

FRANCHISE DISCLOSURE DOCUMENT



Travel Leaders Network, LLC
A Minnesota Limited Liability Company
3033 Campus Drive, Suite W320
Minneapolis, Minnesota 55441
800-888-8584
www.travelleaders.com

A TRAVEL LEADERS® franchise offers a license to use the trademarks, proprietary business system and preferred vendors, developed by Travel Leaders Network (“TLN”), to existing travel agencies.

The total investment necessary to convert to the TRAVEL LEADERS franchise system ranges from \$2,270 - \$17,910. This includes an initial franchise fee of \$0 - \$2,500 for a single location that must be paid to TLN or its 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 corporate headquarters at 3033 Campus Drive, Suite W320, Minneapolis, Minnesota 55441 or via telephone at (800) 888-8584.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “*A Consumer’s Guide to Buying a Franchise*,” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue NW, Washington, 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.

ISSUANCE DATE: March 31, 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 names and contact information in Item 20 or Exhibits B and C.
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 suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D 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 Travel Leaders 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 is it like to be a Travel Leaders franchisee?	Item 20 or Exhibits B and C 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 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 our 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 Restriction. 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 the obligations to your landlord or other creditors.

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

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

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor/Licensors

The franchisor or licensor is Travel Leaders Network, LLC ("TLN," "we," "our", "us"), a Minnesota limited liability company, located at 3033 Campus Drive, Suite W320, Minneapolis, Minnesota 55441; 800-888-8584; www.travelleaders.com. Our parent company, Travel Leaders Group, LLC, can be reached at 1633 Broadway, 35th Floor, New York, NY 10019.

We conduct business under our corporate name and under the service mark "TRAVEL LEADERS®." The term TRAVEL LEADERS, when used in this document, refers to the TRAVEL LEADERS system. TLN has no predecessors, although prior to the Issuance Date, Travel Leaders Network, LLC was known as Travel Leaders Franchise Group, LLC. On January 1, 2017, Vacation.com, LLC, a Delaware limited liability company and a sister company with Travel Leaders Franchise Group, LLC, under common ownership of Travel Leaders Group, LLC, merged into Travel Leaders Franchise Group, LLC, which then changed its name to Travel Leaders Network, LLC. Our agents for service of process are disclosed in Exhibit A.

For ease of reference, we refer to the licensee in this disclosure document as "you" and "your." If you are a corporation, partnership or other organization, the references to "you" includes the organization's owners.

The Franchise Offered

TLN owns a proprietary and distinctive system for the operation of a network of TRAVEL LEADERS agencies (the "System"). A TRAVEL LEADERS franchise and license agreement (the "License Agreement") converts your existing travel agency business to the System and grants you a license to use the service mark "TRAVEL LEADERS®" and the TRAVEL LEADERS stylized logo, and other names, service marks, slogans, and symbols used in connection with the System (the "Marks"). The Marks are described in Item 13 of this disclosure document. You have no right to delegate, license or sublicense the right to use the Marks or to authorize independent contractors, outside sales agents or any third party with whom you transact business to use the Marks, or to sell travel services.

You will operate your travel agency using the Marks and System at a specified location. Additional branch locations may also be attached to your License Agreement through a Multi-Unit Addendum. The initial term of the License Agreement is 3 years. If certain conditions are met the License Agreement will automatically renew unless we notify you of our intent not to renew, but we may require you to sign a then-current License Agreement.

The System and its distinguishing characteristics are described in the License Agreement (see Exhibit E of this disclosure document) and in our Standards of Service and Operations Manual

("Operations Manual"). See Exhibit F to review the table of contents for the Operations Manual. TLN may make changes to the System, Marks, operations standards, and facility, equipment and fixture requirements.

Your required investments and fees are described in Items 5 through 7 of this disclosure document. You may have to make additional investments periodically during the term of the License Agreement if changes are made to the System or if the travel agency's equipment or facilities wear out or become obsolete, or for other reasons.

We will provide you with the initial and ongoing assistance described in Item 11 of this disclosure document. The License Agreement will govern the franchise relationship between TLN and you. We offer an incentive to our licensees for referring agencies to us who qualify for and sign a TRAVEL LEADERS License Agreement and we currently offer a rebate for agencies who engage in activities promoted by TLN, all as set forth herein.

Market and Competition

TRAVEL LEADERS agencies' services are marketed primarily to business and vacation travelers seeking travel recommendations and reservations, including, air, cruises, hotels, cars and tour packages. TRAVEL LEADERS agencies also offer their services to various business organizations, institutions and public agencies, with certain limitations as noted in Items 12 and 13. You will compete with travel agencies operated under other national and regional brands, independent travel agencies, independent contractors, travel suppliers offering their services directly to the public and internet based travel providers. You may also compete with our licensed locations operating under such concepts as, "emPower Travel", and "Cruise Holidays". Finally, you may also compete with our affiliated owned and/or operated concepts operating under such names as "Cruise Specialists", "Singlescruises", "All Aboard Travel", "Altour", , "Travel Leaders", "Nexion", "Protravel", "TL Network", "Travel Leaders Corporate", "Tzell Travel", "Vacation.com", "Crucon Cruise Outlet", "Travel Leaders Vacation Center", "Barrhead Travel", and "Andrew Harper Travel" or, other concepts that we or our affiliates have now or may acquire in the future. The market for travel agency services is intensely competitive and subject to rapidly changing economic and regulatory circumstances, technology and competitive factors.

Our and our Affiliate's Business Experience

TLN was originally organized on June 24, 1984, as Ask Mr. Foster Associates, Inc., at which date it began the sale of franchises. On February 22, 1990, the corporate name changed to Carlson Travel Network Associates, Inc. In January 2008, the name changed to The Travel Franchise Group, Inc. and in April 2008, the corporation converted to a limited liability company. On June 3, 2009 the name changed to Travel Leaders Franchise Group, LLC. Finally, on January 1, 2017, Vacation.com, LLC merged into Travel Leaders Franchise Group, and then changed its name to Travel Leaders Network, LLC. Except as described below, TLN has never offered franchises in any other line of business.

Between June 2000 and December 2016, TLN offered the "Results Travel" brand to existing independently owned travel agencies. As of December 31, 2019, there were no remaining Results Travel agencies. Beginning in January 2017, TLN offers memberships to new members,

as well as former Results Travel and Vacation.com agencies.

From June 2003 to March 31, 2005, TLN offered the “emPower Travel” brand to existing, independently owned travel agencies. As of December 31, 2019, there were 3 emPower Travel” franchisees who were given notice that their franchise agreements were not being renewed in 2020.

In June of 2001 we acquired certain assets through the bankruptcy proceedings of ByeByeNow.com and its affiliates, including franchise agreements and trademarks for the following brands: ByeByeNow.com Travel, Inc.; Cruise Holidays International, Inc.; First Discount Travel; and Travel Professionals International, Inc. We no longer offer franchises under any of these trademarks.

We previously offered franchises that specialized in cruise and cruise related vacation travel including selling cruise ship bookings. We offered "Cruise Holidays" retail franchises beginning June of 2001. From August 2003 to April 2009, we offered “SeaMaster Cruises”, a home-based franchise, which were rebranded under the “Cruise Holidays” trademark in December 2009. In August of 2014 TLN ceased offering any Cruise Holidays franchises. As of December 2017, there were 3 retail locations (United States (1); Australia (1); United Kingdom (1)) and 1 home-based location (United States). Most of the operational services and assistance is provided by Travel Leaders Leisure Group, LLC (“TLLG”), which is located at 1650 King Street, Suite 450, Alexandria, VA 22314.

On September 20, 2006, TLN acquired 6 offices from a franchisee. TLLG continues to operate the remaining 2 locations under the TRAVEL LEADERS name. In addition, on March 21, 2008, our then affiliate, TAG II, LLC, acquired “TraveLeaders” which operated 9 travel agency locations in the United States. There are 2 remaining locations operated under the TRAVEL LEADERS name by our affiliate, Travel Leaders Corporate, LLC (TLC). In 2016, TLC also acquired 3 offices from two different franchisees and continues to operate them as TLC or TLLG. In 2017, TLC acquired 10 offices from franchisees and continues to operate 10 of them as TLC. In 2018, TLC acquired 11 offices from franchisees and in 2019 TLC acquired 4 offices from one franchisee. TLC has closed some of its offices and now operates 3 offices as TLC, TLLG, and Travel Leaders Vacation Center. TLC is located at 1633 Broadway, 35th Floor, New York, NY 10019 and primarily provides corporate travel fulfillment services.

TLLG operates travel agencies under a variety of brand names: Travel Leaders (2 locations) which is used for business travel operations and corporate on-site travel services; “All Aboard Travel” network (1 location) which is used by independent contractors to book travel; “SinglesCruise.com” (1 location) which is used for singles travel operations; “Cruisedeals.com” (1 location) specializing in cruise sales on the internet; and “Cruise Specialists” (2 locations) which is used for luxury travel operations.

On December 7, 2012, TLG acquired the stock of Protravel International, Inc. by way of an agreement and plan of merger through the newly formed Protravel International, LLC. Protravel is a full-service travel company with 19 branch locations and is headquartered at 1633 Broadway, 35th Floor, New York, NY 10019.

Our affiliate, Tzell Travel LLC, offers independent agencies access to supplier programs through relationships with travel industry groups. Tzell is located at 1633 Broadway, 35th Floor, New York, NY 10019.

Access to TLLG, TLC and Tzell Travel, LLC programs may be offered to TLN's franchisees. TLLG, TLC and Tzell Travel, LLC do not engage in any other business activities except as described herein.

Permits, Laws and Regulations

You must maintain all Airline Reporting Corporation ("ARC") and all other permits, licenses and appointments, required for the operation of a travel agency anywhere it sells travel services unless otherwise approved by us. You must obtain and keep in force all necessary licenses and permits required by public authorities. In addition, you are responsible for complying with all applicable local, state and federal laws and regulations, including those specific to the travel industry. For example, some states, including but not limited to, the states of California, Florida and Washington have adopted specific "seller of travel" regulations requiring certain types of registration and financial requirements. Additionally, you must understand and comply with various federal and state laws and regulations, including the Payment Card Industry (PCI) Data Security Standards, governing the handling of personal private information, including privacy, data security and other related consumer protection laws. These laws and regulations, however, are subject to repeal and/or modification. Furthermore, there may be other relevant local, state and federal laws and regulations, including private trade regulations. We strongly encourage you to investigate these and all other laws and regulations that may be applicable to your travel agency before you purchase the franchise.

ITEM 2

BUSINESS EXPERIENCE

President: J. D. O'Hara

Mr. O'Hara became President of Travel Leaders Group in December 2018 and is located in New York, New York. Prior to this position, he was Senior Partner of Certares Management LLC from September 2015 through December 2018 and was located in New York, New York. He was President of Tzell Travel Group from January 2014 through September 2015 and is located in New York, New York.

President: Roger E. Block

Mr. Block has been President of TLFG and TLN since January of 2008 and is located in Plymouth, Minnesota.

General Counsel and Corporate Secretary: Helena Daras

Ms. Daras became General Counsel and Corporate Secretary of Internova Travel Group in

2022. She joined the company in August 2018 as Senior Counsel. Prior to that she served as Assistant General Counsel at Persado. She is located in Washington, District of Columbia.

Chief Information Officer: Jeremy Van Kuyk

Mr. Van Kuyk is Chief Information Officer at Internova Travel Group since September 2020. Prior to that he was Vice President and Senior Director of Information Technology. He has been with Travel Leaders and Carlson Companies since September 2000 and is located in Plymouth, Minnesota

President, Leisure Group, Industry Relations and Networks: John Lovell

Mr. Lovell has been President, Leisure Group, Industry Relations and Networks for Travel Leaders Group since August 2016 and is located in Alexandria, Virginia. Prior to Mr. Lovell's current role, he served as President of Vacation.com beginning in March 2011 through August 2016 and is located in Alexandria, Virginia.

Vice President: Perry Lungmus

Mr. Lungmus was named Vice President for TLN in 2011 and is located in Seattle, Washington.

Vice President: Nicole Galowin

Ms. Galowin is Vice President Support Services for TLN since June 2018. Prior to this position, she was Senior Director, Executive Office and Member Services from January 2008 through June 2018 and she is located in Alexandria, Virginia.

Chief Marketing Officer: Stephen McGillivray

Mr. McGillivray was promoted to Chief Marketing Officer of Travel Leaders Group with the acquisition of Vacation.com by Travel Leaders Group in January 2010. He is located in Alexandria, Virginia.

Senior Vice President International Leisure: Lindsay Pearlman

Mr. Pearlman joined TLN as Vice President of international leisure in July 2019. Prior to that he served as Co-President of Ensemble Travel Group since January 2011 and executive vice president of Ensemble Canada for four years before that. Prior to his time at Ensemble, he was with American Express Global Travel Services for 11 years. He is located in Alexandria, Virginia.

Director of Franchise Recruitment: George Thompson

Mr. Thompson joined TLN as Director of Franchise Recruitment in August 2015 and is located in Bozeman, Montana. He was a partner in Travel Biz Solutions, located in Bozeman, Montana from June 2014 through August 2015. He was founder and principal of TSM, LLC, from

February 2007 to May 2014 and is located in Thousand Oaks, California.

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

When you sign the License Agreement, you must pay a nonrefundable initial license fee of \$2,500 for each location you convert to a TRAVEL LEADERS agency. We may waive, reduce or defer all or part of the initial license fee depending upon such factors as the size of your agency, your agency's market, number of locations or on such other criteria as we may adopt, as allowed under governing law. We have the right to evaluate each situation on an individual basis. In 2019 we charged initial license fees ranging from \$0 to \$2,500.

ITEM 6

OTHER FEES

You may elect 1 of 3 different fee structures. The fee level you choose will determine the type and amount of goods, services and programs you will receive or elect to participate in, as well as the amount of marketing materials, field support, corporate and leisure travel programs, and technology programs that are made available to you. We reserve the right to add, change or remove these programs and services as well as change the fee charged for these programs.

LEVEL 1 – ENTERPRISE

Type of Fee ¹	Amount	Due Date	Remarks
Continuing License Fee	Main Location: \$1,181 per month Branch Locations: \$114 per month per location.	Payable on the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement	Upon renewal the fee will conform to the rate of the then current License Agreement and is subject to CPI adjustment. (See Note 3 & 4)
Marketing Fee (See Note 2)	Main Location: \$312 per month. Branch Locations: \$57 per month, per location.	Payable on the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement.	Upon renewal the fee will conform to the rate of the then current License Agreement and is subject to CPI adjustment. (See Note 3 & 4)
Local Marketing Fee (See Note 2)	\$0-461 per location, per month.	Payable on the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement.	Upon renewal the fee will conform to the rate of the then-current License Agreement and is subject to CPI adjustment. (See Note 3 & 4)

LEVEL 2 – EXECUTIVE

Type of Fee ¹	Amount	Due Date	Remarks
Continuing License Fee	Main Location: \$813 per month Branch Locations: \$114 per month per location.	Payable on the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement.	Upon renewal the fee will conform to the rate of the then current License Agreement and is subject to CPI adjustment. (See Note 3 & 4)
Marketing Fee (See Note 2)	Main Location: \$250 per month. Branch Locations: \$57 per month, per location	Payable on the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement.	Upon renewal the fee will conform to the rate of the then current License Agreement and is subject to CPI adjustment. (See Note 3 & 4)
Local Marketing Fee (See Note 2)	\$0-461 per location, per month	Payable on the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement.	Upon renewal the fee will conform to the rate of the then current License Agreement and is subject to CPI adjustment. (See Note 3 & 4)

LEVEL 3 – PROFESSIONAL

Type of Fee ¹	Amount	Due Date	Remarks
Continuing License Fee	Main Location: \$562 per month Branch Locations: \$114 per month per location.	Payable by the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement.	Upon renewal the fee will conform to the rate of the then current License Agreement and is subject to CPI adjustment. (See Note 3 & 4)
Marketing Fee (See Note 2)	Main Location: \$187 per month. Branch Locations: \$57 per month, per location	Payable by the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement.	Upon renewal the fee will conform to the rate of the then current License Agreement and is subject to CPI adjustment. (See Note 3 & 4)
Local Marketing Fee (See Note 2)	\$0-461 per location, per month	Payable by the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement.	Upon renewal the fee will conform to the rate of the then current License Agreement and is subject to CPI adjustment. (See Note 3 & 4)

In addition to the fees described above, all levels will pay the following other fees:

Type of Fee ¹	Amount	Due Date	Remarks
Publication Fee (See Note 5)	\$75 per month; subject to CPI adjustment. (See Note 3)	Payable on the 1 st business day of the month for which it is due beginning with the effective date of the License Agreement.	For the production and distribution of our magazine publication.
Trams CRM	\$50 to \$1,000 annually	When the License Agreement is signed	Fees vary depending on number of users in your agency and your choice of service bundling.
Insurance costs	\$1,000 to \$2,100	Annually	Insurance costs vary depending on sales volume, coverage and other factors.
Training Fee	\$19 to \$200	Payable upon completion of regional or national training event	New buyers of an existing TLN franchise may be required to attend training and pay a training fee to TLN, depending on their background and expertise in the travel industry.
Meeting Attendance	\$350 to \$600	Payable with registration for meeting	
ASTA Membership (see Note 8)	\$320 to \$25,000	At time of registration	Cost varies depending upon the size of your agency as measured in sales volume.

Type of Fee ¹	Amount	Due Date	Remarks
Late Fees	Interest accrued is equal to the lesser of 15% per annum compounded daily, or the maximum interest rate allowed by governing state law.	Upon demand	TLN is entitled to charge interest on unpaid balances that are due.
Administrative Fees	\$50 per overdraft	Upon demand	Fee for any automatic draft or check payment to TLN that is not honored by your bank.
Settlement of Customer Disputes	Varies	Upon demand	You must reimburse TLN for any cost we bear to settle a claim made by your customer. (See Note 6)
Collection costs; Attorney Fees	Varies	Upon demand	(See Note 7)
Termination Fee	Sum equal to the Continuing License Fees through remainder of the term	Upon notice	We will charge this fee if your License Agreement is for any reason terminated before the renewal date; we will waive this fee if you sell your agency to another Travel Leaders licensee.

Notes to the tables above:

1. None of the fees and payments made to us described above are refundable under any circumstances and, unless we state otherwise, are payable to us by electronic funds transfer. We may waive, reduce or defer all or part of the continuing license fee, marketing, product and brand development fee, local marketing fee, publication fee, renewal fee and transfer fee depending upon such factors as the size of your agency, your agency's market, number of locations or on such other criteria as we may adopt, as allowed under governing law. We have the right to evaluate each situation on an individual basis. All other fees are uniformly imposed. Fees are charged for "full service" locations which are defined as retail locations open to the public. You will not be charged any fees for Client Dedicated or Satellite Ticket Printer (STP) locations.
2. The "Marketing Fee" refers to the Marketing, Product and Brand Development Fee as described in Item 11. Local Marketing Fees are only assessed in designated media markets as we determine and as further described in Item 11.
3. We reserve the right to adjust the fees designated in the table above upward or downward each year in proportion to the change, if any, in the Consumer Price Index ("CPI"), rounded to the nearest dollar. Unless indicated otherwise, all fees will be adjusted September 1st of each year beginning. We will not, however, adjust any of the fees below the amounts stated in the table above.

4. If you are not a TLN franchisee but are acquiring a TLN franchised location, we may at our option require you to sign the current form of License Agreement. If you are an existing TLN franchisee acquiring another TLN franchised location, the continuing license fee, marketing, product and brand development fee, local marketing fee and publication fee will, at a minimum, continue at the same levels established under the License Agreement of the TLN franchise being acquired; however, we reserve the right to require you sign a then-current License Agreement.

5. We will produce 4 issues of our magazine publication, "Postcards", each year and mail one copy of each issue to your designated customers. The maximum allotment you will receive will depend on the fee level you elect; however, more copies of any current issue may be sent to your designated customers at an additional cost to you. The cost for each additional copy shall be our then-current per copy charge. If our costs per copy increase we have the right to adjust the Publication Fee, at any time, or we have the right to reduce the number of copies you receive (on a pro-rata basis) and/or the number of issues we produce per year.

6. The License Agreement requires you to use your best efforts to resolve satisfactorily any customer disputes. Rebates or refunds you pay in good faith to customers may be an offset against gross income for purposes of calculating fees due to us.

7. If we do not receive payment in full for all sums due and owing under the License Agreement you are responsible for all costs of collection. You are also responsible for costs we incur associated with enforcing our rights against you under the License Agreements. In either event, these costs may include reasonable attorneys' fees, including the allocable cost of our in-house counsel. Your liability to pay attorneys' fees is not contingent upon our filing suit being.

8. The American Society of Travel Agents (ASTA) is a professional trade associate with a network of over 12,000 members. It offers its member educational opportunities as well as the largest database of travel related information in the world. ASTA is also highly active in defending the interests of the travel industry at all levels of government.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT (See Note 1)

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial License Fee	\$0 to \$2,500 per full-service location.	Lump sum	Upon signing the License Agreement	TLN
Business Supplies	\$200 to \$2,000 (Note 2)	Lump sum	Upon signing the License Agreement	Vendors
Exterior Sign Purchase and Installation	\$200 to \$6,000 (Note 2)	Lump sum	Within 6 months of signing the License Agreement.	Vendors
ARC name change	\$100 per ARC number	Lump sum	Upon signing the License Agreement	Airline Reporting Corporation
Insurance	\$1,000 to \$2,100	Lump sum	Annually	Insurance Provider
Travel & living expenses to attend training /meetings	\$400 to \$700	As incurred	During training	Vendors
Voice Mail (Note 4)	\$0 to \$190	Lump sum	Upon signing the License Agreement	Vendors
Internet and E-Mail Access (Notes 3 and 4)	\$0 to \$2,000	Lump Sum	Upon signing the License Agreement	Vendors
Additional Funds - 3 months	\$0.00 (Note 4)	Varies	As needed	Employees, suppliers, utilities
ClientBase CRM (Note 5)	\$50 to \$1,000 annually	Lump sum	Upon signing the License Agreement	Trams, Inc.
ASTA Membership	\$320 to \$1,320	Lump sum or installments	When registering See Note 6	American Society of Travel Agents
TOTAL	\$2,270 to \$17,910 for first / main office			

Notes to above Table:

1. These estimates are based our experience in offering and selling franchisees for travel

agency businesses for over twenty years. Except where noted, all fees to us are non-refundable. Third party vendors and suppliers will decide if payments are refundable. We estimate that the length of time between signing the License Agreement and completion of the conversion of your travel agency (or agencies) to the TRAVEL LEADERS System ranges from 30 to 90 days, depending on the availability of store signage, business cards, stationery and promotional materials.

