Section 2.C.7 of the Franchise Agreement to the contrary, the general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
3. **Transfer by Franchisee.**
Notwithstanding anything in Section 12.B.1(c) of the Franchise Agreement to the contrary, the general release required as a condition of assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
4. **Termination by Franchisor.**
Notwithstanding anything in Section 13.A.1 of the Franchise Agreement to the contrary, termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).
5. **Release of Prior Claims.**
Section 22 of the Franchise Agreement is amended by adding the following:
This release shall not apply to any claims or liability under the Maryland Franchise Registration and Disclosure Law.
6. **Acknowledgements.**
The Franchisee Disclosure Acknowledgment Statement and Sections 19, 23, and 28 of the Franchise Agreement are amended by adding the following at the end of each section:
Any representations herein regarding the disclosure of the occurrence of and/or the acknowledgement of the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure law in order to purchase a franchise are not intended to nor shall they act as a release, estoppel or waiver of liability incurred under the franchise law.

7. **Limitation Period.**

Sections 26.B. and 26.F. of the Franchise Agreement are amended by adding the following:

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

8. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
9. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__.

FRANCHISOR:

NATIONAL INTERNET CORPORATION

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

**AMENDMENT TO NATIONAL INTERNET CORPORATION
FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA**

The National Internet Corporation Franchise Agreement between _____ (“Franchisee” or “You”) and National Internet Corporation (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

MINNESOTA LAW MODIFICATIONS

1. The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be amended to be consistent with Minnesota Franchise Act, Minn. Stat. Section 80C.01 et seq., and the Rules and Regulations promulgated under the Act (collectively the “Franchise Act”). The following provisions are hereby amended:
2. The following is added to the end of Section 2.C.7 (“**Condition of Renewal**”), Section 12.B.1(c) (“**Transfer by Franchisee**”) and Section 22 (“**Release of Prior Claims**”) of the Franchise Agreement:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.
3. Section 2 of the Franchise Agreement (entitled “**Term and Renewal**”) and Section 13 of the Franchise Agreement (entitled “**Termination by Franchisor**”) are amended by adding the following:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subs. 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given ninety (90) days’ notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days’ notice for non-renewal of the Franchise Agreement.
4. The following is added to the end of Section 6.C. of the Franchise Agreement (entitled “**Notification of Infringements and Claims**”):

To the extent required by Minnesota law, Franchisor shall indemnify Franchisee against, and reimburse Franchisee for, all losses, costs and expenses Franchisee incurs in any claim of infringement or unfair competition relating to Franchisee’s authorized use of the Marks, provided Franchisee has timely notified Franchisor of the claim and otherwise complied with the terms of this Agreement.
5. The following is added to the end of Section 25.A. of the Franchise Agreement (entitled “**Governing Law**”):

Nothing in this Agreement shall abrogate or reduce any of Franchisee’s rights under Minnesota Statutes Chapter 80C or Franchisee’s right to any procedures, forum or remedy provided therein.
6. To the extent required by the Minnesota Franchises Law, Section 26.E. (entitled “**Waiver of Certain Damages and Jury Trial**”) of the Franchise Agreement is deleted.
7. The following is added to Section 26.F. (entitled “**Limitation Period**”):

; provided, however, that Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

8. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, including your rights to any procedure, forum, or remedies provided for in that law.
9. The Agreement is hereby amended to delete all references to Liquidated Damages (as defined) in violation of Minnesota law; provided, that no such deletion shall excuse the franchisee from liability for actual or other damages and the formula for Liquidated Damages in the Agreement shall be admissible as evidence of actual damages.
10. Each provision of this Agreement shall be effective only to the extent that the jurisdictional requirements of the Minnesota law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__.