2. The cost to install signage and to purchase business cards, stationery and promotional materials will depend on the size and location of your travel agency. The cost of external signage can vary dramatically depending on building code, landlord and aesthetic requirements and is incurred by new licensees only.

3. Because we ordinarily issue License Agreements only to persons already operating a travel agency business, except for the expenses described above, there should be no additional expenses incurred in most instances in connection with converting your business to the TRAVEL LEADERS agency System. Your actual operating expenses should be consistent with those amounts spent over a 90-day period for the operation of your agency. Your costs will depend on factors such as the size of your agency, the degree to which you follow our methods and procedures for TRAVEL LEADERS agencies, your management skill, experience and business acumen, general economic conditions, the prevailing wage rate and competition. Other costs and fees are described in Item 6.

4. You are required to participate in the ClientBase customer relationship management (CRM) database system through Trams, Inc. or such other customer relationship database systems as we may designate. Fees will vary depending on the number of users in your agency and your choice of service bundling options available from the vendor. This fee is not refundable.

5. ASTA membership is paid annually. Your annual sales volume determines the amount of your membership fee.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

With the exception of your customer relationship management (CRM) database system, you are free to purchase goods, services, supplies, fixtures, equipment and computer hardware and software from any vendor and we do not have approved suppliers from whom you are required to purchase. We do negotiate with vendors to capitalize on the purchasing power of all of our, our parent, subsidiary and affiliate companies as well as all of our franchisees, for certain items and services. We are not aware of any purchasing or distribution cooperative in the TRAVEL LEADERS System.

Neither we nor our affiliates receive income from required purchases.

We do not presently have an ownership interest in any approved or designated vendor,

except that Travel Leaders Group, LLC, or its controlling shareholder, owns an interest in Roadtrips, a Canadian sports event tour operator based in Winnipeg, and RCrusoe, an adventure travel tour operator, based in Chicago. Additional vendors may be acquired in the future. However, our employees may own an interest in a vendor that: (1) is held indirectly through a mutual fund, 401(k) plan or similar mechanism by which the officer does not have the ability to manage the ownership of individual company stock or other interests; or (2) represents fewer than 1,000 units or shares of a vendor entity and less than 1% of the total outstanding equity interest in such vendor.

Licensor's Goods and Services

We or our affiliates periodically offer to provide you with various goods or services to be used by you in operating your travel agency business. For example, we currently offer promotional materials (both electronic and direct mail), websites, information technology, corporate travel management and booking engine programs. These programs do not require your participation. Some of these goods or services are free; we may charge a fee for others should you elect to participate in them. We offer these goods or services to you at or below market rates. The level, type and amount of goods, services and programs you will receive or may elect to participate in will depend on the fee level you choose. We reserve the right to add, change, remove or adjust the cost of these programs and services. We or our affiliates will derive income directly from the sale of such goods and services.

Preferred Vendors

We reserve the right to designate preferred vendors which meet our quality standards and with whom we have negotiated programs for quantity or other discounts. Such preferred vendors may include airline, tour, cruise, insurance and information management systems offering products and services for your agency as well as the travel services that you will offer to your customers. We reserve the right to periodically change our quality standards for our preferred suppliers as well as negotiate override programs with these preferred vendors. If you wish to have a supplier designated as a preferred vendor, you may submit information about the supplier and its relevant products or services to us for review; we will notify you of our decision within 90 days. You are not required to use our preferred suppliers and as a result, the amount of the purchases as well as the proportion that these purchases represent of your total initial or continuing expenses varies widely and is to a large degree discretionary with you. If you do not use a preferred vendor, then you will not participate in any override program for that vendor, you may not earn available rebates, and any alternative vendor still must provide goods or services that meet our quality standards.

Overrides and Other Consideration

As noted above, we or our affiliates periodically may negotiate with preferred vendors for the purchase of goods and services, including, without limitation, airline, tour, and cruise override programs, and insurance and information management systems. These preferred vendors offer quantity or other discounts to us and our licensees. We have the right to designate preferred vendors for these and other programs. We or our affiliates also reserve the right to participate in vendor override and rebate programs, and to retain for their own

accounts all or part of such consideration paid in respect of activities by and within the TRAVEL LEADERS system. The amount that we may or may not retain depends, in part on the fee level you elect. The balance of un-retained overrides or rebates, if any, will be credited to you. We will derive income from the sale of such goods and services from preferred vendors.

Global Distribution System

All of our licensees are required to use a global distribution system (“GDS”). While we do have preferred GDS vendors, you may use any GDS. We have the right to direct our preferred GDS providers as to the appearance and display of information provided to you through your chosen GDS. Some of our programs and products may not be available depending on the type of GDS system you elect to use.

Insurance

You must, at your own expense, procure and maintain in full force and effect throughout the term of the License Agreement such insurance, in such amounts, as we may from time to time require, including a travel agent's professional liability policy (travel agent's errors and omissions) and comprehensive general liability (broad form), in the amount of \$1,000,000 per occurrence and which shall name TLN and its affiliates as additional insureds. You must annually provide us with proof of coverage in a form that we require. You must also maintain, at your own expense, any additional insurance, including worker's compensation coverage, required by the state or county in which the Agency is located. We do not represent that the prescribed levels of coverage will sufficiently insure you against risks associated with operation of the agency.

We consider a number of factors when determining whether to renew your License Agreement or grant licenses for additional locations. Among the factors we consider are your compliance with your License Agreement and support of our programs and policies, which would include compliance with the requirements described in this Item 8.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section In License Agreement	Item In Disclosure Document
a. Site selection and acquisition/lease	Not Applicable	Item 11, 12
b.* Pre-opening purchases/leases	Not Applicable	Not Applicable
c.* Site development and other pre-opening requirements	Not Applicable	Not Applicable
d. Initial and ongoing training	Section 10(k)	Item 11
e.* Opening	Not Applicable	Not Applicable
f. Fees	Section 4, Fee Schedule	Items 5, 6, 7, 11
g. Compliance with Standards and Policies/ Operations Manual	Sections 1(a), 2(a), 6(a)(d), 7(d) 8(b)(c), 10(a)(e)(g)(j)(l)	Items 1, 8, 11
h. Trademarks and proprietary information	Sections 1(a), 8, 9, 15(a), 17(d)	Items 1, 13, 14
i. Restrictions on products/services offered	Section 6(a)(b)	Item 8, 16
j. Warranty and customer services requirements	Section 16(c)	Item 6
k. Territorial development and sales quotas	Section 1(a)	Item 12
l. Ongoing product/ service purchases	Sections 6 and 10	Item 16
m. Maintenance, appearance, and remodeling requirements	Section 10(g)	Item 11(i)
n. Insurance	Section 16	Item 7
o. Advertising	Sections 7	Item 6, 7, 11
p. Indemnification	Section 16(b),17(g)	None
q. Owner's participation; management; staffing	Section 10(h)	Item 15
r. Records and reports	Section10(j)	Item 6
s. Inspections and audits	Section 10(i)	Item 6
t. Transfer	Section 11, 12	Item 6, 17
u. Renewal	Section 13	Item 6, 17
v. Post-termination obligations	Section 15	Item 17

Obligation	Section In License Agreement	Item In Disclosure Document
w. Non-competition covenants	Section 15(d)	Item 15
x. Dispute resolution	Sections 17(a)(b)	Item 6, 17
y. Other	Not Applicable	Not Applicable

*We offer franchises to existing travel agencies which are fully operational when they enter the TRAVEL LEADERS System, therefore many of the obligations listed in the table above are not applicable.

ITEM 10

FINANCING

We offer no direct or indirect financing and will not guarantee your financing, any lease or other obligation.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, TLN is not required to provide you with any assistance.

Licensor Assistance: (Section 3 of the License Agreement)

1. We will provide you with a password to access our intranet site, AgentUniverse where you can find information on all of our available programs, forms for use in operating your agency, and the Operations Manual in an electronic format. The Operations Manual contains our current mandatory specifications, standards, and operating procedures and policies; it is updated on a monthly basis. A Table of Contents for the Operations Manual is attached as Exhibit F to this disclosure document.
2. We will offer you full participation in our leisure and commercial travel services programs, for which we may charge you a fee. We reserve the right to suspend any of these services if you are not in compliance with the License Agreement or if you are in default of any other agreements with TLN or any of its affiliates.
3. We will offer you sales and promotional materials for which we may charge you a fee.
4. We will offer you full participation in programs to purchase goods and services from suppliers offering quantity or other discounts to us and our licensees.
5. We will offer you routine advice and consultation through our service desk for which we reserve the right to charge fees and expense reimbursements.

6. We will conduct various marketing campaigns using the monthly marketing fees paid by you and other licensees.
7. We will continue to develop and create additional products and services for our licensees to use in operating their TRAVEL LEADERS businesses.

Site Selection: (Section 10 of the License Agreement)

We do not offer assistance with site selection; however, the location of your travel agency must meet the site selection criteria described in the Operations Manual. The agency must be furnished and equipped according to the standards described in the Operations Manual. If you move or enlarge your premises it must conform to the current Operations Manual standards. You are solely responsible for compliance with all laws related to the use, design or operation of the agency location and its sales, wherever they may be located, such as compliance with the requirements of the Americans With Disabilities Act and any state seller of travel act, and for reporting and paying all taxes due to the appropriate tax authorities for any override income (as further described below).

Advertising/Marketing: (Section 7 of the License Agreement)

We currently develop marketing programs for the TRAVEL LEADERS brand on a local and national level using several forms of media, depending upon the market needs. For example, using your customer data we will create and electronically distribute various promotional pieces on your behalf. We utilize both our in-house advertising department and outside vendors in developing our advertising campaigns.

You are encouraged to advertise individually provided that you comply with the advertising standards found in the Operations Manual. We provide a variety of materials for your use such as flyers, newspaper advertising, destination kits, ticket stuffers, direct mail pieces, and commercials for both radio and television. We reserve the right to approve all individual advertising where the TRAVEL LEADERS Service Marks are used. We have the right to restrict you in respect to all forms of electronic advertising, including the form, format and location of such advertising, including internet web sites. In addition, you must purchase exterior signage and if such signage is prohibited you must provide us the zoning or lease restrictions.

Customer Data: (Section 7 of the License Agreement)

You must sign an Information Release form authorizing Trams, Inc. to share your customer and transactional (reservations) data with us. In all cases your customer inquiries will be forwarded to you for follow-up and booking. You must also sign an Information Release form authorizing ARC and your GDS to share customer booking information with us. The actual names and addresses and any other related customer data submitted by you to us or through your CRM will be owned solely by you, but jointly managed by both us and you. All customer data provided by you will be considered confidential information. We may use the customer data for the purpose of marketing; however, we will only use the customer data in conjunction with the services contemplated under your License Agreement or as you authorize. We will not disclose any confidential information except as authorized by you or

in conjunction with the services contemplated under the License Agreement. Upon termination of your License Agreement all of your customer data will be purged from our system in accordance with our internal processes. In any event, you are solely responsible for complying with all federal, state and local laws with respect to collection, maintaining and securing customer data.

Marketing Fund: (Section 7 of the License Agreement)

You must contribute to the Marketing, Product and Brand Development Fund ("Marketing Fund") as prescribed in your License Agreement. We allocate the marketing funds to various programs we establish and modify periodically. Such funds may or may not be spent in an area where any participating licensee is located. Offices owned by TLN contribute to the Marketing Fund on a comparable basis.

We are responsible for the administration of the Marketing Fund. Upon your request, we will provide an annual unaudited report on the receipts and disbursements from the Marketing Fund. Marketing, advertising and sales promotion programs are subject to change. For the fiscal year ended December 31, 2017, 100% of the marketing fund was spent on advertising and promotions, which also included general and administrative expenses to execute and administer the promotions.

Local Media Markets: (Section 7 of the License Agreement)

We may require you to participate in a local marketing program ("Media Market") with a separate local marketing fee. All franchisees in the Media Market will contribute at the same rate, although participants may contribute at varying levels based on specific media. We have the right to designate or consent to the content, themes, materials and placement of local and regional programs funded by the local marketing fee. To the extent there are company-owned locations, the company-owned locations contribute to the marketing program on the same basis that you do. We are responsible for administration of any local marketing funds. Media Markets are not required to operate from written governing documents. Upon your request, we will provide you with an annual unaudited report on the receipts and disbursements for the local marketing fund. We have the absolute right to determine Media Markets.

Local Marketing Committee: (Section 7 of the Licensing Agreement)

We do not currently have any Local Marketing Committees ("LMCs"), however one may be established in a Media Markets, emerging market, or other selected market where we deem it appropriate. The LMC would include owners or managers of licensed agencies, managers of company -owned agencies, or other persons designated by us but participation is voluntary. The purpose of an LMC is to identify local market needs for leisure and commercial products, to identify the market's pricing needs and opportunities for local advertising, consumer promotions/events, direct mail, collateral, and training, to provide input to the local marketing plan and budget, to track responses and assist with the evaluation of all local and national marketing activities, and to provide input for decisions made by our marketing department. LMCs do not operate from written governing documents. We reserve the right to form, change or dissolve an LMC at any time.

Franchise Advisory Board:

Currently we have a franchise advisory board consisting of 12 members elected by the TRAVEL LEADERS franchise network based on geographical regions for a 2-year term. We may appoint members, if necessary, to adequately represent the network. The franchise advisory board meets throughout the year and serves in an advisory capacity in the review and development of new programs, advertising, products and services. We may also develop other franchisee groups based on such criteria as sales volume and type of business for purposes of networking within our System, as further described in the Operations Manual (or other written or electronic communications). We have the right to form, change, or dissolve these groups.

Publication Fee: (Section 4 of the License Agreement)

We annually produce four (4) issues of our marketing magazine, "Postcards". The monthly required Publication Fee ensures we will mail one (1) copy of each issue to the list of customers you provide to us. You must provide us the list in the format prescribed in the Operations Manual or otherwise. The maximum allotment you will receive will depend on the fee level you elect. We may adjust the monthly publication fee in the event postage costs or costs per copy increase. Alternatively, if costs per copy increase during the term of your License Agreement, the number of copies you receive may be reduced or the number of issues per year may be decreased.

Neither we nor our affiliates receive payment from providing goods or services to the advertising funds described above. We and our affiliates do not have any fiduciary obligations regarding the advertising funds. No advertising funds are used in the solicitation for the sale of franchises. Any advertising fund surpluses or deficits are carried forwarded to the next year.

Training: (Section 10 of the License Agreement)

New licensees are required to attend and complete an initial training and an initial on-site orientation, to our satisfaction, within 90 days of signing the License Agreement. We offer our licensees training programs and seminars on selling techniques, available products, preferred suppliers, management skills, yield management, customer service standards and other aspects of travel agency operations, which we believe are useful. Training is provided on an as-needed basis and is provided by instructors who meet the employee improvement department training and facilitation criteria, and who are certified by us to instruct travel agents, managers, owners and other licensee employees.

Lea Diele, the individual who currently oversees our training program, has experience in a training capacity with us. All instructors will have a minimum of one year of experience in the subject that they teach and have been employed by us for minimum of six months.

We hold an annual franchise convention at a different location each year, and while you are not required to attend, we strongly encourage you to do so. Currently, we offer a rebate if you attend the convention and qualify, as more fully described in the Operations Manual. We have the right to discontinue or change this rebate program.

We reserve the right to establish additional mandatory training programs, meetings, or similar functions. Certain programs and seminars will be offered at no charge, while others will require a fee. You must bear your own travel and living expenses for attending all these programs and seminars. Following is a description of training programs that we offer. We reserve the right to change these programs.

TRAINING PROGRAMS

Our new licensees are required to complete our orientation program, “Travel Leaders University.” The program is taught over two and a half days at our corporate offices and a self-paced learning option for online training. The following times are approximate.

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Introductions, Expectations, & Overview of AgentUniverse	1 hr.	0	Minneapolis, MN
Travel Leaders Strategy	½ hr.	0	Minneapolis, MN
Leisure Travel Supplier Strategy & Leisure Programs	1 hr.	0	Minneapolis, MN
Luxury Travel Programs	1 hr.	0	Minneapolis, MN
Airline and Car Rental Company Supplier Strategy & Programs	1 hr.	0	Minneapolis, MN
Hotel Programs	¾ hr.	0	Minneapolis, MN
Public Relations	1 hr.	0	Minneapolis, MN
Travel Leaders Support System	1 hr.	0	Minneapolis, MN
Marketing Programs	2 hrs.	0	Minneapolis, MN
Support Services	½ hr.	0	Minneapolis, MN
Global Partners In Country Program	1 hr.	0	Minneapolis, MN
Independent Contractor Program	¾ hr.	0	Minneapolis, MN
Business Travel	1 hr.	0	Minneapolis, MN
Business Travel & Leisure Technology Tools	3 ½ hrs.	0	Minneapolis, MN
Review/Action Plan	1 ½ hrs.	0	Minneapolis, MN
Total	16.5 hrs.	0	

Computers/Software: (Section 10 of the License Agreement)

We require you to maintain high-speed Internet access at each full-service location. You must also provide us with at least one email account through which we can communicate with

an owner, manager, supervisor or designated staff person. In many cases, these requirements may be satisfied by equipment provided by your GDS vendor, or you may buy or lease them elsewhere as needed to meet the minimum requirement. Some of our programs and products may not be available depending on the type of GDS system you use. You are required to use our designated CRM, ClientBase, or such other customer relationship database systems as we may designate. Currently, you must purchase access to ClientBase from Trams, Inc. for a cost of \$50 to \$1,000 per year. Fees will vary depending on the number of users in your agency and your choice of service bundling options available from the vendor.

We have negotiated special programs with preferred systems vendors and recommend that you take advantage of these offers however you may select your own vendors or use existing systems or vendors. We reserve the right to change these specifications as technology and travel industry changes require on no less than an annual basis. Access charges vary by geographic location and costs may also change significantly due to rapidly changing technology. There are no contractual limitations on the frequency and cost of your obligation to acquire, update or change the computer systems used in your travel agency. We will have independent access of information and data that is electronically collected and there are no contractual limitations on our right to access this information and data.

ITEM 12

TERRITORY

The License Agreement does not provide you with any exclusive area or territory. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We and our affiliates have the right, anywhere and without notice, to establish or acquire company-owned locations, as well as franchised travel agencies under the TRAVEL LEADERS Service Mark or any other mark. We and our affiliates also have the right to distribute travel-related products and services through alternative channels of distribution, including the internet, or to establish franchised or company-owned travel related businesses that may compete with your location, using the TRAVEL LEADERS trademark or any other trademarks we own now or in the future. These activities may also compete with your franchised business.

Restrictions

We have the right to impose restrictions on you with respect to commercial account business, including restrictions as to certain classes of customer and as to certain specific customers as well as restricting you from soliciting customers within a designated geographic area. These rules include various restrictions on solicitation of prospective customers, which we reserve the ultimate determination of your right to solicit certain classes of customers and/or specific prospective customers. You will not receive payment of overrides, rebates or commissions for soliciting or accepting orders inside a restricted geographic area. Any such restrictions are outlined in the Operations Manual, or conveyed through written communications, and are

subject to change. To be eligible for networked business, you may be required to have specific services and automation technology available. Other than as described in this Item 12, we will not restrict you from soliciting customers in any geographic area or from using other channels of distribution, such as the internet, except where such channels of distribution relate to the restrictions noted above. An agency may not market (direct mail, newspaper, email blasts, etc.) to non-customers outside their immediate market area

Relocation and Expansion

You must receive approval from TLN before relocating your agency or opening additional locations. We do not provide site selection services; however, approval is based on our reasonable business judgment and varies widely due to differing business and competitive considerations. There may be circumstances under which we may choose not to establish a new location such as the proximity of other TRAVEL LEADERS licensees, market characteristics (including demographic, geographic and business characteristics), and your compliance with the License Agreement. You do not have first right of refusal or similar rights to acquire additional franchises.

ITEM 13

TRADEMARKS

Under your License Agreement you are granted the right to operate a travel agency under the name TRAVEL LEADERS. You must use this, and any additional service marks we may now or in the future designate, in connection with the System according to the provisions of the Operations Manual. By "service mark" we mean trade names, trademarks, service Marks and logos used to identify the travel agency. TLG acquired the "Travel Leaders" trademark through acquisition as described in Item 1 and TLG has filed all required affidavits.

<u>TRADEMARK</u>	<u>REGISTRATION NUMBER</u>	<u>REGISTRATION DATE</u>
Travel Leaders	78611794	11/14/2006

TLG has granted TLN the perpetual right to use and sublicense others to use the TRAVEL LEADERS service mark, and other trademarks TLG may periodically add, in the United States under a trademark license agreement with an effective date of August 21, 2008. TLG may terminate the trademark agreement if any misuse of the licensed trademarks materially impairs the goodwill associated with the trademark, if we violate any provision of the license agreement or do not comply with TLG's instruction concerning the quality of their trademarks. If the trademark agreement is terminated, any then-existing sublicenses (franchises) will continue for the term of the sublicenses provided that the franchisees comply with all other terms of their franchise agreements. The trademark license agreement contains no other limitations.

There is no currently effective material determination of the U.S. Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator and, except as may be described in Item 3, no pending material litigation involving our principal Mark.

You must use the Marks only in the manner described in the License Agreement and Operations Manual (or any other existing or future form of electronic communication), and as we may periodically specify. You may use only the Service Marks listed in your License Agreement. You may not use the Service Marks as part of your trade or entity name but may file appropriate notices required under an applicable fictitious or assumed name. We have the right to change the Service Marks at any time. Your use of the Service Marks and any goodwill is to our exclusive benefit and you retain no rights in the Service Marks. You also retain no rights in the Service Marks when the License Agreement expires or terminates. You are not permitted to make any changes or substitutions respecting the Service Marks unless we direct in writing. You may not use any Service Marks or a portion, variation, or abbreviation of any Service Marks as part of any corporate or any trade name, domain name, universal record locator (URL), or in the sale of any unauthorized product or service, or in any unauthorized manner. You may not use any Service Marks or portion, variation, or abbreviation of any Service Marks on any web site without our prior written approval.

The License Agreement requires us to protect your right to use the Marks and to defend you against third party claims of infringement or unfair competition with respect to the Marks, as long as you have complied with our requirements regarding use of the Marks. You must notify us of any adverse use of the Marks, or names confusingly similar to any of the Marks, or of any claim that our or your use of the Marks infringes on any other person's rights. We have the sole right to manage and resolve disputes with third parties concerning the Marks. If a judgment or decree is entered prohibiting further use of any of the Marks, or if we enter into an agreement acknowledging that use of any of the Marks infringes another's rights, or if we otherwise change any of the Marks, you must, upon notice from us, and at your expense, discontinue use of any such Marks and promptly adopt and use the new marks we designate at your own expense.

We know of no infringing or prior uses that could materially affect our use of the Service Marks.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not grant you the right to use any item covered by a patent or copyright but do permit you to use proprietary information in the Operations Manual. The Operations Manual is proprietary, and we own the copyright in the entire Operations Manual, and in various software packages, advertising and sales promotion materials used in connection with your travel agency.

You will keep strictly confidential our marketing and operational plans and programs, commission rates, proprietary software or information access, retrieval, storage and management systems, and other general methods, standards, specifications, techniques, formats, procedures, policies, knowledge and communications, including, any information contained in the Operations Manual or as we otherwise convey to you (the "Confidential Information"). You will acquire no interest in the Confidential Information other than the right to use it in the operation of your Agency during the term of the License Agreement. Your use or duplication of the Confidential Information in any other business will constitute an

unfair method of competition. The Confidential Information is proprietary and is provided to you solely on the condition that you agree to maintain its absolute confidentiality during and after the term of the License Agreement. You may, however, communicate the Confidential Information to those employees who must have access to it in order to operate the Agency in compliance with the License Agreement. You cannot make unauthorized copies of any portions of the Confidential Information and will otherwise take all reasonable procedures necessary to prevent the unauthorized use and disclosure of the Confidential Information. We may require that you and your officers, directors and employees execute non-disclosure agreements to keep the Confidential Information strictly confidential.

The restrictions regarding the Confidential Information shall not apply to: (1) information you can demonstrate came to you independent of your association with us, and prior to our disclosure of the information in the Operations Manual or otherwise; (2) information that we agrees is, or has become, generally known in the public domain, except where public knowledge is the result of unauthorized or other wrongful disclosure (whether or not deliberate or inadvertent); and (3) disclosure of the Confidential Information in judicial or administrative proceedings to the extent you are legally compelled to disclose such information, provided you used your best efforts to obtain, and afforded us the opportunity to obtain, an appropriate protective order or other assurance of confidential treatment for the information required to be disclosed.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You are required to devote your best efforts and personal full time and attention to the management of your travel agency as well as personally guaranty the License Agreement. You may designate an individual upon whom we may rely for the direct management of the travel agency (the "Designated Manager"). We do not require that your Designated Manager to have any equity interests in the franchise entity or place other limitations on who you may hire as your Designated Manager other than you must comply with all applicable laws. Per the License Agreement we can require your Designated Manager to attend our required training programs at your expense. In addition, we may require your designated manager and other employees to sign a confidentiality agreement.

During the term of your License Agreement, you may not be a member of, or otherwise associated with, any consortium or other organization similar to TRAVEL LEADERS, that is engaged directly or indirectly in the purchase, or arranging for the purchase, of travel and/or related services and products for or on behalf of its members, or those otherwise associated with it as a group. You also cannot have any ownership, leasehold interest or business affiliation, directly or indirectly, with any travel agency or system other than a TRAVEL LEADERS agency operated under our license agreement. The Confidential Information may only be shared with employees and independent contractors who require access to it in order to operate the agency in compliance with your TRAVEL LEADERS License Agreement. You are encouraged to be a member of trade associations or an association of TRAVEL LEADERS licensees.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to confine your business to the operation of a travel agency providing travel and related services to the general public and to maintain the highest of professional and ethical standards. You must operate each travel agency office or location in which you have any ownership interest or business affiliation under a TRAVEL LEADERS License Agreement. Except as described in Item 8 and the Operations Manual, you are not otherwise restricted as to the types of travel services and related products you may offer to the public, although failure to observe our preferred supplier programs may make your agency ineligible to sell our preferred supplier programs. We reserve the right to approve or disallow the sale of any travel service or related product.

We reserve the exclusive right to deal with national or house accounts we designate periodically, certain classes of customer (ordinarily defined by reference to the size of the account), or certain identified particular accounts, and to determine which licensee will have the right to deal with particular commercial account customers. In order to be eligible for networked business, it may be necessary for your agency to have specific services and automation technology available. Designations and classifications are subject to change periodically. Our policies and criteria regarding commercial account customers are described in the Operations Manual.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

Provision	Section in License Agreement	Summary
a. Length of the license term	13(a)	The initial term of your License Agreement is 3 years.
b. Renewal or extension of term	13(a)	Will automatically renew for additional successive terms equal to the term being offered under the then-current License Agreement, which is currently a 3-year term.
c. Requirements to renew or extend your term	13(d)	You must be current in all fees, obtain exterior signage as applicable, and participate in any new, mandatory programs. We may require you to sign a current form of License Agreement with materially different terms and conditions than your original License Agreement

Provision	Section in License Agreement	Summary
		and will notify you of this at least 60 days before the expiration of the term. Failure to return a fully executed original of the new License Agreement by the expiration date may result in immediate non-renewal. We must notify you of our intention not to renew the License Agreement at least 60 days before the expiration date
d. Termination by you	13(b)	You may terminate the License Agreement as a non-renewal, with no penalty. If you terminate for any other reason you must pay the balance of the remaining Continuing License Fees owed through the term.
e. Termination by us without cause	N/A	Not Applicable
f. Termination by us with cause	14(a) (b)	We may terminate the License Agreement if you breach the terms of, or are in default of amounts owed under the License Agreement.
g. "Cause" defined – curable defaults	14(b)	Upon written notice you have 30 days to remedy the defaults, or a cure time applicable to your state’s laws
h. "Cause" defined – non-curable defaults	14(a)	TLN can terminate immediately if you: abandon the License Agreement (including unapproved transfers); are convicted of a felony or an offense related to franchise; impair the goodwill of the Marks or System; commit repeated defaults; become insolvent;
i. Your obligations on termination / non-renewal	15	You must cease all use of the Marks; return or destroy proprietary materials pay any sums owed including early termination fee if applicable;
j. Assignment of contract by us	12(a)	The License Agreement is fully assignable by TLN without your consent.
k. "Transfer" by you – definition	12(b)	Includes transfer of your interest in the License Agreement, your legal entity, travel agency or its assets.
l. Our approval of a transfer by you	12(c)	TLN has the right to approve all transfers but will not unreasonably withhold approval.
m. Conditions for our approval of your transfer	12(c)	You must pay all amounts owed, cure any defaults, and sign a General Release. Transferee must qualify financially and have appropriate management experience. All parties must execute an Assignment and Assumption of License Agreement, we can require the Transferee to execute a new License Agreement with the same fee levels as the existing License Agreement, at a minimum. An existing franchisee acquiring another franchisee’s agency may be required to pay the same fees for the acquired location as already established, at a minimum.
n. Our right of first refusal to acquire your business	11	TLN has the right of first refusal to substantially match any offer for your travel agency.
o. Our option to purchase your	N/A	Not Applicable

Provision	Section in License Agreement	Summary
business		
p. Your death or disability	12(d)	The death or permanent disability shall constitute an assignment of your License Agreement. If your heirs or executor wish to continue operating the agency they must apply for our consent to the assignment.
q. Non-competition covenants during the term of the franchise	9(e), 10(h)	You may not have direct or indirect involvement in a competing or similar business. No other business may be conducted on the Agency premises.
r. Non-competition covenants after the franchise expires or is terminated	15(d)	For the two years following termination of your License Agreement, you may not divert or attempt to divert any customers or business from TRAVEL LEADERS agencies, and you may not poach TLN employees.
s. Modification of the agreement		There will be no modifications generally, but the Operations Manual, other manuals, fees for additional training, and the Marks are subject to change.
t. Integration/merger clause	17(m)	Only the terms of the License Agreement and other related written agreements are binding (subject to state law.) Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	N/A	Not Applicable
v. Choice of forum	17(b)	Hennepin County, Minnesota, subject to state law.
w. Choice of law	17(a)	Subject to the laws of the state of your authorized location. Illinois franchisees: the governing law will be the laws of the State of Illinois. Maryland franchisees: per the Maryland Franchise Registration and Disclosure Law (Sect. 14-216(c)) you may bring a lawsuit in Maryland for claims arising under said law; claims must be brought within three years after the grant of the franchise.

ITEM 18

PUBLIC FIGURES

Travel Leaders Network does not use any public figure to promote its franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing franchise, however, we may provide you with the actual records of that franchise. 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 Roger Block, Travel Leaders Network, LLC, TRAVEL LEADERS, 3033 Campus Drive, Suite W320, Minneapolis, Minnesota, 55441-2651, 800-888-8584, the Federal Trade Commission, and appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

System Wide Outlet Summary for Years 2020 to 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised				
	2020	239	191	-48
	2021	191	183	-8
	2022	183	184	1
Company Owned / TLG Owned				
	2020	17	17	0
	2021	17	10	-7
	2022	10	3	-7
Total Outlets				
	2020	256	208	-48
	2021	208	193	-15
	2022	193	187	-6

*As described in Item 1, the Franchised Outlets disclosed in this Item include all locations operating under any Travel Leaders license agreement.

Transfers of Outlets from Franchisees to New Owners (Other than Franchisor or an Affiliate) For years 2020 to 2022

States	Year	Number of Transfers
Totals	2020	2
	2021	0
	2022	0

**Status of Franchised 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 Year
Alabama								
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Alaska								
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Arizona								
	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	1	0	1	0	1	4
Arkansas								
	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Bahrain								
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
California								
	2020	16	0	0	0	0	4	12
	2021	12	2	0	0	0	1	13
	2022	13	4	0	0	0	2	15
Colorado								
	2020	5	0	0	0	0	1	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Connecticut								
	2020	3	0	0	0	0	2	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
England								
	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Florida								
	2020	12	0	0	0	0	4	8
	2021	8	0	0	1	0	0	7
	2022	7	0	0	0	0	0	7

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Georgia								
	2020	4	1	0	0	0	0	5
	2021	5	1	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Greece								
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Illinois								
	2020	6	0	0	1	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	1	0	0	0	0	6
Indiana								
	2020	8	0	0	0	0	0	8
	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	1	7
India								
	2020	2	0	0	0	0	1	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Iowa								
	2020	6	0	0	0	0	1	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
Ireland								
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Italy								
	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Jeddah								
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Kansas								
	2020	2	0	0	0	0	1	1
	2021	1	0	0	0	0	1	0
	2022	0	0	0	0	0	0	0
Kentucky								
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
	2022	2	0	0	0	0	0	2
Kuwait								
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Maine								
	2020	2	0	0	1	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Maryland								
	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Massachusetts								
	2020	2	0	0	0	0	1	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Michigan								
	2020	17	3	0	2	0	4	14
	2021	14	0	0	0	0	2	12
	2022	12	0	0	0	0	1	11
Minnesota								
	2020	19	0	0	0	0	2	17
	2021	17	1	0	0	0	1	17
	2022	17	0	0	0	0	0	17
Missouri								
	2020	6	0	0	0	0	1	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
Montana								
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	1	1
	2022	1	0	0	0	0	0	1
Nevada								
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
New Hampshire								
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	1	0
	2022							
New Jersey								
	2020	4	1	0	0	0	0	5

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
New Mexico								
	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
New York								
	2020	7	0	0	0	0	2	5
	2021	5	0	0	1	0	0	4
	2022	4	0	0	0	0	0	4
North Carolina								
	2020	2	0	0	0	0	1	1
	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
North Dakota								
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Ohio								
	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	1	5
	2022	5	0	0	0	0	0	5
Oklahoma								
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Oregon								
	2020	5	0	0	0	0	1	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Pennsylvania								
	2020	6	0	0	0	0	2	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	1	3
Puerto Rico								
	2020	3	0	0	0	0	1	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Rhode Island								
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Saudi Arabia	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
South Carolina	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	1	3
South Dakota	2020	4	0	0	0	0	1	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Tennessee	2020	4	0	0	0	0	1	3
	2021	3	1	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Texas	2020	14	1	0	3	0	6	6
	2021	6	0	0	1	0	0	5
	2022	5	2	0	0	0	0	7
United Arab Emirates	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Utah	2020	3	1	0	1	0	1	2
	2021	2	0	0	1	0	0	1
	2022	1	0	0	0	0	0	1
Virgin Islands	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Virginia	2020	7	0	0	0	0	1	6
	2021	6	0	0	0	0	0	6
	2022	6	1	0	0	0	1	6
Washington	2020	8	0	0	0	0	1	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
Wisconsin	2020	25	0	0	0	0	3	22
	2021	22	0	0	0	0	2	20
	2022	20	0	0	0	0	0	20

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
TOTALS								
	2020	239	7	0	8	0	47	191
	2021	191	6	0	4	0	10	183
	2022	183	10	0	1	0	8	184

Status of Company Owned Outlets for Years 2020 to 2022

State	Year	Outlets Open at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Open at End of Year
Alabama						
	2020	1	0	0	0	1
	2021	1	0	0	0	1
	2022	1	0	0	0	1
Florida						
	2020	3	0	0	0	3
	2021	3	0	0	1	2
	2022	2	0	0	2	0
Georgia						
	2020	3	0	0	0	3
	2021	3	0	0	2	1
	2022	1	0	0	1	0
Indiana						
	2020	1	0	0	0	1
	2021	1	0	0	1	0
	2022	0	0	0	0	0
Maryland						
	2020	1	0	0	0	1
	2021	1	0	0	0	1
	2022	1	1	1	1	0
Michigan						
	2020	1	0	0	0	1
	2021	1	0	0	1	0
	2022	0	0	0	0	0
North Carolina						
	2020	1	0	0	0	1
	2021	1	0	0	0	1
	2022	1	0	0	0	1
Pennsylvania						
	2020	2	0	0	0	2
	2021	2	0	0	1	1
	2022	1	0	0	1	0
South Carolina						
	2020	1	0	0	0	1
	2021	1	0	0	0	1

State	Year	Outlets Open at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Open at End of Year
	2022	1	0	0	1	0
Tennessee	2020	1	0	0	0	1
	2021	1	0	0	1	0
	2022	0	0	0	0	0
Texas	2020	1	0	0	0	1
	2021	1	0	0	0	1
	2022	1	0	0	0	1
Virginia	2020	1	0	0	0	1
	2021	1	0	0	0	1
	2022	1	0	0	1	0
Total	2020	17	0	0	0	17
	2021	17	0	0	7	10
	2022	10	0	0	7	3

The numbers in the previous table reflect those businesses operated under TLG's subsidiaries, TLN and Travel Leaders Corporate, LLC under the TRAVEL LEADERS Mark.

Projected Openings as of December 31, 2023*

State	License Agreements Signed but Location Not Open End of Fiscal Year 2022	Projected New Licensed Locations for 2023	Projected New Company Owned Openings for Fiscal Year 2023
Alabama	0	0	0
Alaska	0	0	0
Arizona	0	1	0
Arkansas	0	0	0
California	0	1	0
Colorado	0	1	0
Connecticut	0	0	0
Delaware	0	0	0
Dist. of Columbia	0	0	0
Florida	0	1	0
Georgia	0	0	0
Hawaii	0	0	0
Idaho	0	0	0
Illinois	0	1	0
Indiana	0	0	0
Iowa	0	0	0
Kansas	0	0	0

State	License Agreements Signed but Location Not Open End of Fiscal Year 2022	Projected New Licensed Locations for 2023	Projected New Company Owned Openings for Fiscal Year 2023
Kentucky	0	0	0
Louisiana	0	0	0
Maine	0	0	0
Maryland	0	0	0
Massachusetts	0	1	0
Michigan	0	0	0
Minnesota	0	1	0
Mississippi	0	0	0
Missouri	0	1	0
Montana	0	1	0
Nebraska	0	1	0
Nevada	0	0	0
New Hampshire	0	0	0
New Jersey	0	0	0
New Mexico	0	0	0
New York	0	1	0
North Carolina	0	1	0
North Dakota	0	0	0
Ohio	0	1	0
Oklahoma	0	0	0
Oregon	0	0	0
Pennsylvania	0	0	0
Puerto Rico	0	0	0
Rhode Island	0	0	0
South Carolina	0	0	0
South Dakota	0	0	0
Tennessee	0	1	0
Texas	0	1	0
Utah	0	0	0
Vermont	0	0	0
Virginia	0	0	0
Washington	0	0	0
West Virginia	0	0	0
Wisconsin	0	1	0
Wyoming	0	0	0
TOTAL	0	16	0

Exhibit B to this disclosure document lists the name, city, state and telephone number for each location operating under a TRAVEL LEADERS license agreement as of our last fiscal year end and Exhibit C lists every Conversion Licensee or Renewal who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a license agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the system.

In some instances, during the last 3 fiscal years, current and former Conversion Licensees or Renewal Licensees have signed provisions restricting their ability to speak openly about their experience with us. You may want to speak with current and former licensees but be aware that not all such licensees will be able to communicate with you.

As discussed in Item 11, the “Associate Advisory Board” consists of 12 members elected by TRAVEL LEADERS licensees based on geographical regions for a 2-year term. As the Franchise Advisory Board does not have a particular address, telephone number, email address, or web address, please contact our corporate offices should you have any further questions or comments regarding our Associate Advisory Board.

ITEM 21

FINANCIAL STATEMENTS

Consolidated financial statements and related independent auditors' report, as of and for the years ended December 31, 2022, December 31, 2021, and December 31, 2020 are included as Exhibit D.

ITEM 22

CONTRACTS

A copy of the License Agreement is attached as Exhibit E. It contains a copy of the Personal Guaranty, Multiple Unit Addendum, Fee Schedule Addendum, and Acknowledgement Addendum.

ITEM 23

RECEIPTS

The receipt, in duplicate, is found on the last two pages of this disclosure document. The Federal Trade Commission requires that you acknowledge that you have received the disclosure document by signing and returning one Receipt to us. This does not obligate you to purchase a franchise and it does not obligate us to sell you a franchise.