FRANCHISOR:

NATIONAL INTERNET CORPORATION

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

**AMENDMENT TO NATIONAL INTERNET CORPORATION
FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK**

The National Internet Corporation Franchise Agreement between _____ (“Franchisee” or “You”) and National Internet Corporation (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

NEW YORK LAW MODIFICATIONS

1. The New York Department of Law requires that certain provisions contained in franchise documents be amended to be consistent with New York law, including the General Business Law, Article 33, Sections 680 through 695 (1989). The following provisions are hereby amended:
2. Section 2.C.7. of the Franchise Agreement (entitled “**Conditions of Renewal**”) is amended by adding the following:

and further provided, however, that all rights enjoyed by Franchisee and any causes of action arising in its 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 provision that the non-waiver provisions of GBL, Sections 687.4 and 687.5 be satisfied;
3. Section 3.A.3. of the Franchise Agreement (entitled “**Pre-Opening Obligations**”) is amended by adding the following:

; however, no changes to the Manual will be made which would impose an unreasonable economic burden to Franchisee or unreasonably increase its obligation.
4. Section 12.B.1(c) of the Franchise Agreement (entitled “**Transfer by Franchisee**”) is amended by adding the following:

and further provided, however, that all rights enjoyed by Franchisee and any causes of action arising in its 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 GBL, Sections 687.4 and 687.5 be satisfied;
5. Section 22 of the Franchise Agreement (entitled “**Release of Prior Claims**”) is amended by adding the following:

; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in its 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 GBL, Sections 687.4 and 687.5 be satisfied.
6. Section 25.A. of the Franchise Agreement (entitled “**Governing Law**”) shall be amended by adding the following:

The foregoing choice of law should not be considered a waiver of any right conferred upon either the Franchisor or upon the Franchisee by the General Business Law of the State of New York, Article 33, Sections 680 through 695.

- Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the New York General Business Law, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__.

FRANCHISOR:

NATIONAL INTERNET CORPORATION

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

**AMENDMENT TO NATIONAL INTERNET CORPORATION
FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA**

The National Internet Corporation Franchise Agreement between _____ (“Franchisee” or “You”) and National Internet Corporation (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

NORTH DAKOTA LAW MODIFICATIONS

1. The North Dakota Securities Commissioner requires that certain provisions contained in franchise documents be amended to be consistent with North Dakota law, including the North Dakota Franchise Investment Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17 (1995). The following provisions are hereby amended:
2. The following is added to the end of Section 2.C.7 (“**Conditions of Renewal**”), Section 12.B.1(c) (“**Transfer by Franchisee**”) and Section 22 (“**Release of Prior Claims**”) of the Franchise Agreement:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.
3. The following is added to the end of Section 16.B. of the Franchise Agreement (entitled “**Post-Term Non-Competition**”):

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, Franchisor and Franchisee will enforce the covenants to the maximum extent the law allows.
4. To the extent required by the North Dakota Franchise Investment Law, the last sentence of Section 26.E. (entitled “**Waiver of Certain Damages and Jury Trial**”) of the Franchise Agreement is deleted.
5. The following is added to the end of Section 25.A. of the Franchise Agreement (entitled “**Governing Law**”):

Notwithstanding the foregoing, North Dakota law applies to the extent required by the North Dakota Franchise Investment Law.
6. The following is added to the end of Section 26.F. of the Franchise Agreement (entitled “**Limitation Period**”):

The statutes of limitations under North Dakota law applies with respect to claims arising under the North Dakota Franchise Investment Law.
7. If the Franchise Agreement requires payment of a termination penalty or liquidated damages, the requirement may be unenforceable under the North Dakota Franchise Investment Law.
8. Anything in Sections 8.E., 13.C., 15.G., and 16.H. and Q. to the contrary notwithstanding, the prevailing party in any action thereunder shall be entitled to recover all damages, costs, and expenses, including reasonable attorneys’ fees.
9. If the Franchise Agreement requires litigation to be conducted in a forum other than the State of North Dakota, the requirement is void with respect to claims under the North Dakota Franchise Investment Law.

10. If the Agreement requires mediation or arbitration to be conducted in a forum other than the State of North Dakota, the requirement may be unenforceable under the North Dakota Franchise Investment Law. Arbitration involving a franchise purchased in the State of North Dakota must be held either in a location mutually agreed upon prior to the arbitration or if the parties cannot agree on a location, the location will be determined by the arbitrator.
11. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the North Dakota Franchise Investment Law, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__.