EXHIBIT A

STATE AGENCIES AND AGENTS FOR SERVICE OF PROCESS

California

Commissioner
Department of Business Oversight
320 West 4th Street, Suite 750
Los Angeles, CA 90013-1105
(866) 275-2677

Hawaii

Commissioner of Securities
Dept. of Commerce & Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Illinois

Office of Attorney General
Franchise Bureau
500 South 2nd Street
Springfield, IL 62706
(217) 782-4465

Indiana

Indiana Secretary of State
Securities Division
302 West Washington, Room E-111
Indianapolis, IN 46204
(317) 232-6681

Maryland

Administrator

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202
(410) 576-6360

Agent

Securities Commissioner
Division of Securities
200 St. Paul Place
Baltimore, MD 21202-2020
(410) 576-6360

Michigan

Office of the Attorney General
Consumer Protection Division
Attn: Antitrust and Franchise Unit
670 Williams Building
Lansing, MI 48913
(517) 373-7117

Minnesota

Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East
Suite 280
St. Paul, MN 55101
(651) 296-6328

New York

Administrator

New York State Department of Law
Bureau of Investor Protection & Securities
120 Broadway, 23rd Floor
New York, NY 10271
(212) 416-8000

Agent

Secretary of State
State of New York
41 State Street
Albany, NY 12231
(518) 474-4750

North Dakota

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol - 5th Floor, Dept. 414
Bismarck, ND 58505
(701) 328-4712

Rhode Island

Department of Business Regulation
State of Rhode Island
Securities Division
1511 Pontiac Avenue
Cranston, RI 02920-4407
(401) 462-9588

South Dakota

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

Virginia

Administrator

State Corporation Commission
Div. of Securities & Retail Franchising
1300 East Main Street, 9th Floor
Richmond, VA 23219
(804) 371-9051

Agent

Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, VA 23219
(804) 371-9733

Washington

Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501
(360) 92-8760

Wisconsin

Securities and Franchise Registration
Wisconsin Securities Commission
201 W. Washington Avenue, Suite 300
Madison, WI 53701

EXHIBIT B

LIST OF LICENSED LOCATIONS

Agency Name	Owner	City	State	Zip	City	Phone
Going Places Travel - ABC Travel Service	Kevin Saxe	Wasilla	AK	99654	US	(907) 376-5231
Sterling Travel	Layne Dorning	Huntsville	AL	35801	US	(256) 533-1301
A World of Travel	Lois Van Dyck	Gilbert	AZ	85234	US	(480) 892-4992
Preferred Travel Services LLC	Oija Muursepp	Phoenix	AZ	85016	US	(602) 603-9300
Sundance Travel	Nancy Wolfe	Phoenix	AZ	85034	US	(602) 275-2400
El Sol Travel	Leslie Bramlett	Tempe	AZ	85282	US	(480) 895-9362
Going Places Travel	Kevin Saxe	Berkeley	CA	94709	US	(510) 848-9000
Executive Travel	Teresa Vibe	Castaic	CA	91384	US	(661) 254-6028
Going Places Travel - Danville	Kevin Saxe	Danville	CA	94526	US	(925) 820-5500
Carlisle Travel Company	Jerry Saxe	Davis	CA	95616	US	(323) 869-1800
Cruise Magic	Jack Saxe	Davis	CA	95616	US	(770) 509-8080
Davisville Travel	Jerry Saxe	Davis	CA	95616	US	(530) 758-4510
Anderson Travel Service, Inc	Donna Kirk	Indian Wells	CA	92210	US	(760) 346-8017
Going Places Travel - La Jolla	Kevin Saxe	La Jolla	CA	92037	US	(858) 456-7887
Carlisle Travel	Jerry Saxe	Los Angeles	CA	90040	US	(323) 869-1800
Corporate Travel Center	David Redman	Moorpark	CA	93021	US	(805) 292-6643
Travel Studio	Caroline Reinhard-Chacon	Pasadena	CA	91101	US	(323) 263-5165
Sunward Adventures	Gary Davis	Riverside	CA	92508	US	(951) 697-6895
Road Rebel Entertainment Touring, Inc.	Brian Liebman	San Diego	CA	92106	US	(619) 640-1001
Fell Travel	Thomas Fell	South San Francisco	CA	94080	US	(650) 827-7300
Amsalem Business Travel LLC	Yacov Amsalem	Sunnyvale	CA	94087	US	(408) 503-6225
AMT Travel	Frank Morgan	West Covina	CA	91790	US	(626) 917-9341
Travel League Inc	Donna Evanoika	Colorado Springs	CO	80918	US	(719) 597-0004
World View Travel	Kristy Osborn	Loveland	CO	80538	US	(970) 669-5010
Cheryl's All Points Travel	Cheryl Rudauskas	Parker	CO	80134	US	(720) 851-1000
El Sol Travel	Leslie Bramlett	Pueblo	CO	81008	US	(719) 544-8747
Travel Concepts	Carrie Mahoney	Southbury	CT	06488	US	(203) 262-6260
International Sun Travel	Blanche Bryant	Bartow	FL	33830	US	(863) 533-0511
Beyond and Back Travel	Pia Hanlon-Olsen	Melbourne Beach	FL	32951	US	(321) 725-9720
Global Crew Logistics	James Collins	Miami Beach	FL	33140	US	(305) 576-3200
MAD Travel, Inc	Lee McCarthy	Naples	FL	34102	US	(239) 263-4433
Allfly	Eric Peterson	Orlando	FL	32832	US	(407) 362-1882
Palm Beach Gardens Travel	Donald Kiselewski	Palm Beach Gardens	FL	33418	US	(561) 694-9696
Travel Leaders West Palm Beach	Diane Mullahy	West Palm Beach	FL	33401	US	(561) 655-2234
HCI Travel	Joanne Quan	Alpharetta	GA	30022	US	(404) 841-3100
JC Tour & Travel	Youngra Kim	Duluth	GA	30096	US	(770) 451-1236
Four Seasons Travel	Louise Lascik	Johns Creek	GA	30024	US	(770) 441-0311
TravelQuest Network	Jason Block	Rosewell	GA	30076	US	(763) 497-0312

Agency Name	Owner	City	State	Zip	City	Phone
Aladdin Travel Services, Ltd.	Valerie Gerber	Roswell	GA	30075	US	(770) 475-1511
Travel Quest Network	Jason Block	Roswell	GA	30076	US	(763) 497-0312
WorldVia Travel Group	Jason Block	Roswell	GA	30076	US	(470) 273-7270
Destinations Unlimited Inc	Anne Jasper	Cedar Rapids	IA	52401	US	(319) 393-1359
Destinations Unlimited	Anne Jasper	Coralville	IA	52241	US	(319) 351-4510
International Travel Associates	Mary Phillips	Des Moines	IA	50309	US	(515) 326-3851
Travel Headquarters	Edward Mani	Dubuque	IA	52002	US	(563) 588-3456
The Travel Advantage	Amber Koll	Sioux Center	IA	51250	US	(712) 722-3727
International Travel Associates	Mary Phillips	West Des Moines	IA	50266	US	(515) 326-3852
ITandT BTS	Eric Parker	Chicago	IL	60611	US	(312) 638-4396
Travel Leaders - Damar Travel	Tom Carlsen	Godfrey	IL	62035	US	(618) 462-8900
Greaves Travel	Shahrookh Cambata	Highland Park	IL	60035	US	(224) 765-4333
Global Connections Travel Service	Donna Campbell	Naperville	IL	60563	US	(630) 355-8821
LeisureBlox LLC		Oak Park	IL	60301	US	(708) 948-7935
Alexander Travel, Ltd	Judith Ierulli	Peoria	IL	61614	US	(309) 693-3511
Conference & Travel Services Inc	Ann Waters	Bloomington	IN	47401	US	(812) 339-7800
Conference & Travel Services Inc	Ann Waters	Carmel	IN	46032	US	(317) 573-6666
Travel Leaders Indianapolis	Thomas Dusing	Fishers	IN	46037	US	(317) 899-4477
Conference & Travel Services Inc	Ann Waters	Fort Wayne	IN	46825	US	(260) 434-6600
Caldwell Travel	Thomas Dusing	Greenwood	IN	46142	US	(317) 885-9855
QTIN, Inc	Alex Kutin	Indianapolis	IN	46256	US	(317) 913-3300
Conference & Travel Services Inc	Ann Waters	Warsaw	IN	46580	US	(574) 269-7111
Thomas Travel Inc	Debbie Sebastian	Danville	KY	40422	US	(859) 236-0000
Stanmark Premier Travel	Dave Hershberger	Fort Thomas	KY	41075	US	(859) 441-7992
Travel Leaders Framingham	Diane Mullahy	Framingham	MA	01701	US	(508) 879-6110
Safe Harbors Travel Group	Jason Block	Bel Air	MD	21014	US	(410) 547-6565
Traveltours Of Maryland	Victoria Ward-Moore	California	MD	20619	US	(301) 863-6012
All About Travel	Belinda Stull	Hagerstown	MD	21740	US	(301) 739-4600
ATC Travel Management	Heather Scherer-Smith	Lutherville-Timonium	MD	21093	US	(800) 458-9383
Action Travel Tours	Leigh Ann Keller	Waldorf	MD	20602	US	(301) 843-0887
Dube Cruise & Travel Center	Paul Dube	Auburn	ME	04210	US	(207) 784-2916
The World of Travel	Margo Kennedy	Bloomfield Hills	MI	48302	US	(248) 203-0022
Brighton Travel Service	Leslie Koehler	Brighton	MI	48116	US	(810) 229-2935
LK Travels Inc.	Leslie Roberts	Clinton Township	MI	48038	US	(586) 954-9960
Holiday Travel	Dee Dee Anderson	Escanaba	MI	49829	US	(906) 789-0800
Cruise Network Plus Inc	Russell Reid	Grand Ledge	MI	48837	US	(517) 627-8350
American Center Travel	Seungsoon Konarska	Jackson	MI	49201	US	(734) 827-1030
Jenison Travel Agency	Bruce/Patricia Karsten	Jenison	MI	49428	US	(616) 457-4100

Agency Name	Owner	City	State	Zip	City	Phone
Suncoast Travel	Katherine Rosevear	Plymouth	MI	48170	US	(734) 455-5810
Incentive Travel	Bill Wolfington	Rapid City	MI	49676	US	(231) 218-1881
Shelby Travel Agency	Nancy Soulliere	Shelby Twp	MI	48316	US	(586) 731-1034
The Travel Exchange	Pamela Edwartoski	Troy	MI	48084	US	(248) 269-9721
Travel Leaders - Galaxy Travel	Sara Butruff	Apple Valley	MN	55124	US	(952) 432-6272
WorldClass Travel & Cruise	Julie Buchanan	Bloomington	MN	55420	US	(952) 835-8636
Travel Travel	Cynthia Tyo	Detroit Lakes	MN	56501	US	(218) 847-9231
A1 Travel	Sandra DeGonda	Edina	MN	55435	US	(952) 925-2551
Rapid Travel Of Grand Rapids, LLC	Laurie Passard	Grand Rapids	MN	55744	US	(218) 327-2901
Market Square Travel	Sandra Lovick	Maple Grove	MN	55369	US	(763) 231-8870
Blue Ribbon Business Travel International Inc	Amy Boche	Minneapolis	MN	55435	US	(952) 835-2724
Travel Incorporated	Jill Baldwin	Moorhead	MN	56560	US	(218) 236-8383
Travel Leaders - Owatonna	Sara Butruff	Owatonna	MN	55060	US	(507) 455-1170
ProfessionalTravelService.com	Suzanne Lee	Plymouth	MN	55447	US	(763) 577-2372
A1 Travel	Sandra DeGonda	Prior Lake	MN	55372	US	(952) 445-6463
Market Square Travel - Rochester	Sandy Lovick	Rochester	MN	55901	US	(507) 281-1014
Business Travel, Inc	Simon Cheng	St Paul	MN	55107	US	(651) 291-8840
Nelson Travel Service, Inc.	Stacy Hauge	Winona	MN	55987	US	(507) 452-1990
Market Square Travel - Woodbury	Sandra Lovick	Woodbury	MN	55125	US	(651) 731-9706
Elite Travel Inc	Carolyn Kempf	Cape Girardeau	MO	63703	US	(573) 334-1234
RSVP Events & Travel	Marcie Boyle	Chesterfield	MO	63005	US	(636) 778-1081
Veterans Travel Service	Valerie Cooper	Kansas City	MO	64111	US	(816) 531-5850
Jan's Travel and Cruise, Ltd	Janet Stanczak	Kirkwood	MO	63122	US	(314) 965-1005
Jan's Travel and Cruise, Ltd	Janet Stanczak	O'Fallon	MO	63368	US	(636) 561-2626
Cook Travel Station	Tom Carlsen, CTC	Billings	MT	59104	US	(406) 245-6291
Argonaut, Inc	Pamela Seagle	High Point	NC	27265	US	(336) 887-8700
Piedmont Travel LLC	Brian Overton	Kernersville	NC	27284	US	(336) 992-2828
All American Travel	Rachel Buresh	Dickinson	ND	58601	US	(701) 225-6801
Travel Travel	Cynthia Tyo	Fargo	ND	58103	US	(701) 492-5000
Bon Voyage Travel	Bonnie Haley	Grand Forks	ND	58201	US	(701) 772-6313
Travel and Business Services, Inc	Stephen Weaver	Brick	NJ	08724	US	(732) 493-4242
Global VIP Travel	Carmine Feola	Kendall Park	NJ	08824	US	(732) 297-6600
Travel Leaders	Tom Carlsen, CTC	Manalapan	NJ	07726	US	(212) 889-3131
All-Ways Travel	Egea Kail	Paramus	NJ	07652	US	(201) 251-7447
Business Travel & Tours	Suzette Vides	Reno	NV	89509	US	(775) 324-1777
ITandT BTS	Eric Parker	Reno	NV	89511	US	(877) 567-6893
Wilcox Travel Leaders	Maria Monteleone	East Syracuse	NY	13057	US	(315) 445-2266
Travel Leaders - Casey Travel	Tom Carlsen	Liverpool	NY	13090	US	(315) 622-2040

Agency Name	Owner	City	State	Zip	City	Phone
Travel Leaders	Tom Carlsen, CTC	Rochester	NY	14616	US	(585) 663-8660
Stockade Travel, Inc	Peter Predko	Schenectady	NY	12301	US	(518) 377-6408
Prestige Travel Inc	Dave Hershberger	Cincinnati	OH	45242	US	(513) 793-6586
Elite Travel	Kay Mayer	Columbus	OH	43235	US	(614) 764-9844
GPB, Inc	Kimberly Gray	North Olmsted	OH	44070	US	(440) 779-4060
Astro Travel Service Inc	Donna Scicolone	Solon	OH	44139	US	(440) 248-7740
Ottawa Hills Travel	Terrance Gerken	Toledo	OH	43606	US	(419) 537-9354
Spears Travel	Gary Spears	Bartlesville	OK	74005	US	(918) 336-2360
Bentley Hedges Travel Service Inc	Angela Hendricks	Oklahoma City	OK	73159	US	(405) 237-3333
Spears Travel	Gary Spears	Tulsa	OK	74133	US	(918) 254-1608
Premier Travel & Cruise	Kathleen Williams	Eugene	OR	97401	US	(541) 747-0909
Jackson Travel Agency	David Rasmussen	Medford	OR	97504	US	(541) 779-5525
Travel Made Easy	Shana Brewer	Medford	OR	97504	US	(541) 772-9744
Fly Away Travel	Patrick Markham	Roseburg	OR	97471	US	(541) 672-5701
Greaves Travel (I) PVT LTD	Shahrookh Cambata	New Delhi	Other	110 014	IN	+91 11 4323 7010
Getaway Travel, Inc	Michael Kabo	Jenkintown	PA	19046	US	(215) 379-6800
Travel Leaders - Lewisburg	Sara Butruff	Lewisburg	PA	17837	US	(570) 551-6055
ITandT BTS	Eric Parker	Malvern	PA	19355	US	(610) 647-3100
Kiernan Travel	Sigrid Kiernan	Pittsburgh	PA	15241	US	(412) 221-6772
A&A Tours	Alina Castellanos	San Juan	PUERTO RICO	00920	US	(787) 705-5000
Donovan Travel	Judy Clappin	East Greenwich	RI	02818	US	(401) 885-3500
Horizon Travel Inc	Cindy Harris	Lexington	SC	29072	US	(803) 358-2220
Travel Leaders of Charleston	Hazel Willis	Mount Pleasant	SC	29466	US	(843) 760-4030
Thomas Hogan Travel	Michael Hogan	Myrtle Beach	SC	29577	US	(843) 626-9998
Direct Accommodations LLC	Candace Pengra	West Columbia	SC	29169	US	(803) 834-6720
Village Travel Inc	Dan Moen	Aberdeen	SD	57401	US	(605) 225-7555
Village Travel Inc	Dan Moen	Brookings	SD	57006	US	(605) 692-6611
Village Travel Inc	Dan Moen	Pierre	SD	57501	US	(605) 224-6321
Leone Travel	Barbara Leone May	Collierville	TN	38017	US	(901) 853-6200
Leone Travel Corp	Barbara Leone-May	Memphis	TN	38133	US	(901) 377-6600
Travel Leaders	Linda Bourgeois	Memphis	TN	38119	US	(901) 761-1708
Carlisle Travel Management	Jerry Saxe	Shelbyville	TN	37160	US	(770) 535-2379
Almeda Travel	Jacquelyn Alton	Bellaire	TX	77401	US	(713) 592-8000
etc group	Debbie Frazier	Dallas	TX	75201	US	(817) 462-0100
High Point Travel Inc.	Chad Crain	Dallas	TX	75251	US	(214) 691-0707
RoadRater	Rody Whitfield	Georgetown	TX	78628	US	(512) 863-2205
Planet One Travel Management Group	Antonio Salman-Alonso	Houston	TX	77057	US	(713) 627-7510
Pulse Travel	Elaine Benwill	Houston	TX	77077	US	(281) 531-9500

Agency Name	Owner	City	State	Zip	City	Phone
World Travel Agency	Armando Pires	Houston	TX	77077	US	(713) 621-1000
You Deserve It! Vacations	Yolanda Meador	Irving	TX	75039	US	(972) 830-2040
CTI Business Travel	Brian Dickerson	Orem	UT	84058	US	(801) 224-5300
Avenue Travel Services	Lynn Hendrick	Alexandria	VA	22301	US	(703) 548-5554
Fellowship Travel International	Wayne Lawhorn	Ashland	VA	23005	US	(804) 550-0121
Cosmopolitan Travel Inc	Kellie Bishop	Charlottesville	VA	22903	US	(434) 971-3733
World Class Travel Inc	Mike King	Fredricksburg	VA	22401	US	(540) 786-4000
Travel Leaders	Brandi Lombardi Simmons	Harrisonburg	VA	22801	US	(540) 433-7292
The Horner Corporation	D. Bruce Horner	Virginia Beach	VA	23464-5349	US	(757) 424-0400
58 Stars	Mike Salvatore	Kenmore	WA	98028	US	(425) 483-8687
Columbia Basin Travel, Inc.	Sondra Wilson	Kennewick	WA	99336	US	(509) 783-4645
Columbia Basin Travel	Julie Harrington	Richland	WA	99352	US	(509) 943-4686
Travel Leaders - Scan East West Travel	Tom Carlsen	Seattle	WA	98119	US	(206) 623-2157
Century Travel Service Inc.	Molly Wisdom	Spokane	WA	99207	US	(509) 327-9585
Travel Center	Alex Trettin	Tacoma	WA	98402	US	(253) 383-8000
Burkhalter Travel Agency Inc	Edward Mani	Baraboo	WI	53913	US	(608) 356-4999
Olson Travel Service	Edward Mani	Brookfield	WI	53055	US	(262) 782-0110
Chippewa Valley Travel	Dennis Heyde	Chippewa Falls	WI	54729	US	(715) 723-9352
Higgins Travel & Cruise Center Ltd	Denise Petricka	Eau Claire	WI	54701	US	(715) 834-2686
Burkhalter Travel Agency Inc	Edward Mani	Fitchburg	WI	53711	US	(608) 441-0151
Discovery World Travel	Dale Rauwerdink	Green Bay	WI	54304	US	(920) 592-1050
Market Square Travel - La Crosse	Dave Lovick	La Crosse	WI	54601	US	(608) 784-9820
Burkhalter Travel Agency Inc	Edward Mani	Madison	WI	53704	US	(608) 241-7500
Burkhalter Travel Agency Inc	Edward Mani	Madison	WI	53705	US	(608) 833-5200
Discovery World Travel	Dale Rauwerdink	Menasha	WI	54952	US	(920) 731-1238
Middleton Travel Inc	Mary Miller	Middleton	WI	53562	US	(608) 831-4664
Travel Now, Inc	Kim Gorres	New Richmond	WI	54017	US	(715) 246-6922
Journeys Travel Group Inc	Annette Youngbauer	Oconomowoc	WI	53066	US	(262) 567-6658
Execu Travel Of Wisconsin Inc	J Peter Jungbacker	Oshkosh	WI	54902	US	(920) 426-3550
Travelog Travel	Edward Mani	Prairie Du Sac	WI	53578	US	(608) 643-4599
Travel Designers Travel Leaders	Susan Tindell	Rice Lake	WI	54868	US	(715) 234-2174
Market Square Travel - River Falls	Sandy Lovick	River Falls	WI	54022	US	(715) 425-8200
Discovery World Travel	Dale Rauwerdink	Sheboygan	WI	53081	US	(920) 459-2963
Chalet Travel Agency	Edward Mani	Stoughton	WI	53589	US	(608) 873-8133
Travelinc LLC	Scott Hunger	Wausau	WI	54401	US	(715) 355-4437

EXHIBIT C

LOCATIONS THAT LEFT THE SYSTEM

Agency Name	Owner	City	State	Zip	City	Phone
Authentic Vacations	Mary Beth Kelim	Scottsdale	AZ	85260	US	(888) 443-5259
Signature Destinations	C. P. "Roy" Goree	Scottsdale	AZ	85258	US	(602) 522-0663
Rancho Travel	Sherry Maxwell	Carlsbad	CA	92009	US	(760) 438-4444
Authentic Vacations	Mary Beth Kelim	Santa Rosa	CA	95403	US	(888) 443-5259
Travel Leaders Vacation Center	Travel Leaders Corporate, LLC	Pembroke Pines	FL	33027	US	(954) 704-0034
Travel Leaders Vacation Center	Travel Leaders Corporate, LLC	Pensacola	FL	32502	US	(850) 434-2543
Travel Leaders Vacation Center	Travel Leaders Corporate, LLC	Roswell	GA	30076	US	(678) 242-1331
Conference & Travel Services Inc	Ann Waters	Fort Wayne	IN	46804	US	(260) 434-6690
Travel Leaders Vacation Center	Travel Leaders Corporate, LLC	Potomac	MD	20854	US	(240) 387-4160
Skyway International Travel	Shyla Beltur	Lathrup Village	MI	48076	US	(248) 559-2800
Rodgers Travel, Inc.	Norma Pratt	Wayne	PA	19087	US	(610) 964-1775
Travel Leaders Vacation Center	Travel Leaders Corporate, LLC	York	PA	17406	US	(717) 854-4391
Travel Leaders Vacation Center	Travel Leaders Corporate, LLC	Charleston	SC	29407	US	(843) 556-9051
Journeys of a Lifetime Travel	Nancy Bender	Greenville	SC	29607	US	(864) 979-0160
Travel Leaders Vacation Center	Travel Leaders Corporate, LLC	Manassas	VA	20109	US	(703) 368-8757
Classic Travel & Tours Inc	Karen Heiry	Midlothian	VA	23113	US	(804) 379-2200

The above lists the name, city, state and country, and the last known business telephone number of any Travel Leaders Licensee whose franchise was terminated, canceled, not renewed or who otherwise ceased to do business under the License Agreement, voluntarily or unvoluntarily, during the most recently completed fiscal year. If you have a Travel Leaders License Agreement your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT D