FRANCHISOR:

NATIONAL INTERNET CORPORATION

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

**AMENDMENT TO NATIONAL INTERNET CORPORATION
FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND**

The National Internet Corporation Franchise Agreement between _____ (“Franchisee” or “You”) and National Internet Corporation (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

RHODE ISLAND LAW MODIFICATIONS

1. The Rhode Island Securities Division requires that certain provisions contained in franchise documents be amended to be consistent with Rhode Island law, including the Franchise Investment Act, R.I. Gen. Law, tit. 19 chap. 28.1 §§ 19-28.1-1 -19-28.1-34. The following provisions are hereby amended:
2. Section 25.A. of the Franchise Agreement (entitled “**Governing Law**”) shall be amended by adding the following:

The foregoing choice of law should not be considered a waiver of any right conferred upon either the Franchisor or upon the Franchisee by the Rhode Island Franchise Investment Act Section 19-28.1-14.
3. Section 22 of the Franchise Agreement (entitled “**Release of Prior Claims**”) is amended by adding the following:

; provided, however, such release and discharge shall exclude claims arising under the Rhode Island Franchise Investment Act.
4. Section 28 of the Franchise Agreement (entitled “**Acknowledgements**”) is amended by adding the following:

If the foregoing acknowledgments would negate or remove from judicial review any statement, misrepresentation or action that would violate the Rhode Island Franchise Investment Act, such acknowledgments shall be void with respect to claims under the Act.
5. If this Agreement requires litigation to be conducted in a forum other than the State of Rhode Island, the requirement is void with respect to any claims brought under Rhode Island Franchise Investment Act Sec. 19-28.1-14.
6. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Act, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20__.

FRANCHISOR:

NATIONAL INTERNET CORPORATION

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

**AMENDMENT TO NATIONAL INTERNET CORPORATION
FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON**

The National Internet Corporation Franchise Agreement between _____ (“Franchisee” or “You”) and National Internet Corporation (“NIC” or “Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code Chapter 19.100, the parties to the attached NIC Franchise Agreement agree as follows:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The undersigned does hereby acknowledge receipt of this addendum.

FRANCHISOR:

NATIONAL INTERNET CORPORATION

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

FORM OF GENERAL RELEASE**[Current Form for Transfers and Renewals]****1. Release of Claims.**

Franchisee and each of Franchisee's principals, directors, owners or partners identified on the signature page hereto and their respective assigns, heirs, representatives, agents, family members, and all other persons acting on their behalf or claiming under them (collectively referred to as the "Franchisee Related Parties") irrevocably and unconditionally release and forever discharge Franchisor, its predecessors, subsidiaries, affiliates and their respective owners, officers, directors, agents, employees, representatives, attorneys, successors and assigns, and all persons acting by, through under or in concert with any of them (collectively "Releasees"), from all actions, causes of action, suits, debts, liens, contracts, agreements, obligations, promises, liabilities, claims, rights, demands, damages, controversies, losses, costs, and expenses (including attorneys' fees and costs actually incurred) of any nature whatsoever, known or unknown, suspected or unsuspected, fixed or contingent ("Claim" or "Claims"), which they now have or claim to have, or at any time heretofore have had, or claimed to have against each or any of the Releasees, including, without limitation, any and all such Claims arising from, based upon or related to the Franchise Agreement, but excluding claims based on any representation that Franchisor made in the most recent Franchise Disclosure Document (including its exhibits and amendments) that Franchisor delivered to Franchisee or its representative in connection with the offer of the Franchise Agreement, subject to agreed-upon changes to the contract terms described in that Franchise Disclosure Document and reflected in the Franchise Agreement (including any riders or addenda signed at the same time as the Franchise Agreement).

2. Unknown Claims.

- (a) Franchisee acknowledges for itself and the Franchisee Related Parties that there is a risk that subsequent to the execution of this Agreement, it will discover, incur or suffer Claims which are unknown or unanticipated at the time this Agreement is executed, including, without limitation, unknown or unanticipated Claims which arose from, are based upon or are related to the Franchise Agreement or some part or aspect thereof, which if known by Franchisee on the date this Agreement is being executed may have materially affected its decision to execute this Agreement.
- (b) Franchisee acknowledges and agrees for itself and the Franchisee Related Parties that by reason of the release contained in Section 1 above, it is assuming the risk of such unknown and unanticipated Claims and agrees that its release of the Releasees contained in this Agreement applies thereto.