CONSOLIDATED FINANCIAL STATEMENTS



TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Financial Statements

December 31, 2022, 2021 and 2020

(With Independent Auditors' Report Thereon)

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

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KPMG LLP
4200 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402

Independent Auditors' Report

Member of Travel Leaders Network, LLC:

Opinion

We have audited the consolidated financial statements of Travel Leaders Network, LLC and its subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2022, 2021 and 2020, and the related consolidated statement of operations, member's equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1 to the consolidated financial statements, in 2022, the Company adopted new accounting guidance for leases in accordance with Accounting Standards Codification Topic 842. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

KPMG LLP

Minneapolis, Minnesota
March 31, 2023

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022, 2021 and 2020

(In thousands)

Assets	2022	2021	2020
Current assets:			
Cash and cash equivalents	\$ 863	439	321
Due from parent and its subsidiaries	37,949	10,521	7,693
Receivables, less allowance for doubtful accounts of \$1,937, \$1,131 and \$1,190 at December 31, 2022, 2021, and 2020 respectively	24,900	13,486	4,316
Prepaid expenses and other current assets	432	145	642
Total current assets	64,144	24,591	12,972
Property and equipment, net	2,619	3,072	3,570
Goodwill	3,863	3,863	3,863
Other non-current assets	311	311	155
Operating lease assets	4,388	—	—
Total assets	\$ 75,325	31,837	20,560
Liabilities and Member's Equity			
Current liabilities:			
Accounts payable	\$ 10,119	5,942	3,402
Income tax payable	336	—	—
Accrued compensation	4,416	2,607	820
Accrued liabilities	47	282	—
Deferred revenue	3,202	1,773	1,303
Customer deposits	181	521	458
Operating lease liabilities	504	—	—
Total current liabilities	18,805	11,125	5,983
Operating lease long-term liabilities	6,076	—	—
Long-term liabilities	65	2,503	2,114
Member's equity	50,379	18,209	12,463
Total liabilities and member's equity	\$ 75,325	31,837	20,560

See accompanying notes to consolidated financial statements.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Statements of Operations

Years ended December 31, 2022, 2021 and 2020

(In thousands)

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Revenues	\$ 82,461	37,865	29,896
Costs of revenues and expenses:			
Costs of revenues	22,112	10,031	7,464
Selling, general and administrative	<u>27,911</u>	<u>22,420</u>	<u>26,595</u>
Operating income (loss)	32,438	5,414	(4,163)
Other expense (income)	<u>254</u>	<u>(311)</u>	<u>163</u>
Net income (loss)	<u>\$ 32,184</u>	<u>5,725</u>	<u>(4,326)</u>

See accompanying notes to consolidated financial statements.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Statements of Member's Equity

Years ended December 31, 2022, 2021 and 2020

(In thousands)

Balance, December 31, 2019	\$	16,652
Net (loss) income		(4,326)
Stock compensation		137
		<hr/>
Balance, December 31, 2020		12,463
Net (loss) income		5,725
Stock compensation		21
		<hr/>
Balance, December 31, 2021		18,209
Net (loss) income		32,184
Stock compensation		(14)
		<hr/>
Balance, December 31, 2022	\$	<u><u>50,379</u></u>

See accompanying notes to consolidated financial statements.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Statement of Cash Flows

Years ended December 31, 2022, 2021 and 2020

(In thousands)

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating activities:			
Net income	\$ 32,184	5,725	(4,326)
Depreciation and amortization	535	674	730
Provision for doubtful accounts	806	(59)	169
Stock compensation	(14)	21	137
Changes in operating assets and liabilities:			
Due from parent and subsidiaries	(1,911)	(2,828)	(7,689)
Receivables	(12,219)	(9,112)	13,013
Prepaid expenses and other current assets	(4,675)	274	385
Accounts payable	4,512	2,540	(4,210)
Accrued liabilities	1,573	2,138	(107)
Deferred revenue and customer deposits	5,230	922	269
Net cash (used in) provided by operating activities	\$ <u>26,021</u>	<u>295</u>	<u>(1,629)</u>
Investing activities:			
Disposal of property and equipment	\$ —	—	247
Purchase of property and equipment	(81)	(177)	(3,046)
Net cash (used in) provided by investing activities	\$ <u>(81)</u>	<u>(177)</u>	<u>(2,799)</u>
Financing activities:			
Payments and borrowings from parents and subsidiaries, net	\$ (25,517)	—	(1,257)
Net cash (used in) financing activities	\$ <u>(25,517)</u>	<u>—</u>	<u>(1,257)</u>
Effect of currency exchange rates on cash and cash equivalents	\$ 1	—	(4)
Increase (decrease) in cash and cash equivalents	\$ 424	118	(5,689)
Cash and cash equivalents, beginning of year	439	321	6,010
Cash and cash equivalents, end of year	\$ <u>863</u>	<u>439</u>	<u>321</u>

See accompanying notes to consolidated financial statements.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Financial Statements

December 31, 2022, 2021 and 2020

(In thousands)

(1) Organization, Business and Significant Accounting Policies

(a) Organization and Business

Travel Leaders Network, LLC and Subsidiaries (the Company) is a wholly owned subsidiary of Internova Holdings, LLC (Internova or Parent). The Company originated on January 1, 2017 as a result of the merger of Internova wholly owned subsidiaries, Travel Leaders Franchise Group, LLC and Vacation.com, LLC. The Company offers licenses to existing, independently owned and startup travel agencies to use the service marks of Travel Leaders. The Company also serves as a membership organization to travel agency affiliates in the United States and Canada. Services provided by the Company to its travel agencies network include marketing, technology, supplier partnerships and educational programs.

Total number of Travel Leaders Network agencies is as follows:

	December 31		
	2022	2021	2020
Travel Leaders Franchise Locations	\$ 186	193	208
Travel Leaders US Affiliates Agencies	2,975	2,796	3,137
Travel Leaders Canada Affiliates Agencies	327	283	316
Travel Leaders International Partner Agencies	66	67	66
Total	\$ 3,554	3,339	3,727

(b) Principles of Consolidation

The Company's consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP"). The accounting policies used to prepare these financial statements are the same as those used to prepare the consolidated financial statements in prior years, except as described in these notes or for the adoption of new standards as outlined below. All intercompany transactions have been eliminated in the consolidated financial statements.

(c) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the useful lives of fixed assets; goodwill; allowances for doubtful accounts; stock-based compensation; and revenue and receivables relating to variable-based commissions.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

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(In thousands)

(d) Revenue Recognition:

The Company recognizes revenue when it satisfies a performance obligation by transferring control over a good or a service to a customer. Revenue is measured as the amount of consideration we expect to receive in exchange for those goods or services. The taxes assessed by a governmental authority and collected by the Company from customers are excluded from our measurement of revenue. We do not have any significant extended payment terms that extend beyond one year.

We evaluate the presentation of revenue on a gross versus net basis. The determination of gross versus net revenue presentation is based on who controls the goods or services prior to them being transferred to the customer. If the Company controls the specified goods or services prior to their transfer to the customer, the Company is the principal in the transaction and revenue is recorded gross corresponding to the consideration the Company expects to receive for the goods or service. When the Company is considered principal in the transaction, the performance obligation is the transferring of the specified goods or service to the customer. However, if the Company is considered an agent and does not control the specified goods or service prior to transfer to the customer, the performance obligation is arranging for another party to provide the promised product or services, and revenue is recognized net.

The presentation of revenue on a gross or net basis is a matter of judgment that depends on the relevant facts and circumstances to determine whether the Company controls the specified goods or services. In making this evaluation, we are required to consider whether we control the good or services being delivered to the customer. Factors we consider in making this determination include: whether we are the primarily responsible party in the arrangement, whether we have inventory risk before the specified good or service has been transferred to a customer, and whether we have latitude in establishing price.

The following is a description of services for which the Company generates revenue.

(i) Franchise Fee Income, Membership Fee Income and Fee Income

We recognize membership fees from independently-owned travel agencies when franchise and consortium agreements are consummated and substantially all initial membership services have been performed and performance obligations have been satisfied. Continuing franchise fees and other revenues, including marketing fees collected by the Company from franchisees for marketing programs, are recognized over the period the services are rendered.

(ii) Variable-based Commissions

The Company receives variable-based commissions from our travel suppliers (primarily airlines, cruise lines, car rental companies and hotels) by achieving sales targets over a specified measurement period. Variable-based commissions are estimated and recognized as revenue when earned based on the expected value method or the most likely outcome method. These estimates are based on historical experience, anticipated performance and other factors known at the time. Where variable-based commission revenue is determined to be constrained, it is not recognized as revenue until a significant reversal of the revenue is not expected to occur. Contract assets are recognized for these commissions that are contingent upon the satisfaction of performance metrics.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

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(In thousands)

Internova negotiates and administers variable-based commission programs for the benefit of the Company's franchisees, a portion of which are retained by the Company. Total override administration fees earned and retained for the years ended December 31, 2022, 2021 and 2020 was \$564, \$271 and \$499, respectively.

(iii) Global Distribution System ("GDS") Incentives

For certain airline, hotel, car and other travel service reservations, we receive fees from GDS partners that control the computer systems through which reservations are booked. We recognize incentive revenue at booking date, as our performance obligation has been satisfied.

(iv) Marketing Services

Travel suppliers (cruise lines, airlines and tour operators) contribute funds for advertising campaigns that mutually promote business for the supplier and the Company. These campaigns are managed and controlled by the Company. Revenue is recognized when our obligation to the travel supplier has been satisfied, which is upon completion of the deliverables within the advertising campaign. Costs associated with these campaigns are recorded as cost of revenue and recognized within the Consolidated Statements of Operations in correlation with revenue.

(v) Other Revenue

Revenues from all other sources is recorded either upon delivery or as services are rendered.

(e) Advertising Expense

We incur advertising expense to promote our brands. We expense the production costs associated with advertisements in the period in which the advertisement first takes place. For the years ended December 31, 2022, 2021 and 2020, our advertising expense, included within Selling, general and administrative expenses on the Consolidated Statements of Operations, was \$291, \$45 and \$109.

For the years ended December 31, 2022, 2021 and 2020, prepaid advertising and marketing expenses included within Prepaid expense and other current assets on the Consolidated Balance Sheets was \$190, \$51 and \$64.

(f) Foreign Currency Translation and Transaction Gains and Losses

Certain of our operations outside the United States use the related local currency as their functional currency. We translate revenues and expenses at average monthly exchange rates of exchange during the period. Due to the nature of our operations and our corporate structure, we also have subsidiaries that have significant transactions in foreign currencies other than their functional currency. We record transaction gains and losses in the Consolidated Statements of Operations related to the recurring remeasurement and settlement of such transactions.

(g) Cash and Cash Equivalents

The Company considers all highly liquid investments with maturity of three months or less to be cash equivalents.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Financial Statements

December 31, 2022, 2021 and 2020

(In thousands)

(h) Receivables, less allowance

Trade accounts receivable are reported at realizable value and do not bear interest. We maintain an allowance for doubtful accounts for estimated losses inherent in our accounts receivable portfolio. In establishing the required allowance, we consider historical losses, aging of the receivable and our customers' financial condition.

(i) Property and Equipment, Net

Property and equipment, net consists of furniture, fixtures and office equipment, as well as leasehold improvements which are stated at cost, and is depreciated over their estimated useful lives ranging from three to seven years, using the straight-line method. We amortize leasehold improvements using the straight-line method, over the shorter of the estimated useful life of the improvement or the remaining term of the lease.

(j) Website and Internal-Use Software Capitalization

Certain direct development costs associated with website and internal-use software are capitalized and include external direct costs of services and payroll costs for employees devoting time to the software project principally related to website development, including support systems, software coding, designing system interfaces and installation and testing of software. These costs are recorded as Property and equipment, net within the consolidated Balance Sheets and generally amortized over a period of three years beginning when the asset is substantially ready for use. Costs incurred for enhancements that are expected to result in additional features or extend the useful life are capitalized and amortized over the estimated useful life of the enhancements. Costs incurred during the preliminary project stage, as well as maintenance and training costs are expensed as incurred. Additions to capitalized costs during the years ended December 31, 2022, 2021 and 2020, including additions to projects in progress, were \$35, \$524 and \$604, respectively.

(k) Impairment of Long-Lived Assets

The Company reviews long-lived tangible assets and amortizable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The assessment of possible impairment is based upon its ability to recover the carrying amount of the assets from the estimated undiscounted future net cash flows of the related operations. No impairment was determined necessary as a result of the impairment assessment performed.

(l) Goodwill

Goodwill is not subject to amortization and is reviewed at least annually as of October 1 for impairment, or earlier if an event occurs or circumstances change and there is an indication of impairment.

In our impairment analysis, the fair value of the reporting unit is compared to its carrying amount, including goodwill. Fair values are determined using a combination of standard valuation techniques, including an income approach (discounted cash flows) and market approach such as revenue and EBITDA multiples of comparable publicly traded companies and precedent transactions, and based on market participant assumptions. The discounted cash flows model indicates the fair value of the reporting unit based on the present value of the cash flows that we expect the reporting unit to

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

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(In thousands)

generate in the future. The amount of an impairment loss, if any, is recorded based on the excess of the reporting unit's carrying amount over its fair value. Periodically, we may choose to perform a qualitative assessment, prior to performing the quantitative analysis, to determine whether the fair value of the goodwill is more likely than not impaired.

No impairment was identified for the Company as a result of the impairment assessment performed.

(m) Leases

The Company leases certain administrative office space, and office equipment, which are typically classified as operating leases. The Company determines if an arrangement is or contains a lease at the lease inception date by evaluating whether the arrangement conveys the right to use an identified asset and whether the Company obtains substantially all of the economic benefits from and has the ability to direct the use of the asset and the likelihood of renewal or termination options. Leases with an initial term of more than 12 months are recognized on the balance sheet as right-of-use assets (Operating lease assets) and lease liabilities for the obligation to make payments under such leases (Current operating lease obligations and Non-current operating lease obligations).

At the lease commencement date, the Company recognizes a lease liability and an ROU asset representing its right to use the underlying asset over the lease term. The initial measurement of the lease liability is calculated on the basis of the present value of the remaining lease payments not yet paid and the ROU asset is measured equal to the lease liability, adjusted by prepaid and accrued rent, lease incentives, and initial direct costs. Over time, the lease liability is reduced for lease payments and the lease assets is reduced through expense. Operating lease cost is recognized on a straight-line basis over the lease term, with the cost presented as a component of Selling, general and administrative expenses in the Statement of Operations. Lease assets are subject to review for impairment in a manner consistent with long-lived assets. Leases with an initial term of 12 months or less ("short-term leases") are not recorded on the balance sheet, and lease expense for these short-term leases is recognized on a straight-line basis over the lease term.

The Company's leases require other payments such as costs related to service components, real estate taxes, common area maintenance, and insurance. These costs are generally variable in nature and based on the actual costs incurred and required by the lease. As the Company has elected to not separate lease and nonlease components for all classes of underlying assets, all variable costs associated with the lease are expensed in the period incurred. The Company's lease agreements do not contain any material residual value guarantees or material restrictive financial covenants. The Company does not have any leases that have not yet commenced that create significant rights and obligations for the lessee.

As of the application date of Topic 842, the Company's leases have remaining terms ranging from 1 to 9 years, with some of those leases including options that grant the Company the ability to renew or extend the lease term. When determining the lease term, the Company does not include renewal options unless the renewals are deemed to be reasonably certain of being exercised at the lease commencement date.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Financial Statements

December 31, 2022, 2021 and 2020

(In thousands)

(n) Accounting Pronouncements

Recently Adopted Accounting Pronouncements

ASU 2016-02, Leases (Topic 842)

On January 1, 2022 the Company adopted ASU 2016-02, Leases (Topic 842). Under the new provisions, all leases, except short-term leases, are recognized on the balance sheet as right-of-use assets and lease liabilities for the obligation to make payments under such leases. The Company elected the amended transition approach provided by ASU 2018-11, Leases (Topic 842): Targeted Improvements, which allows entities to apply the guidance as of the date of initial application by recognizing a cumulative-effect adjustment to opening Retained earnings, with no retrospective adjustments. The Company also elected the package of practical expedients that permits the Company to not reassess under the new standard prior conclusions about lease identification, lease classification, and initial direct costs, as well as the practical expedient to not separate lease components from non-lease components in accounting for all classes of underlying assets. Upon adoption, the Company recorded \$4,683 of operating lease assets and \$7,123 of operating lease liabilities.

Recently Accounting Pronouncements Not Yet Adopted

ASU 2016-13, Measurement of Credit Losses on Financial Instruments (Topic 326)

In June 2016, the FASB issued new guidance related to the measurement of credit losses for financial assets measured at amortized cost, which includes accounts receivable, and available-for-sale debt securities. The new guidance replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. The guidance is effective for the Company for annual and interim reporting periods beginning after December 15, 2022. The Company is in the process of evaluating the impact of adopting this new guidance.

(o) Marketing Programs

National and local marketing fees are collected by the Company for marketing programs. Marketing fees collected from franchisees for the years ended December 31, 2022, 2021 and 2020 was \$370, \$362 and \$327, respectively.

Marketing fees collected from franchisees are spent entirely to promote the brands. At December 31, 2022, 2021 and 2020, unspent marketing fees included within accrued liabilities on the Consolidated Balance Sheets were \$0, \$28 and \$31, respectively.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Financial Statements

December 31, 2022, 2021 and 2020

(In thousands)

(2) Property and Equipment, Net

Property and equipment, net consists of the following:

	Useful life in years	December 31		
		2022	2021	2020
Office equipment	3-5	\$ 756	1,110	1,107
Leasehold improvements	Shorter of asset life or lease term	2,098	2,654	2,654
Capitalized software	3	825	6,682	6,158
Total property and equipment(a)		3,679	10,446	9,919
Less accumulated depreciation		(1,295)	(7,597)	(6,923)
Projects in progress(b)		235	223	574
Property and equipment, net		\$ 2,619	3,072	3,570

(a) At December 31, 2022 we disposed fully depreciated property and equipment totaling \$6,837 (office equipment \$389, leasehold improvement \$556 and capitalized software \$5,892)

(b) Consists mainly of capitalized software projects in progress.

At December 31, 2022, 2021 and 2020, accumulated amortization expense on capitalized software was \$591, \$6,234 and \$5,848, respectively.

(3) Goodwill

	December 31		
	2022	2021	2020
Goodwill	\$ 3,863	3,863	3,863
Total	\$ 3,863	3,863	3,863

We perform an annual assessment of goodwill as of October 1, or more frequently if events and circumstances indicate that impairment may have occurred. During the fourth quarter of 2022, 2021 and 2020, management completed its annual goodwill assessment and concluded no impairment existed.

TRAVEL LEADERS NETWORK, LLC AND SUBSIDIARIES

Consolidated Financial Statements

December 31, 2022, 2021 and 2020

(In thousands)

(4) Related-Party Transactions

The Company participates in a cash management program with other subsidiaries of Internova, whereby cash balances are swept daily to Internova and the net receivable balance is included within Due from parent and its subsidiaries on the Consolidated Balance Sheets. Periodically, the Company borrows from or loans amounts to its Parent and its subsidiaries at the direction of Internova, the net balance of which is included within Due from (to) parent and its subsidiaries. Cash sweeps between the Company and Internova was a net cash outflow of \$27,428, \$2,828 and a net cash inflow of \$8,946 during the years ended December 31, 2022, 2021 and 2020. Internova monitors the working capital needs of its subsidiaries, including the Company, and repays amounts due to the Company as needed for operating expenses.

The Company receives revenue allocations from joint programs with other divisions within Internova that allow the Company and Travel Leaders Group to aggregate travel activity with our travel suppliers and maximize volume-based revenues. Revenues are received by other Internova entities and allocated to the Company based on a percentage of internal sales volume and the sales volume of participating agencies that are affiliated with the Company. The total revenue allocations received by the Company for these programs was \$4,739, \$2,306 and \$3,005 for the years ending December 31, 2022, 2021 and 2020, respectively.

The Company reimburses Internova for the use of the office space that it occupies and certain operating expenses that are paid by Internova. Amounts owed to Internova are settled through a reduction of amounts included within Due from parent and its subsidiaries. Total office space reimbursement for the years ended December 31, 2022, 2021 and 2020 was \$42, \$42 and \$46, respectively.

The Company does various cost allocations to and from Internova and other divisions within Internova for its shared services departments, which include legal, human resources, accounting, information technology, and management of the Hotel Division. The total corporate expense allocation from Internova was approximately \$6,818, \$5,749 and \$8,613 for the years ended December 31, 2022, 2021 and 2020.

The Company reimburses Internova for expenses that are processed centrally by Internova Accounts Payable (AP) team pertaining to several vendors and third-party service providers. Internova receives a consolidated AP invoice from the vendors and allocates such expenses to other divisions based on the billing and event code associated with each division. The total vendor expense allocation from Internova was approximately \$290, \$291 and \$1,523 for the years ended December 31, 2022, 2021 and 2020.

(5) Commitment and Contingencies

Debt Agreement

All assets of the Company are pledged as collateral under the terms of Internova's debt agreement. Internova has an outstanding debt balance totaling \$602,082, \$606,569 and \$610,497 at December 31, 2022, 2021 and 2020, respectively. The Internova debt agreement contains various restrictive covenants, including requirements to maintain certain financial ratios, as defined within the agreement. On May 3, 2021, Internova issued \$50,000 in a paid-in-kind note ("PIK Note") from a third-party financial institution. Interest accrues at the rate of 13% through the interest payment date on March 30, 2022, 14% for April 1, 2022 through the interest payment date on March 30, 2023, and 15% from April 1, 2023 through the maturity date of March 31, 2026 and is accounted for at the Internova level. Interest is accrued on a

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(In thousands)

quarterly basis in arrears and will increase the principal amount of the note. As of December 31, 2022, the outstanding amount of the note is \$62,902.

Employee benefit plans

The Company offers eligible employees the opportunity to participate in a 401(k) plan under Section 401(k) of the Internal Revenue Code. Participating employees may contribute pretax earnings to the plan, but not more than statutory limits. The Company match is 50% of the first 6% of a participant's contribution of eligible compensation (up to a maximum of 3.0%). Employer matching contributions are discretionary and subject to the approval of the Board of Directors. In 2022, the employer match was reinstated after being suspended due to the pandemic's effect on the Company's business. Employer matching contributions were \$91, \$0 and \$64 for the years ended December 31, 2022, 2021 and 2020, respectively.

(6) Lease Commitments

The following table presents the components of our right-of-use assets and liabilities related to leases and their classification in our consolidated Balance Sheet:

	<u>2022</u>
Assets:	
Operating lease	\$ 4,338
Liabilities:	
Operating lease liabilities – current	\$ 504
Operating lease liabilities – noncurrent	<u>6,076</u>
Total	<u>\$ 6,580</u>

The Company recognized lease expense of \$829 for the year ended December 31, 2022.

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(In thousands)

The following table includes the future maturities of lease payments for operating leases for periods subsequent to December 31, 2022:

2023	\$	1,010
2024		1,023
2025		1,046
2026		1,072
2027		1,099
Thereafter		<u>3,896</u>
Total minimal rental payments		9,146
Less imputed interest		<u>(2,566)</u>
Total lease payments	\$	<u><u>6,580</u></u>
Less: current lease liabilities, as separately presented on the consolidated balance sheet	\$	(504)
Long-term lease liabilities, as separately presented on the consolidated balance sheet		6,076

Prior year lease disclosures

The following pertains to previously disclosed information from Note 6, *Commitments and contingencies* contained in the Company's 2021 Annual Report.

The Company has contractual obligations in the form of operating leases for office space, through June 2031. Rent expense for such leases are recorded on a straight-line basis. For the years ended December 31, 2021 and 2020, we recorded rent expense of \$548 and \$817, respectively. For the years ended December 31, 2021 and 2020, we had a deferred rent balance of \$2,365 and \$1,907, respectively.

The Company's commitments expected to be paid over the next five years and thereafter are as follows:

	Payment due in						Total
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>Thereafter</u>	
Operating leases	\$ 971	996	1,021	1,046	1,072	5,166	10,272
Total commitment	\$ <u>971</u>	<u>996</u>	<u>1,021</u>	<u>1,046</u>	<u>1,072</u>	<u>5,166</u>	<u>10,272</u>

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(In thousands)

(7) Subsequent Events

2023 Term Loan

On March 27, 2023, the Company refinanced the 2018 Term Loan by entering into a new credit agreement with an investor (the "2023 Term Loan"). The 2023 Term Loan was issued for \$665,000 with a 2.5% original issue discount and a 5-year maturity. Proceeds from the 2023 Term Loan will be used to fully repay the 2018 Term Loan, make a \$15,000 repayment on the PIK Note, as well as general corporate purposes.

The 2023 Term Loan bears interest at either an adjusted Secured Overnight Financing Rate (SOFR) or the base rate, (as defined in the Credit Agreement) in each case plus an applicable margin. (A) The applicable margin for SOFR rate loans, which is the predominant case for the Company, is 8.50% until the 24-month anniversary of closing. During this timeframe, the 8.50% margin will consist of 5.50% cash interest and 3.00% Paid-In-Kind ("PIK") interest. Thereafter, interest will be payable in cash with a margin of 7.0% to 8.5% based on the Company's total net leverage ratio. (B) The applicable margin for base rate loans is 7.50% until the 24-month anniversary of closing. During this timeframe, the 7.50% margin will consist of 4.50% cash interest and 3.00% Paid-In-Kind ("PIK") interest. Thereafter, interest will be payable in cash with a margin of 6.0% to 7.5% based on the Internova's total net leverage ratio.

The Company has evaluated all subsequent events and transactions for potential recognition and disclosure through March 31, 2023, the date on which the Financial Statements were available to be issued.

EXHIBIT E

LICENSE AGREEMENT

TRAVEL LEADERS® LICENSE AGREEMENT
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TRAVEL LEADERS®
LICENSE AGREEMENT

This License Agreement (“License Agreement”), effective as of _____, 2023, (the “Effective Date”) is entered into between TRAVEL LEADERS NETWORK, LLC , a Minnesota limited liability company, whose principal office is located at 3033 Campus Drive, Suite W320, Minneapolis, Minnesota 55441 (“Licensor”), and _____ a(n) _____, whose principal office is located at _____ (“Associate”).

WHEREAS, Licensor has developed and extensively promotes a nationally recognized network of travel agencies offering proprietary programs and services (the “System”) and operates under the service mark TRAVEL LEADERS® (the “Marks”); and

WHEREAS, Associate desires a license to use the Marks and to take advantage of the System in accordance with the terms of this License Agreement;

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

1. GRANT OF LICENSE; AUTHORIZED LOCATION; RIGHTS RESERVED

(a) Grants. Subject to the terms and conditions of this License Agreement, Licensor hereby grants to Associate the right and license to (1) operate one travel agency (the “Agency”) at a location authorized by Licensor; (2) use the Marks under the terms of this License Agreement to identify and promote the Agency; (3) use the standards, methods, know-how, and requirements of the Travel Leaders System (which may be changed, improved and further developed from time to time) as set forth in the Operations Manual, other manuals, training programs, proprietary website or other communications conveyed to Associate. If Licensor determines to effect a change in the principal trade identification of the system, Associate must, upon notice from Licensor and at Associate’s expense, discontinue use of any such Marks and adopt and use any new Marks designated by Licensor.

(b) Authorized Location. The Agency will be located at _____ (the “Authorized Location”). If Associate desires to open or acquire an interest in an additional branch location (the “Branch Location”) Associate must apply to Licensor for an additional license for each such office or location. Licensor has the right grant or refuse to grant such additional license.

(c) Non-exclusive License. Licensor has the right to establish and operate company-owned or franchised agencies at any location, under the TRAVEL LEADERS® Mark or other Marks, and may sell products and services similar to those offered by Associate, or other concepts that Licensor or its affiliates have now or may acquire in the future. Licensor also has the right to distribute services and products identified by the Marks through any alternative distribution channels or methods, including the internet, without obligation to Associate.

(d) Rights Reserved. This License Agreement does not grant to Associate:

(1) the right to an exclusive area or protected territory;

(2) the right to sell services and products at any location other than the Authorized Location;

(3) the right to offer services and products obtained through this License Agreement for resale or further distribution;

(4) the right to delegate, license or sublicense Associate's rights hereunder, to independent contractors, outside sales agents, or any other third parties with whom Associate transacts business.

2. ACCEPTANCE BY ASSOCIATE; RELATIONSHIP OF PARTIES; AFFIRMATION

(a) Acceptance. Associate has had an opportunity to obtain legal advice prior to signing this License Agreement and hereby accepts the rights granted herein. Associate acknowledges the obligation to operate the Agency in accordance with the System and use the Marks in strict compliance with the terms and conditions specified in the License Agreement and Operations Manual.

(b) Relationship of Parties. Nothing in this License Agreement is intended to make Associate an agent, legal representative, partner, subsidiary, joint venturer, employee or servant of Licensor, and Associate will not represent itself as such, for any purpose whatsoever. Associate will incur no express or implied debt, liability, or obligation on behalf of Licensor. No fiduciary duties or relationship of special trust or confidence exist between the parties. Associate is solely responsible to control and manage the Agency. Licensor will have no power, responsibility or liability in respect to matters of pricing products and services, hiring and discharging Associate's employees or the setting and paying of wages, or any matters relating to the Agency operation.

(c) Anti-Terrorism and Anti-Bribery Affirmation. Associate affirms that no person or entity holding any legal or beneficial interest in Associate is included in, owned by, controlled by, or acting for on behalf of any person or entity that is named as a "specially designated national" or "blocked person" as referred to or described in Executive Order 13224-Blocking Property and Prohibiting transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended. Associate complies with all applicable legal requirements that prohibit unfair, fraudulent or corrupt business practices, including U.S. and other legal requirements that are designed to combat bribery, fraud, corruption, terrorism and terrorist activities.

3. LICENSOR OBLIGATIONS

(a) Licensor's Affiliates. The term 'Licensor' in this License Agreement includes Licensor's affiliates, which are any legal entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with Licensor.

(b) Consignment of Operations Manual. Licensor will make the most current Operations Manual available to Associate within 30 days of the Effective Date.

(c) Programs and Materials. Licensor will offer Associate such commercial and leisure travel services, programs and materials as Licensor makes available to its other Associates, for which Licensor may charge a fee. Licensor has the right to suspend Associate's participation in any program if Associate is not in compliance with the License Agreement or any other agreement (for such services) with Licensor.

(d) Consultation Services. Licensor will offer Associate such routine advice and consultation as Associate from time to time reasonably requests. Licensor has the right to establish fees or charges for other or more substantial consultative services.

4. FEES; PAYMENT

(a) Initial License Fee. Associate will pay to Licensor a nonrefundable initial license fee of \$2,500 (the "Initial License Fee") payable upon signing this License Agreement. In addition, Associate will pay a \$2,500 Initial License Fee for each full service location developed and operated under this License Agreement, payable upon approval of that location.

(b) Continuing License Fee. Associate will pay to Licensor a monthly continuing license fee (the "Continuing License Fee"), in an amount described in the attached Fee Schedule Addendum subject to the rebates available hereunder.

(c) Marketing Fee. Associate will pay to Licensor a monthly Marketing, Product and Brand Development Fee (the "Marketing Fee") in an amount described in the attached Fee Schedule Addendum.

(d) Publication Fee. Associate will pay to Licensor a monthly publication fee of \$75.00 ("Publication Fee") payable on the first business day of each month commencing the first month following the Effective Date. Licensor has the right to adjust the Publication Fee, at any time, if Licensor's costs per copy increase pursuant to Section 7(d).

(e) Consumer Price Index. The fees described in Sections 4(b)(c)(d) and referenced in the attached Fee Schedule Addendum may be adjusted upward or downward by Licensor on September 1st of each year (including during the first year of this License Agreement) in proportion to the change, if any, in the CPI (rounded to the nearest dollar). Licensor will not adjust any such fees below the dollar amounts stated in these Sections.

CPI adjustments will be based on the Consumer Price Index (all items, 1982-1984=100) published by the Bureau of Labor Statistics of the United States Department of Labor (the "Bureau"), or any successor index and/or agency thereto, and will be determined by dividing the then-current base fee by the index number for the month of June in the prior year as it appears in the column "All Items in the Consumer Price Index," and then multiplying that amount by the corresponding index number for the month of June of the current year in question. Once adjusted, the monthly fee will remain fixed until further adjusted as provided herein.

(f) Electronic Transfer of Funds. Associate is required to execute such documents as Licensor may request to authorize for electronic transfer of funds to pay all fees due under this Sections 4. Licensor has the right at all times, and in its sole judgment, to require changes in the method of payment.

(g) Late Payment; Bank Charges. Associate will pay to Licensor a \$50 administrative fee for any automatic payment draft request not honored by Associate's bank or for any check payment returned unpaid by Associate's bank. Further, for any amounts due and owing to Licensor (or whose payment Licensor has guaranteed) Associate will pay to Licensor interest (in addition to all other rights and remedies of Licensor) at a rate equal to the lesser of 15% per annum compounded daily, or the maximum interest rate permitted by governing law. Associate will reimburse Licensor for all costs of collection, including reasonable attorneys' fees (including allocable in-house counsel fees), regardless of whether Licensor files suit to enforce its contractual rights.

(h) Right of Offset. Associate authorizes Licensor to offset any amounts Licensor owes to Associate (or its affiliates) by: (1) retaining monies received by Licensor (or its affiliates) on Associate's behalf under this License Agreement or any other similar or related agreement, or (2) retaining monies due from Licensor (or its affiliates) to Associate.

5. REBATE PROGRAM

Licensor has developed a voluntary Performance Rebate (the "Rebate"), in which the Associate has the ability to earn a cash rebate that is based upon Associate's Participation Level and Associate's completion of certain performance goals, all as set forth in the Operations Manual.

6. PURCHASING; PREFERRED PRODUCTS AND SUPPLIERS; OVERRIDES

(a) Purchasing Standards. Associate may purchase services, supplies, fixtures, equipment and other goods from any supplier, provided such items conform to the quality standards prescribed in the Operations Manual or other written communication. Licensor has the right to change these quality standards.

(b) Preferred Suppliers. Licensor has the right to designate Preferred Suppliers of certain travel-related services and products. Associate will use its best efforts to promote and sell such preferred services and products, including displaying applicable sales materials. Licensor has the right to change the list of preferred suppliers from time to time.

Associate expressly authorizes Suppliers to release aggregated data relating to Associate's participation in the preferred programs to Licensor or its parent, including without limitation, all airlines, tour operators, cruise lines, car rental companies, travel insurance companies, GDS, hoteliers and other sellers of travel.

(c) Licensor Programs. Licensor may from time to time make available certain services, products or goods to Associate for use in the Agency, from which use Licensor may make a profit. Such programs include websites, corporate travel management programs and booking engines.

(d) Overrides, Rebates, Commissions. Licensor has the right to participate in vendor discount, allowance, commission, override and rebate programs and to retain for its own accounts all or part of such consideration paid as a result of activities by or within the TRAVEL LEADERS System and Associate authorizes Licensor to collect any such consideration. Any consideration retained by Licensor or its affiliates may or may not be related to services performed. Associate agrees that Licensor and its affiliates will be entitled to the payments and/or other consideration described in this Section 6.

7. ADVERTISING; MARKETING FUND; MEDIA MARKETS

(a) Advertising. Licensor will develop and make available to Associate certain advertising campaigns, materials and supplier programs. Licensor has the sole right to determine the contents, terms and conditions of any marketing, advertising, public relations, research and sales promotion campaigns, as well as the methods of advertising, and the media employed. Associate authorizes Licensor to use Associate's name in advertising, directories, lists, brochures and other promotional materials.

(b) Marketing Fund. Marketing Fees will be collected by Licensor and placed into the TRAVEL LEADERS Marketing, Product and Brand Development fund ("Marketing Fund"). The Marketing Fund will be directed and administered by Licensor and will be used, in Licensor's sole judgment, for marketing, product and brand development programs, including without limitation national and/or regional marketing, advertising, public relations, research and sales promotion campaigns conducted on behalf of the System. Licensor has the right to reimburse itself (or its affiliates) from the Marketing Fund for documented, reasonable and actual expenses in directing and administering the Marketing Fund and in otherwise promoting the Marks. The Marketing Fund is not a trust or escrow account and Licensor has no fiduciary obligations regarding the Marketing Fund. Except as expressly provided in this Section 7(b), Licensor assumes no direct or indirect liability or obligation to Associate with respect to the direction or administration of the Marketing Fund. Licensor cannot insure that any individual Associate will benefit directly or on a pro rata basis from the placement of advertising or other marketing activities in its local market.

(c) Local Marketing. Licensor has the right, in its sole judgment, to organize or to direct the organization of a local marketing cooperative or other joint local marketing program ("Media Market"). If Associate is located in a Media Market as designated by Licensor, Associate must participate in any such Media Market and contribute all or part of the local marketing fee (the "Local Marketing Fee") to the Media Market. The Local Marketing

Fee shall be determined by the designated market area of your Authorized Location and any additional Branch Locations. The Local Marketing Fee does not apply to client dedicated locations. As described in Section 4(e) above, the Local Marketing Fee will be adjusted annually on the basis of the change, if any, in the CPI.

Licensor has the right to discontinue or terminate any designated Media Markets. Further, Licensor has the right to place all or part of Associate's Local Marketing Fee into the Marketing Fund, in which case Licensor will expend such Local Marketing Fee payments in or for the benefit of Associate's trade area. Licensor has the right to administer the use of Local Marketing Fees and to designate or consent to the content, themes, materials and placement of local and regional programs funded by Local Marketing Fees. The Local Marketing Fees collected by Licensor do not form a trust or escrow account and Licensor has no fiduciary obligations regarding the use of Local Marketing Fees. Except as expressly provided herein, Licensor assumes no direct or indirect liability or obligation to Associate with respect to the direction or administration of Local Marketing Fees and/or Media Markets. Licensor has the right to reimburse itself from the Local Marketing funds for documented, reasonable and actual expenses

(d) Postcards[®] Publication. Licensor will produce 4 issues of the magazine 'Postcards' (or any successor publication) annually and mail one copy of each issue to Associate's designated customers. Associate's allotment of the publication will be based upon Associate's chosen participation level and as set forth in the Operations Manual or through other written communications. Associate may request additional copies of any current issue of the magazine, which additional copies will be at Associate's sole expense at Licensor's then-current per copy charge. Licensor has the right to adjust the Publication Fee, at any time, and has the right to reduce the number of copies Associate receives (on a pro-rata basis) and/or the number of issues Licensor produces per year. Associate is required to provide Licensor with its list of designated customers in the format and amount as prescribed by Licensor.

(e) Customer Data. The actual names and addresses and any other related Customer Data submitted by Associate to Licensor will continue to be solely owned by Associate, but will be jointly managed by Associate and Licensor. Associate's Customer Data will be considered Confidential Information. Licensor may use the Customer Data for the purpose of marketing; however, Licensor will only use the Customer Data in conjunction with the services contemplated under the Agreement or as authorized by Associate. Associate must obtain, secure and protect Customer Data in accordance with applicable federal, state and local laws and regulations, including those with respect to the payment card industry (PCI) data security standards, as well as Licensor's then current policies, protocols, and procedures (if any) as set forth in the Operations Manual or otherwise in writing. Associate must notify Licensor immediately of any suspected data breach at or in connection with the Agency.

8. TRADEMARK STANDARDS

(a) Name and Ownership. Associate acknowledges that Licensor is the sole owner of the service mark "TRAVEL LEADERS[®]", and all of the other Marks Licensor may designate

now or in the future. Associate's right to use the Marks is derived solely from this License Agreement and is limited to the operation of the Agency in accordance with this License Agreement. Associate's use of the Marks and any goodwill established from Associate's use inures solely to Licensor. Associate will not at any time challenge or contest the validity of the Marks or ownership thereof by Licensor, its affiliates anywhere in the world. Licensor has the absolute and exclusive right, at any time and for any reason, to modify the current Marks, create new Marks, or discontinue use of the Marks.

(b) Standards of Use. Associate will display and use the Marks only in strict compliance with standards outlined in the Operations Manual or through other written communication, which standards are subject to change. Associate will not create or register any trademark, service mark, or trade name that contains the Marks, or use any other name, abbreviation, acronym or variation that could be deemed by Licensor to be confusingly similar to the Marks. Associate will not use the Marks in or as a legal entity name. In addition, Associate will not take any action which might have the effect of weakening the Marks or is inconsistent with Licensor's ownership. Upon written notice Associate will discontinue using all Marks which have been modified or discontinued and will promptly adopt and use any new Marks within the time frame prescribed by Licensor, and at Associate's sole cost and expense. Associate's right to use the Marks will terminate immediately upon the expiration or termination of this Agreement. Licensor will not be responsible for unauthorized access to Associate's Customer Data or other Confidential Information that results from Associate's failure to keep it secure.

(c) Internet Use of Marks. Associate will not create or register any internet domain name, Universal Record Locator (URL), search engine keyword or successor identifier containing any of the Marks now or hereafter owned or authorized for use by Licensor. Associate may use the Marks on any website or social networking website (including, but not limited to Facebook, Twitter, YouTube, and LinkedIn) only as authorized by Licensor.

(d) Infringement. Licensor has sole and absolute discretion to determine a course of action, if any, regarding any instance of unauthorized use or infringement of any of its Marks and will have complete control of any litigation or settlement in connection with a claim of infringement, unfair competition, or unauthorized use of the Marks. Associate will notify Licensor of any infringing or adverse use of Marks, of names that are confusingly similar to the Marks, or of any claim that use of the Marks by Licensor or Associate infringes upon any other person's rights. Licensor will defend Associate against third party claims of infringement or unfair competition provided that Associate is in compliance with all terms of the License Agreement. Associate will execute all documents which Licensor reasonably believes to be necessary or desirable for registration or protection of the Marks and assist Licensor in any way necessary, such as giving testimony or furnishing documents or other evidence.

9. CONFIDENTIAL INFORMATION

(a) Confidential Information Defined. Any and all proprietary information regarding the System, conveyed by Licensor to Associate, will be considered Confidential

Information including, but not limited to: the Operations Manual; training manuals; marketing plans; exclusive programs; commission rates and overrides; access codes to TRAVEL LEADERS technology (Agent Universe, AgentProfiler, and any other technology created now or in the future); data for customers originated by Licensor, whether or not the customer has been referred to Associate; or communications regarding policies, procedures, specifications, formats, or trade secrets. The Confidential Information remains the property of Licensor, and Licensor has the copyright and all other rights therein.

(b) Associate Use. Associate will keep, and is responsible for ensuring its officers, directors and employees keep, the Confidential Information strictly confidential during and after the term of this License Agreement. At Licensor's request, Associate will cause its officers, directors and employees to execute agreements, in a form acceptable to Licensor. Associate may communicate the Confidential Information only to its legal counsel and those of its employees and independent contractors who must have access to it in order to operate the Agency in compliance with the License Agreement. Associate must immediately return the Operations Manual and any other Confidential Information to Licensor upon expiration or termination of this License Agreement.

(c) Restrictions of Use. During and after the term of the License Agreement, Associate will not:

- (1) use the Confidential Information in operating any other business or for any other purpose;
- (2) make copies of any portion of the Confidential Information without Licensor's written approval
- (3) use the Confidential Information without implementing reasonable procedures necessary to prevent its unauthorized use and disclosure;
- (4) share the Confidential Information with any unauthorized third party.