3. **Covenant Not to Sue.**

Franchisee covenants and agrees for itself and for the Franchisee Related Parties not to bring or allow to be brought on behalf of itself or any Franchisee Related Party, any action, cause of action, suit or other proceeding of any kind, which has accrued or which may ever accrue, whether based in the Constitution, common law or statute, contract, tort, or in equity, for actual or punitive damages or other relief, against Franchisor and the Releasees arising out of, resulting from, or in any manner related to the matters referenced in Section 1.

4. **No Assignment of Claims.**

Franchisee represents and warrants for itself and the Franchisee Related Parties that it has not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claims released under Section 1 of this Agreement and agrees to indemnify, defend and hold the Releasees harmless from and against any and all Claims, based on or arising out of any such assignment or transfer, or purported assignment or transfer, of any Claims, or any portion thereof or interest therein. Franchisee represents and warrants that since the date of the Franchise Agreement, there has been no assignment or transfer, and no purported assignment or transfer, to any person or entity of the Franchise, the Franchise Agreement, or any rights or interests therein or in the Franchisee.

5. **Full and Independent Knowledge.**

Franchisee represents that it has been represented by an attorney in connection with the preparation and review of this Agreement, that it has specifically discussed with its attorney the meaning and effect of this Agreement and that it has carefully read and understands the scope and effect of each provision contained herein. Franchisee further represents that it does not rely and has not relied upon any representation or statement made by the Franchisor or, any of the Releasees, or any of their representatives with regard to the subject matter, basis or effect of this Agreement.

6. **Compromise.**

Franchisee agrees for itself and the Franchisee Related Parties that the releases contained herein are the result of a compromise and shall never at any time for any purpose be considered as an admission of liability or responsibility on the part of Franchisor or the Releasees regarding any matter.

7. **General Provisions.**

(a) **Entire Agreement.**

This Agreement, when fully executed, supersedes all previous negotiations, representations, and discussions by the parties hereto concerning the subject matter hereof and integrates the whole of all of their agreements and understandings concerning the subject matter hereof. No oral representations or undertakings concerning the subject matter hereof shall operate to amend, supersede, or replace any of the terms or conditions set forth herein.

(b) Authority.

By their signatures below, the parties hereto represent and warrant to each other that they have all necessary authority to enter into this Agreement. Each party hereto represents and warrants that the party is entering into this Agreement solely for the purposes and consideration set forth herein.

(c) Counterpart Execution.

This Agreement may be executed in multiple counterparts, each of which shall be fully effective as an original.

(d) Survival.

All covenants, representations, warranties, and agreements of the parties shall survive execution and delivery of this Agreement and shall continue until such time as all the obligations of the parties hereto shall have lapsed in accordance with their respective terms or shall have been discharged in full.

(e) Further Assurance.

The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the intent of this Agreement.

(f) Complete Defense.

Franchisee acknowledges that this Agreement shall be a complete defense to any claim released under the terms of Section 1 of this Agreement and hereby consents to the entry of a temporary or permanent injunction to end the assertion of any such claim.

(g) Attorneys' Fees.

In the event that Franchisor institutes legal proceedings of any kind to enforce this Agreement, Franchisee agrees to pay all costs and expenses associated therewith, including, but not limited to, all attorneys' fees.

[For California franchisees, add: Each of the Franchisee Related Parties expressly waives and relinquishes all rights and benefits which either may now have or in the future have under and by virtue of California Civil Code Section 1542. The parties do so understanding the significance and consequence of such specific waiver. Section 1542 provides that “[a] general release does not extend to claims which the creditor does not know or suspect exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.” For the purpose of implementing a general release and discharge as described in Section 1. above, the parties expressly acknowledge that this Agreement is intended to include in its effect, without limitation, all claims described in Section 1. above which the parties do not know or suspect to exist in their favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claims.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representative as of the date indicated below.