(d) Exclusions to Restrictions. The foregoing restrictions on Associate's disclosure and use of the Confidential Information will not apply to:

- (1) information Associate can demonstrate came to Associate's attention independent of Associate's association with Licensor, and prior to Licensor's disclosure of the information in the Operations Manual or otherwise;
- (2) information that Licensor agrees is, or has become, generally known in the public domain, except where public knowledge is the result of unauthorized or other wrongful disclosure (whether or not deliberate or inadvertent); and
- (3) disclosure of the Confidential Information in judicial or administrative proceedings to the extent Associate is legally compelled to disclose such information, provided Associate will have used its best efforts to obtain, and afforded Licensor the opportunity to obtain, an appropriate protective order.

(e) Conflict of Interest. During the term of this License Agreement:

(1) Associate or any of its owners will not be a member of or associated with any consortium or other organization similar to TRAVEL LEADERS, engaged directly or indirectly in the purchase, or arranging for the purchase of travel and/or related services and products for or on behalf of its members, or others associated with it, as a group;

(2) Associate will not maintain any ownership, leasehold interest, or business affiliation with any travel agency or system other than a TRAVEL LEADERS agency, either directly or indirectly, personally or through a family member, partner or affiliate, without the prior written consent of Licensor, which consent may be withheld with or without cause.

Associate may be a member of or otherwise associated with trade associations or an association among licensees of Licensor.

10. STANDARDS OF OPERATION; TRAINING

(a) Operations Manual. To protect the integrity and value of the System and the Marks, Licensor will publish policies, procedures, standards, and specifications for using the System and the Marks as an operations manual (the "Operations Manual"). Licensor has the perpetual right to improve, further develop or otherwise modify the System and will publish such improvements and modifications monthly. Associate will have access to the most current Operations Manual at all times and has a duty to be aware of and operate the Agency in compliance with the most current Operations Manual (and any supplemental written communication) and to ensure its employees operate in compliance. In the event of any dispute as to the contents of the Operations Manual, the terms in the master copy that Licensor maintains (whether in hard copy or electronic form) will be controlling.

(b) Compliance with Laws. Associate will (1) have all valid permits and licenses as required by any regulating body and (2) conduct the Agency operations in compliance with all applicable laws, regulations, codes and ordinances for a travel agency. Associate must comply with all laws and regulations relating to privacy and data protection, and must comply with all privacy policies or data protection and breach response policies Licensor periodically may establish.

(c) ARC; ASTA. Associate will maintain accreditation with Airline Reporting Corporation ("ARC") at all times and notify Licensor of any changes to its existing or additional ARC accounts. Associate must also maintain membership in the American Society of Travel Agents ("ASTA").

(d) Customer Relationship Software. Associate must use an approved customer relationship management (CRM) program. Licensor reserves the right to designate alternative customer relationship database systems.

(e) Global Distribution System. Associate is required to use a global distribution

system (“GDS”) that meets minimum standards and/or specifications in the Operations Manual. Associate may choose any provider, however Licensor has the right to designate preferred GDS providers. Licensor also has the right to direct its preferred GDS providers as to the appearance and display of information provided to Associate through Associate’s GDS. Associate must provide Licensor with advance notice of any GDS to be used in connection with the Agency.

(f) Website and Internet Use. Associate will not link or frame Licensor’s web site. Associate must maintain an operational computer system that provides internet access and e-mail capability at the Authorized Location or any Branch Location. Licensor has all rights relating to any web site or other online communication systems and may alter or terminate the site or systems.

(g) Exterior Signage. Associate must purchase exterior signage for the Authorized Location within six months after the Effective Date. Associate must show Licensor any written prohibition from installing exterior signage due to zoning or lease restrictions. All signage must be in compliance with the standards set forth by Licensor in the Operations Manual.

(h) Agency Management. Associate will devote its best efforts, to management of the Agency. No other business will be conducted on the premises of the Agency without the Licensor’s consent. Associate may name a full-time manager (“Designated Manager”) to manage the Agency.

(i) Agency Premises. Associate, at its own expense, will keep the interior and exterior premises of the Agency in an attractive, safe and sanitary condition. Licensor or its authorized representative has the right to enter Associate’s Agency at all reasonable times during the business day to make periodic evaluations, to see whether Associate is in compliance with the terms of this License Agreement.

(j) Records; Reports. Associate will maintain such records and reports as are required by Licensor in the Operations Manual. Licensor has the right to require that Associate provide to Licensor, at Associate’s sole expense, copies of Associate’s books and records as may be requested by Licensor. Licensor has the right to establish a uniform accounting system, including but not limited to establishment of a standard chart of accounts, for all of its TRAVEL LEADERS Associates and, in such event, Associate agrees to maintain its books and records in the manner required by Licensor.

(k) Training and Meetings. Licensor has the right to designate certain training programs, marketing meetings or other functions as mandatory, in which case Associate or its Designated Manager will attend and participate at Associate’s expense. Any Manager must promptly and successfully complete any training programs required by Licensor. Under no circumstances will Associate permit management of the Agency’s operations on a regular basis by a person who has not successfully completed to Licensor’s reasonable satisfaction all applicable training required by Licensor.

(l) Restrictions on Solicitation of Customers. Licensor has the right to impose restrictions on Associate regarding solicitation of prospective customers, with Licensor

reserving the ultimate determination of Associate's right to solicit certain classes of customers and/or specific prospective customers, as described in the Operations Manual (or through other written or electronic communication). Licensor also has the right to restrict Associate from soliciting customers or classes of customers within a designated geographic area or without regard to geographic area, as set forth in the Operations Manual.

(m) Improvements. Associate will fully disclose to Licensor all ideas, plans, improvements, concepts, methods and techniques relating to the development, marketing or operation of a TRAVEL LEADERS Agency. Without limiting any other provision in this Agreement, Licensor has the perpetual right to own and use, and to authorize other Associates to use, any such improvements.

(n) Notice of Legal Actions. Licensee will promptly notify Licensor of any claim, litigation, action, proceeding, order, injunction or award in which Licensee is involved that arises from the operation of, or otherwise relates to, the Agency.

11. LICENSOR'S RIGHT OF FIRST REFUSAL

(a) Offer to Licensor. If Associate receives a bona fide third-party offer for, or proposes to assign or otherwise dispose of any whole or partial interest in (1) Associate's entity, (2) this License Agreement, (3) the Agency subject to this License Agreement or (4) the assets of the Agency, Associate will first offer the proposed transaction to Licensor in writing. Licensor has the right to accept or refuse said offer before Associate accepts an offer from a third party ("Right of First Refusal").

(b) Exclusions. Licensor's Right of First Refusal will not apply if Associate desires to make an assignment to (1) a spouse or child, (2) a legal entity owned or controlled solely by Associate, or (3) an existing shareholder or equity owner of Associate. Associate must obtain prior written approval for such assignment.

(c) Required Documents. Associate will provide any document that Licensor may reasonably request, including but not limited to the following documents:

(1) a purchase agreement or letter of intent, signed by Associate and assignee, specifying all material terms and conditions of the offer, including price and payment terms;

(2) income statements, both current and from the last fiscal year-end, for the agency to be transferred;

(3) financial statements for the assignee, no older than three months from the date of the request for consent, and review or audited by an independent certified accountant;

(d) Licensor Response to Offer. Within 15 days of receiving Associate's written offer and all of the required documents, Licensor will choose and notify Associate in writing of one of the following options:

(1) purchase or lease the Agency at substantially the same price, terms and conditions as set forth in the written offer to Licensor or to convert a third party offer of non-cash consideration into a cash equivalent payment. Licensor and Associate will promptly enter into a purchase agreement and will complete the transaction within 90 days;

(2) reject the offer and thereby approve a proposed transfer of the Agency and the License Agreement to a third party, subject to compliance by Associate and assignee with all conditions set forth in Section 12.

(3) agree to the transfer without the License Agreement. As a result, the Franchise Agreement will be terminated 90 days after Associate receives Licensor's written notice, and subject to Section 12 of this Franchise Agreement. If the transfer is not completed within the 90-day period the License Agreement will remain in effect in accordance with its terms.

(4) If Licensor fails to exercise its right of first refusal within the 15 day period, Licensor will be deemed to consent to the Transfer described in subsection 11 (d) (3) above, subject to the conditions of Section 12.

Associate must notify Licensor of any change made to the original third party offer, or any new offer made, and Licensor will have a fresh 15 days to exercise its right of first refusal.

Any closing on the transfer of an interest occurring within six (6) months of a termination of this Agreement for any reason will be deemed to have included a third party offer made prior to termination of the Agreement and subject to a right of first refusal. Termination of the Agreement will not affect the Company's rights hereunder and this paragraph survives termination of the Agreement.

12. ASSIGNMENT OF LICENSE AGREEMENT

(a) Assignment by Licensor. Licensor has the right, without Associate's consent, to sell, assign or pledge, in whole or in part, Licensor's interest in this License Agreement, in which case such interest will inure to the benefit of Licensor's transferee or other legal successor in interest.

(b) Assignment by Associate. Associate may sell, assign, gift, lease or otherwise dispose of any interest in Associate's legal entity, the Agency or this License Agreement, as provided in Section 11. A transfer or attempted transfer without Licensor's written consent may constitute Associate's abandonment of the License Agreement, at Licensor's option.

(c) Conditions for Approving Assignment. Licensor will not unreasonably withhold consent to the assignment provided that Associate and assignee comply with Licensor's Right of First Refusal and with the following terms and conditions:

(1) Associate will pay in full all obligations outstanding or accruing to

Licensor or any other suppliers, through the date of the proposed Transfer;

(2) Associate and the Agency must be in compliance with the terms of the License Agreement, or any other agreements with Licensor or its affiliates;

(3) Associate and, as applicable, Associate's owners, must sign a General Release (in a form prescribed by Licensor) of any and all claims against Licensor (and Licensor's officers, directors, agents, employees and affiliates) arising out of or related to the License Agreement, or the relationship of Associate and Licensor hereunder;

(4) Assignee must meet Licensor's then-current requirements for its licensees, including without limitation, financial qualification, management and operations experience, business reputation and must complete any required training to Licensor's satisfaction;

(5) Associate and assignee will execute an Assignment and Assumption of the License Agreement in which assignee assumes all of Associate's obligations under the License Agreement (and any related agreements or addenda). Licensor retains the option to require assignee to sign a then-current TRAVEL LEADERS license agreement.

(6) If the assignee is a legal entity, its shareholders must sign a Personal Guaranty (in a form acceptable to Licensor);

(7) Associate will give Licensor a copy of the landlord's written consent to assign a lease or sublease, if applicable;

(8) Associate and the assignee agree to subordinate to Licensor any rights or obligations as to one another.

(d) Other Transfers. Without limiting any other provision in this License Agreement the parties agree that each of the following events will constitute a transfer subject to the requirements and conditions of Section 11:

(1) the death, permanent incapacitation, or replacement of any of Associate's personal guarantors, controlling owners or, at Licensor's option, the Designated Manager;

(2) the sale or other disposition by a controlling owner of Associate of all or part of that owner's interest in Associate;

(3) the failure to provide full-time, direct, on-premises supervision of the Agency by Associate or, if applicable, its Designated Manager.

13. TERM; RENEWAL

(a) Initial Term; Auto-renewal. Subject to Section 13, the term of this License

Agreement is for 3 years from the Effective Date and will automatically renew for additional successive terms equal to the standard initial term being offered under the then-current form of TRAVEL LEADERS license agreement.

(b) Non-renewal. Either Licensor or Associate may send a written notice of its intention not to renew the License Agreement to the other party, at least 60 days before the expiration date, or as prescribed by governing state law.

(c) Current Form of License Agreement. Licensor has the right to require Associate to sign the most current form of TRAVEL LEADERS license agreement (including any ancillary agreements or addenda) which may contain terms materially different from the existing License Agreement. In such case Licensor will send Associate written notice of this requirement at least 90 days before the expiration of the existing term. Associate's failure to sign and return two original copies of the new license agreement before the expiration of the existing term may, at Licensor's option, result in non-renewal with no further notice.

(d) Conditions for Renewal. To renew or auto-renew this License Agreement, Associate must: (1) be in compliance with the terms of the License Agreement; (2) be current in all license and marketing fees or any payments due and owing to Licensor; and (3) support Licensor's preferred vendors in an amount that Licensor finds satisfactory.

14. TERMINATION

(a) Immediate Termination. Licensor has the right to immediately terminate this License Agreement with cause under the following circumstances:

(1) Associate abandons the license relationship, including an unauthorized transfer of interest per Section 12(b);

(2) Associate is convicted of an offense directly related to the business conducted pursuant to this License Agreement or of any felony;

(3) Associate engages in conduct which materially impairs the reputation and/or operation of Licensor or the Agency, or the goodwill associated with the Marks or the System;

(4) Associate makes any material misrepresentation or omission in connection with the issuance of this License Agreement or operation of the Agency;

(5) Associate becomes insolvent or is a party to any bankruptcy proceeding; makes a general assignment for the benefit of creditors; or fails to satisfy (within 30 days) a final judgment against Associate without such judgment being discharged, vacated, reversed, or stayed;

(6) Associate commits any two defaults e within any 12-month period, or commits any three defaults, in total, of this License Agreement; or

(7) Associate violates the terms in any of the following Sections of this License Agreement: 8(a), 8(b), 8(c), 9(c), or 9(e).

If the License Agreement is terminated pursuant to this Section 14(a), Licensor will give Associate a written notice of termination, effective as the date the notice is sent, unless contrary to applicable state laws.

(b) Termination With Prior Notice. Licensor has the right to terminate this License Agreement upon giving Associate 30 days prior written notice if:

(1) Associate commits a breach of any lawful requirement set forth in this License Agreement (or any other agreement with Licensor or its affiliates) or otherwise prescribed by Licensor pursuant to this License Agreement; or

(2) Associate is in default of any monetary obligation to Licensor or any of its affiliates, or any other third party affiliate.

(3) Associate fails to maintain its ARC accreditation and all other permits and licenses required for operating a travel agency;

Pursuant to this Section 14(b), Licensor will give Associate written notice that the License Agreement will be terminated effective 30 days from the date of the notice, unless a different notice period is set forth in the notice and/or is required by applicable state law. If the default is cured within the stated cure period, the termination notice is void, and if not cured, the termination becomes effective on the date stated in the notice, without further action or notice from Licensor.

(c) Applicable State Law. The provisions of any valid, applicable law or regulation prescribing permissible grounds, cure rights or minimum periods of notice for terminating this franchise will supersede any provision of this License Agreement that is less favorable to Associate.

15. CONSEQUENCES OF TERMINATION

(a) Post-Termination Duties. Upon termination or expiration of this License Agreement:

(1) Associate's rights to the use of the Marks and all other rights granted herein automatically revert to Licensor without any further act or deed of any party;

(2) Associate will immediately discontinue all use of the Confidential Information and use of the Marks (including without limitation any sales promotion or advertising materials containing the Marks);

(3) Associate will immediately destroy the Operations Manual and any other Confidential Information;

(4) Associate will complete all documents necessary to expressly relinquish and disclaim all rights of use with respect to any of the Marks, or any abbreviation, acronym or variation of the Marks, or any other name, abbreviation, acronym or variation that is deemed by Licensor to be confusingly similar to the Marks;

(5) Associate will pay all sums due to Licensor within 10 business days;

(6) Associate will alter the appearance of the Agency (and any Branch) to differentiate it from a TRAVEL LEADERS travel agency including: removing interior and exterior signage, photos, displays, or marketing materials bearing any of the Marks; removing any items that could be confused with the Marks or that suggest the Agency is still a TRAVEL LEADERS licensee. Such alterations will be completed within 20 days and at Associate's own expense. If Associate refuses to comply in a timely manner with any provisions of this Section 15(a), Licensor (or its designee) has the right to enter the Authorized Location(s) and complete such actions, at Associate's expense.

(7) All obligations of Associate that expressly or by nature survive the expiration or termination of this License Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination until they are satisfied in full.

(b) Post-term Payments; Refunds. No termination will entitle Associate to payment of any overrides Licensor may receive after the date of the termination notice, nor the return of any fees paid by Associate and all such payments or fees will be retained by Licensor.

(c) Damages. If this License Agreement is terminated pursuant to Section 14(a) or 14(b), or if Associate commits a wrongful termination, Licensor will be entitled to recover from Associate all damages Licensor has sustained and will sustain in the future as a result of Associate's breach of this License Agreement. Such damages include the Continuing License Fees, overrides, rebates and other benefits that would have been received by Licensor had Associate continued operating under this License Agreement for the remaining term. Further, nothing in this Section 15 will preclude Licensor from seeking other remedies or damages available to Licensor under state or federal laws, common law, or under this License Agreement.

(d) Non-solicitation of Customers and Employees. Associate will not directly or indirectly: (1) divert or attempt to divert any business, account or customers of any other TRAVEL LEADERS agency to any competing business; or (2) employ or seek to employ any person employed by Licensor or its affiliates for a period of two years after this Agreement expires or is terminated.

16. INSURANCE; INDEMNIFICATION

(a) Required Insurance. Associate must acquire and maintain at its expense, a travel agent's professional liability policy (travel agent's errors and omissions) and comprehensive general liability insurance (broad form), in the amount of \$1,000,000 per occurrence. These policies will name Licensor and its affiliates as additional insureds. Associate will annually provide to Licensor a certificate of such coverage, which will contain a statement by the insurer that the policy will not be cancelled or materially altered without at least 30 days' prior notice to Licensor. Associate will also maintain, at its expense, any additional insurance, including worker's compensation coverage, as required by law. The obligation to procure and maintain insurance is not limited in any way by reason of any insurance that maintained by Licensor, nor does Licensor's procurement of such insurance relieve Associate of any liability to Licensor under any indemnity requirement within this License Agreement.

(b) Indemnification. Associate will fully protect, indemnify and defend Licensor and its affiliates, officers, directors and employees and hold them harmless from and against any and all claims, demands, costs, damages, expenses and other losses and liabilities (including reasonable legal and accounting fees) of any nature whatsoever arising (or alleged to have arisen), directly or indirectly out of or in connection with the Agency or to Associate's operation of the Agency (in either case, regardless of cause or any concurrent or contributing fault or negligence of Licensor), or to any breach or failure to comply with the terms and conditions of this License Agreement. Licensor has the right to take steps it deems necessary to protect itself from such claims or suits, and Associate will reimburse Licensor for all resulting expenses incurred (including reasonable legal and accounting fees), within 10 days from the date of an invoice from Licensor to Associate for such expenses.

(c) Customer Disputes. Associate agrees to use its best efforts to resolve customer disputes.

17. MISCELLANEOUS

(a) Choice of Law. This License Agreement is accepted in and will be construed in accordance with the laws of the state in which the Authorized Location is located. Associate waives, to the fullest extent permitted by law, the rights and protections that might be provided through the laws of any state relating to franchises or business opportunities, other than those of the state in which the Authorized Location is located.

(b) Venue and Jurisdiction. All suits brought in connection with this License Agreement will be venued in the State of Minnesota, County of Hennepin. Associate hereby agrees and submits to personal jurisdiction in the State of Minnesota for the purposes of any lawsuit or proceeding brought against Associate by Licensor (or any of Licensor's affiliates).

(c) Waiver of Punitive Damages. Associate and Licensor agree to waive, to the fullest extent permitted by law, the right to any punitive or exemplary damages and agree that in the event of a dispute between them, each party will be limited to the recovery of actual damages sustained by that party. In no event will Licensor's (including its affiliates)

aggregate liability to Associate exceed the amount of license fees (including the Initial License Fee and all Continuing License Fees) actually paid by Associate pursuant to this License Agreement during the 12-month period preceding Associate's claim. Without limiting the preceding sentence, in no event will Licensor (including its affiliates) be liable to Associate for special, indirect or consequential damages including without limitation claims of lost profits, lost revenues or the like.

(d) Injunctive Relief. Associate recognizes that its failure to comply with the terms of this License Agreement could cause irreparable damage to Licensor and/or to some or all other Licensor licensees and affiliates. Licensor and Associate therefore agree that, in the event of Associate's breach or threatened breach of Associate's obligations Licensor and/or its affiliates have the right to seek an injunction restraining such breach, without showing or proving any actual damage, until such time as a final judgment is issued by the court. This equitable remedy is in addition to, and not in lieu of, all other remedies or rights which Licensor and its affiliates may otherwise have by virtue of any breach of this License Agreement by Associate.

(e) Attorney's Fees. If any provision of this License Agreement is enforced at any time by Licensor, or if any amounts due from Associate to Licensor or Licensor's affiliates are at any time collected, by or through an attorney at law, Associate is liable to Licensor for all costs and expenses of enforcement and collection, including court costs and reasonable attorneys' fees (including allocable in-house counsel fees). The liability of Associate to pay attorneys' fees is not contingent upon suit being filed by Licensor.

(f) Cumulative Rights. All rights and remedies provided herein or by law are cumulative and not mutually exclusive, and may be exercised serially. Associate is aware of the business purposes and needs underlying the language of this Section, and with a complete understanding thereof, agrees to be bound in the manner set forth. The provisions of this Section 17 will survive the termination of this License Agreement.

(g) Claims. Any claim arising out of or relating to this License Agreement, the relationship of the parties, Licensor's administration of the TRAVEL LEADERS franchise system, or Associate's operation of the Agency will be barred unless filed before the expiration of the earlier of: (1) the time period for bringing an action under any applicable state or federal statute of limitations; (2) one year after the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim; or (3) two years after the first act or omission giving rise to an alleged claim. Claims of Licensor for fraud or misrepresentation as to Associate's books and records, for indemnification, or for claims related to Licensor's (or its affiliate's) rights regarding any of the Marks will be subject only to the applicable state or federal statute of limitations.