FRANCHISOR:

National Internet Corporation

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

FRANCHISEE:

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

[Add signature blocks for any additional parties identified pursuant to Section 1]

EXHIBIT J**FRANCHISEE DISCLOSURE ACKNOWLEDGEMENT**

As you know, National Internet Corporation (the “Franchisor”) and you are entering into a franchise agreement (the “Franchise Agreement”) for the establishment and operation of a WSI Business (the “Franchised Business”). The purpose of this Acknowledgment is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and award of the franchise and operation of your Franchised Business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgments and Representations*

1. Did you receive a copy of our Franchise Disclosure Document (and all exhibits and attachments) (together, our “**FDD**”) at least 14 calendar days before signing the Franchise Agreement? Check one: Yes No. If no, please explain: _____

2. Did you sign and return to us an FDD receipt indicating the date on which you received the FDD? Check one: Yes No.

3. Please list any questions you have regarding the franchise opportunity that you would like to discuss prior to signing the Franchise Agreement. (Attach additional pages, if necessary.)

4. Please list any information provided to you by any employee or other person speaking on our behalf concerning the sales, revenue, profits, or operating costs of one or more WSI businesses operated by us, our affiliates, or our franchisees or that you may earn or experience that is in addition to the information contained in the FDD:

This addendum does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

FRANCHISEE:

Signed: _____

Print Name: _____

Title: _____

Date: _____

*All representations requiring prospective franchisees to assent to a release, estoppels or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law. Nothing contained in this Addendum is intended to disclaim any of the disclosures contained in our Franchise Disclosure Document.

EXHIBIT K**STATE EFFECTIVE DATES**

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

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

State	Effective Date
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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

Exhibit L-1**RECEIPT**

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

If National Internet Corporation (“NIC”) offers you a franchise, it must provide this Disclosure Document to you: (a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or (b) in NY, at the earlier of your first personal meeting to discuss the franchise, or 10 business days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or (c) in IA, at the first personal meeting or 14 days before you sign the franchise or other agreement or you pay us any funds that relate to the franchise relationship (whichever happens first), or (d) in MI, at least 10 business days before you sign any binding agreement or pay us any consideration, whichever happens first.

If National Internet Corporation does not deliver this disclosure document on time or if it contains a false or misleading statement, or material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Exhibit D to this disclosure document).

The name, principal business address, and telephone number of the franchise seller offering the franchise is Daniel Lattanzio, 91 Skyway Avenue, Suite 104, Toronto, Ontario, M9W 6R5 Canada (888.678.7588) and _____.

The issuance date of this Franchise Disclosure Document is April 24, 2023.

I have received a Franchise Disclosure Document dated April 24, 2023, with effective dates of state registration as listed on the State Effective Dates Page. This Disclosure Document included the following exhibits::

- | | |
|--|--|
| A Franchise Application Agreement | G Manuals Table of Contents |
| B Franchise Agreement | H State-Specific Disclosures and Amendments |
| C Financial Statements | I General Release |
| D State Administrators and Agents for Service of Process | J Franchisee Disclosure Acknowledgment Statement |
| E Roster of Franchisees | K State Effective Dates |
| F Franchisees Who Left the System | L Receipt Pages |

Date Received

Prospective Franchisee

Name (Please print)

Address

Exhibit L-2**RECEIPT**

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

If National Internet Corporation (“NIC”) offers you a franchise, it must provide this Disclosure Document to you: (a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or (b) in NY, at the earlier of your first personal meeting to discuss the franchise, or 10 business days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or (c) in IA, at the first personal meeting or 14 days before you sign the franchise or other agreement or you pay us any funds that relate to the franchise relationship (whichever happens first), or (d) in MI, at least 10 business days before you sign any binding agreement or pay us any consideration, whichever happens first.

If National Internet Corporation does not deliver this disclosure document on time or if it contains a false or misleading statement, or material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Exhibit D to this disclosure document).

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| F Franchisees Who Left the System | L Receipt Pages |

Date Received

Prospective Franchisee

Name (Please print)

Address

[Please sign, date, and return this page]