(h) Severability. Should any portion of this License Agreement be held to be void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable and the remainder of this License Agreement will be deemed to be valid and in full force and effect.

(i) Joint and Several Liability. If Associate consists of two or more individuals or

entities, such individuals and/or entities will be jointly and severally liable, and references to Associate in this License Agreement will include all such individuals and/or entities.

(j) Force Majeure. In the event of any failure of performance of this License Agreement according to its terms by any party the same will not be deemed a breach of this License Agreement if it arose from a cause beyond the control of and without the negligence of said party. Such causes include, but are not limited to, acts of God, actions of the elements, lockouts, strikes, wars, riots, civil commotion, and acts of government except as may be specifically provided for elsewhere in this License Agreement.

(k) Interpretation of Rights and Obligations. The following provisions apply to and govern the interpretation of this License Agreement:

(1) Whenever this License Agreement provides that Licensor has a certain right, that right is absolute and the parties intend that Licensor's exercise of that right will not be subject to any limitation or review. Licensor has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this License Agreement.

(2) Whenever Licensor reserves or is deemed to have reserved discretion in a particular area or where Licensor agrees or is deemed to be required to exercise its rights reasonably or in good faith, Licensor will satisfy its obligations whenever it exercises reasonable business judgment in making its decision or exercising its rights. Neither Associate nor any third party (including a trier of fact) will substitute its judgment for Licensor's reasonable business judgment.

(l) No Waiver. No waiver by Licensor of any breach by Associate, nor any delay or failure by Licensor to enforce any provision of this License Agreement, will be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce Licensor's rights with respect to that or any other or subsequent breach.

(m) Entire Agreement. This License Agreement together with the addenda and appendices hereto, along with the Franchise Disclosure Document, constitute the entire agreement between the parties and is binding, except where governed by other state law. Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. Subject to Licensor's rights to modify appendices and/or standards and as otherwise provided herein, this License Agreement will not be amended except by a writing signed by Associate and Licensor. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made by Licensor in the franchise disclosure document.

18. NOTICES

Any notice required or permitted by this License Agreement will be deemed given if sent postage prepaid, registered or certified mail, electronic mail, or overnight express service, addressed in the following manner:

Licensor: President
Travel Leaders Network, LLC
3033 Campus Drive, Suite W320,
Minneapolis, Minnesota 55441-2651

Associate: (to the Authorized Location)

or to such other address as may be provided by either party upon written notice to the other.

19. RECEIPT OF DOCUMENTS

Associate acknowledges that it received a copy of this License Agreement at least 7 calendar days prior to the date on which this License Agreement was executed. Associate further acknowledges that it has received a Franchise Disclosure Document at least 14 calendar days prior to the date on which this License Agreement was executed. Associate represents that: (a) Associate has read this License Agreement and the Franchise Disclosure Document; (b) Associate has been given the opportunity to clarify any provisions that Associate did not understand and to consult with Associate's attorney and/or other professional advisors; and (c) Associate understands the provisions of this License Agreement and agrees to be bound.

IN WITNESS WHEREOF, the parties hereto have signed this License Agreement the dates written below.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

ASSOCIATE: _____

By: _____

Date: _____

PERSONAL GUARANTY

In consideration of the grant of a TRAVEL LEADERS License Agreement by Licensor to Associate, each of the undersigned hereby agrees, jointly and severally, and for themselves, their heirs, legal representatives and assigns:

(1) that they, and each of them, will be personally bound by all the conditions, provisions, covenants and obligations contained in the License Agreement; and

(2) that they, and each of them, do hereby unconditionally and irrevocably guaranty the full and timely performance by Associate of each obligation undertaken by Associate under the terms of the License Agreement; including payment of any indebtedness of Associate arising under or by virtue of the License Agreement; and

(3) that they, and each of them, will not permit or cause the effective control of Associate to be modified or altered in whole or in part by stock transfer or otherwise and will not make or suffer any change in their respective ownership interests in Associate without first notifying Licensor of said proposed assignment or change and obtaining Licensor’s prior written consent thereto, which consent will not be unreasonably withheld, and adhering to all other provisions of the License Agreement; and

(4) that they, and each of them, for any obligation of this License Agreement hereby waive: (a) notice of demand for payment of any indebtedness or nonperformance; (b) protest and notice of default to any party respecting the indebtedness or nonperformance; and (c) any right to require that an action be brought against Associate or any other person as a condition of liability.

If any of the provisions of this Guarantee becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired.

GUARANTOR(S)

Name: _____

Name: _____

Date: _____

Date: _____

Name: _____

Name: _____

Date: _____

Date: _____

ENTERPRISE LEVEL
FEE SCHEDULE ADDENDUM

This Addendum is attached to and becomes a part of the License Agreement dated as of _____, 2023 (the "Effective Date"), between Travel Leaders Network, LLC, a Minnesota limited liability company, whose principal office is located at 3033 Campus Drive, Suite W320, Minneapolis, Minnesota 55441 ("Licensor"), and _____, a(n) _____, whose principal office is located at _____ ("Associate").

WITNESSETH THAT:

WHEREAS, Licensor and Associate have entered into a License Agreement dated as of the Effective Date; and

WHEREAS, Licensor offers a choice of participation levels which determine the type and amount of goods and services Associate will receive and the amount of monthly license and marketing fees Associate will pay for the goods and services; and

WHEREAS, Associate has elected the participation level described in this Addendum;

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

1. Continuing License Fees. Section 4(b) of the License Agreement is replaced as follows:

(b) Associate will pay to Licensor a continuing license fee ("Continuing License Fee") in the amount of \$1,181 per month for the Authorized Location. The Continuing License Fee is payable on the first business day of each month commencing the first month following the Effective Date and each month thereafter for the term of the License Agreement. For each full service Branch Location pursuant to the Multiple Unit Addendum attached to this License Agreement, Associate will pay an additional Continuing License Fee of \$114 per month. Continuing License Fees are subject to CPI adjustment as described in Section 4(e).

2. Marketing Fee. Section 4(c) of License Agreement is replaced as follows:

(c) Associate will pay to Licensor a marketing, product and brand development fee ("Marketing Fee") in the amount of \$312 per month for the Authorized Location. The Marketing Fee is payable on the first business day of each month commencing the first month following the Effective Date and each month thereafter for the term of the License Agreement. For each full service Branch Location pursuant to the Multiple Unit Addendum attached to this License Agreement, Associate will pay an additional Marketing Fee of \$57 per month. In no event, however, will the Marketing Fee exceed \$1,250 per month or \$15,000 annually in any calendar year. Marketing Fees are subject to CPI adjustment as described in Section 4(e).

3. Construction. Except as provided herein, the License Agreement will remain in full force and effect in accordance with its terms.

4. Effective Date. Licensor and Licensee acknowledge and agree that this Addendum is being entered into simultaneously with the License Agreement and that this Addendum will be effective as of the effective date of the License Agreement.

IN WITNESS WHEREOF, the parties have signed this Addendum the dates indicated below.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

ASSOCIATE: _____

By: _____

Date: _____

EXECUTIVE LEVEL
FEE SCHEDULE
ADDENDUM

This Addendum is attached to and becomes a part of the License Agreement dated as of _____, 2023 (the "Effective Date"), between Travel Leaders Network, LLC, a Minnesota limited liability company, whose principal office is located at 3033 Campus Drive, Suite W320, Minneapolis, Minnesota 55441 ("Licensor"), and _____, a(n) _____, whose principal office is located at _____ ("Associate").

WITNESSETH THAT:

WHEREAS, Licensor and Associate have entered into a License Agreement dated as of the Effective Date; and

WHEREAS, Licensor offers a choice of participation levels which determine the type and amount of goods and services Associate will receive and the amount of monthly license and marketing fees Associate will pay for the goods and services; and

WHEREAS, Associate has elected the participation level described in this Addendum;

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

1. Continuing License Fees: Section 4(b) of the License Agreement is replaced as follows:

(b) Associate will pay to Licensor a continuing license fee (the "Continuing License Fee") in the amount of \$813 per month for the Authorized Location. The Continuing License Fee is payable on the first business day of each month commencing the first month following the Effective Date and each month thereafter for the term of the License Agreement. Further, for each full service Branch Location pursuant to the attached Multiple Unit Addendum, Associate will pay an additional Continuing License Fee of \$114 per month for the term of the License Agreement. Continuing License Fees are subject to CPI adjustment as described in Section 4(e).

2. Marketing Fee: Section 4(c) of License Agreement is replaced as follows:

(c) Associate will pay to Licensor a marketing, product and brand development fee (the "Marketing Fee") in the amount of \$250 per month for the Authorized Location. The Marketing Fee is payable on the first business day of each month commencing the month following the Effective Date and each month thereafter for the term of the License Agreement. For each full service Branch Location pursuant to the Multiple Unit Addendum attached to this License Agreement, Associate will pay an additional Marketing Fee of \$57 per month. In no event, however, will the Marketing, Product and Brand Development Fee exceed \$1,250 per month or \$15,000 annually in any calendar year. Marketing Fees are

subject to CPI adjustment as described in Section 4(e).

3. Construction. Except as provided herein, the License Agreement will remain in full force and effect in accordance with its terms.

4. Effective Date: Licensor and Licensee acknowledge and agree that this Addendum is being entered into simultaneously with the License Agreement and that this Addendum will be effective as of the effective date of the License Agreement.

IN WITNESS WHEREOF, the parties have signed this Addendum the dates indicated below.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

ASSOCIATE: _____

By: _____

Date: _____

PROFESSIONAL LEVEL
FEE SCHEDULE
ADDENDUM

This Addendum is attached to and becomes a part of the License Agreement dated as of _____, 2023 (the "Effective Date"), between Travel Leaders Network, LLC, a Minnesota limited liability company, whose principal office is located at 3033 Campus Drive, Suite W320, Minneapolis, Minnesota 55441 ("Licensor"), and _____, a(n) _____, whose principal office is located at _____ ("Associate").

WITNESSETH THAT:

WHEREAS, Licensor and Associate have entered into a License Agreement dated as of the Effective Date; and

WHEREAS, Licensor offers a choice of participation levels which determine the type and amount of goods and services Associate will receive and the amount of monthly license and marketing fees Associate will pay for the goods and services; and

WHEREAS, Associate has elected the participation level described in this Addendum;

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

1. Continuing License Fees: Section 4(b) of the License Agreement is replaced as follows:

(b) Associate will pay to Licensor a continuing license fee (the "Continuing License Fee") in the amount of \$562 per month for the Authorized Location. The Continuing License Fee is payable on the first business day of each month commencing the month following the Effective Dte and each month thereafter for the term of the License Agreement. Further, for each full service Branch Location pursuant to the attached Multiple Unit Addendum, Associate will pay an additional Continuing License Fee of \$114 per month for the term of the License Agreement. Continuing License Fees are subject to CPI adjustment as described in Section 4(e).

2. Marketing Fee: Section 4(c) of License Agreement is replaced as follows:

(c) Associate will pay to Licensor a marketing, product and brand development fee (the "Marketing Fee") in the amount of \$187 per month for the Authorized Location. The Marketing Fee is payable on the first business day of each month commencing the month following the Effective Date and each month thereafter for the term of the License Agreement. For each full service Branch Location pursuant to the Multiple Unit Addendum attached to this License Agreement, Associate will pay an additional Marketing Fee of \$57 per month. In no event, however, will the Marketing Fee exceed \$1,250 per month or \$15,000 annually in any calendar year. Marketing Fees are subject to CPI adjustment as described in

Section 4(e).

3. Construction. Except as provided herein, the License Agreement will remain in full force and effect in accordance with its terms.

4. Effective Date: Licensor and Licensee acknowledge and agree that this Addendum is being entered into simultaneously with the License Agreement and that this Addendum will be effective as of the effective date of the License Agreement.

IN WITNESS WHEREOF, the parties have signed this Addendum the dates indicated below.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

ASSOCIATE: _____

By: _____

Date: _____

**ACKNOWLEDGMENT ADDENDUM TO
TRAVEL LEADERS LICENSE AGREEMENT**

The purpose of this Acknowledgment Addendum 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 sale of the franchise and operation of your business.

Acknowledgments and Representations*

1. I have received all appropriate disclosure documents for the State(s) of _____ at least 14 calendar days, exclusive of the day I received them and the day I signed them, before signing the License Agreement and/or payment of any monies.
2. I have signed and returned to Travel Leaders Network, LLC the acknowledgment of receipt for each disclosure document given me.
3. I have had an opportunity to read the License Agreement thoroughly and understand all of your covenants and obligations and my obligations as an Associate of the TRAVEL LEADERS System. I understand that the License Agreement contains all obligations of the parties and that you do not grant to me under the License Agreement any right of first refusal.
4. I understand that this franchised business, as in all business ventures, involves risk and, despite assistance and support programs, the success of my business will depend largely upon me and my ability.
5. Except for fill in the blank provisions or for negotiated changes that I initiated, I received a copy of the revised License Agreement or related agreement at least seven (7) calendar days before the date on which the Franchise Agreement or related agreement was signed.
6. I understand that you have or may establish a national marketing and promotional program which is not directed towards any specific Agency but is intended to benefit the entire TRAVEL LEADERS system nationwide. I further understand that amounts from the national marketing and promotional fund (if established) will be used to offset any in-house expenses you incur in providing marketing services, media planning, and network marketing support.
7. I have received no promises, guarantees or assurances made to me and no information provided to me relative to earnings, revenues, profits, expenses or projected revenues for this franchise, except as disclosed in the disclosure document. If I believe that I have received any such promises, guarantees, assurances or information, I agree to describe it below (or write "None").

Licensee's Acknowledgement:

Name: _____

Date: _____

Name: _____

Date: _____

*Such representations do not 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. Do not sign this Acknowledgment if you are a resident of Maryland or the franchise will be operated in Maryland.

MULTIPLE UNIT ADDENDUM

This Multiple Unit Addendum, dated as of _____, 2023 (the “Effective Date”), between Travel Leaders Network, LLC, a Minnesota limited liability company, whose principal office is located at 3033 Campus Drive, Suite W320, Minneapolis, Minnesota, 55441 (“Licensor”), and _____, a(n) _____, whose principal office is located at _____ (“Associate”).

WITNESSETH THAT:

WHEREAS, Licensor and Associate have entered into a License Agreement dated as of the Effective Date; and

WHEREAS, Licensor and Associate desire that the license granted by the License Agreement apply to the TRAVEL LEADERS travel agency businesses owned by Associate and listed on Appendix A hereto (the “Agencies”);

NOW, THEREFORE, In consideration of the premises and the mutual covenants contained herein and in the License Agreement, the parties agree as follows:

- A. Except as provided herein, the License Agreement will remain in full force and effect in accordance with its terms.
- B. Sections 1(a) and 1(b) of the License Agreement are deleted and replaced as follows:
 1. GRANT OF LICENSE; AUTHORIZED LOCATION; RIGHTS RESERVED
 - (a) Grants. Subject to the terms and conditions of this License Agreement, Licensor hereby grants to Associate the right and license to (1) operate multiple travel agencies (the “Agencies”); (2) use the Marks under the terms of this License Agreement to identify and promote the Agency; and (3) use the methods, know-how and requirements of the TRAVEL LEADERS System (which may be changed, improved and further developed from time to time) as set forth in the Operations Manual, other manuals, training programs, Agent Universe website or other communications conveyed by Licensor.
 - (b) Authorized Locations. Associate is authorized to operate the Agencies at the locations listed on the attached Appendix A (the “Authorized Locations”). Associate must receive Licensor’s approval to add a branch office or other location to this License Agreement. Licensor has the right to grant or refuse to grant such additional licensed locations.
- C. The License Agreement is amended: (1) to provide that each reference to Associate’s “Agency” be construed as a reference to each of the “Agencies” defined hereunder; and (2) to make such other similar revisions or corrections as may be appropriate to reflect the fact that Associate is licensed to operate multiple Agencies.

IN WITNESS WHEREOF, the parties have signed this Addendum the dates indicated below.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

ASSOCIATE: _____

By: _____

Date: _____

APPENDIX A
TO A
MULTIPLE UNIT ADDENDUM

Location Name	Address	ARC Number	Location Type

**PROGRAM PARTICIPATION
TERMS AND CONDITIONS
ADDENDUM**

This PROGRAM PARTICIPATION ADDENDUM (“Addendum”) is attached to and becomes a part of the License Agreement dated as of _____, 2023 (the “Effective Date”) between Travel Leaders Network, LLC, a Minnesota limited liability company, whose principal office is located at 3033 Campus Drive, Suite W320, Minneapolis, Minnesota, 55441 (“Licensor”), and _____ (“Associate”).

WHEREAS, Licensor and Associate have entered into a License Agreement dated as of the Effective Date; and

WHEREAS, Licensor offers Associate the opportunity to participate in certain optional programs offered by Licensor, subject to the terms and conditions of those programs (“Program(s)”); and

WHEREAS, this Addendum is applicable to and governs certain terms and conditions of those Programs;

NOW, THEREFORE, in consideration of the mutual promises set forth herein and in the License Agreement, the parties hereto agree as follows:

1. General Application. This Addendum applies to and is a part of the terms and conditions of any Program in which Associate elects to participate. Each Program will have its own Program Addendum containing terms and conditions particular to that Program. In case of a conflict between the terms of this Addendum and the terms of the Program Addendum, the Program Addendum will govern.
2. Services. Licensor will provide the services set forth in the Program Addenda (“Services”). Associate will comply with Licensor’s policies and procedures as described in the Program Addenda, as they may be amended by Licensor from time to time upon 30 days written notice to Associate.
3. Term. This Addendum will commence upon Associate signing the License Agreement and will continue for as long as the License Agreement is in effect or as long as Associate has ongoing obligations pursuant to any outstanding Program Addendum, whichever is longer, unless otherwise terminated as provided herein.
4. Termination. If the License Agreement terminates at any time, this Addendum will automatically terminate on the same date. Licensor may terminate the Services set forth in any or all of the Program Addenda upon 30 days written notice to Associate for any reason. Licensor has the right to terminate the Services set forth in the Program Addenda immediately and without notice to Associate if Associate (a) breaches this Addendum, the Program Addenda or the License Agreement; or (b) fails to pay, when due, any fees under the License Agreement or this Addendum.

5. Associate's Obligations.

(a) All transactions booked by Associate through Licensor must be paid through the use of debit or credit cards. Associate is responsible for providing the customer's credit card information directly to the Preferred Supplier, where applicable. At Licensor's discretion, transactions may be drafted out of Associate's account. Licensor may charge a fee for each check it has to prepare and send to a supplier in connection with such transactions.

(b) Associate will comply with Licensor's policies and procedures, including all accounting and reporting procedures outlined in any Operations or Program Manuals, which Licensor may amend from time to time upon 30 days written notice.

6. Warranties and Limitation of Liability. The Services described herein are provided to Associate on an "as is" basis, without warranty of any kind, whether express or implied, including without limitation any warranty of merchantability, fitness for a particular purpose or non-infringement. Licensor accepts no responsibility for the acts, errors or omissions of any of its service providers or any other third party. If Associate experience any difficulty with the Services, Associate will look solely and exclusively to such service providers or other third parties for any and all legal responsibility related to the Services. Nothing in this Addendum shall create any liability or obligation on the part of Licensor to Associate. Licensor accepts no responsibility for any acts, errors or omissions of Associate and its customers with respect to misuse of any intellectual property of customer or any other third party (including all logos, trademarks or other materials). Associate is solely responsible for acquiring permission from any such customer or third party to use such intellectual property.

IN WITNESS WHEREOF, the parties have signed this Addendum the dates indicated below.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

ASSOCIATE: _____

By: _____

Date: _____

EXHIBIT F

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(The Operations Manual contains 232 pages)

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EXHIBIT G

STATE ADDENDA

CALIFORNIA ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

This Addendum relates to franchises sold in the state of California and is intended to comply with California statutes and regulations.

1. 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 OFFERING CIRCULAR.
2. Item 3. In addition to the information required by Item 3, neither TLN, any person or franchisor broker in Item 2 of the UFOC 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. Item 17 of the disclosure document has the following additional provisions:
 - a. California Business and Professions Code Sections 20000 through 20043 provide rights to the licensee concerning termination or nonrenewal of a franchise. If the License Agreement contains a provision that is inconsistent with the law, the law will control.
 - b. Any proposed termination of the License Agreement for bankruptcy may not be enforceable under federal bankruptcy law. (11 U.S.C.A. Section 101 et seq.)
 - c. The License Agreement requires litigation to be conducted in Hennepin County, Minnesota. You are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.
4. Our web site is found at: www.travelleaders.com.
 - i. TLN'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.corp.ca.gov.

5. The following provision modifies the Acknowledgement Addendum:

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

HAWAII ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

This Addendum relates to franchises residing, sold in or located in the state of Hawaii and is intended to comply with Maryland statutes and regulations.

Item 5 is amended to add the following:

The Hawaii Securities Compliance Division requires us to defer payment of the initial license fee and other payments owed by franchisees to us until we have completed our initial obligations under the License Agreement.

HAWAII ADDENDUM
TO A
TRAVEL LEADERS®
LICENSE AGREEMENT

This Addendum relates to franchises sold in Hawaii and is intended to comply with Hawaii statutes and regulations. In consideration of the execution of the License Agreement, Licensor and Licensee agree to amend the License Agreement as follows:

Section 4 is amended to include the following: "As required by the Hawaii Securities Compliance Division, the initial license fee and other payments shall be deferred until such time as the Licensor completes its initial obligations under the License Agreement."

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

LICENSEE: _____

By: _____

Its: _____

Date: _____

ILLINOIS ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

Illinois law governs the franchise agreement(s).

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

The following provision modifies the Acknowledgement Addendum:

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

ILLINOIS ADDENDUM
TO A
TRAVEL LEADERS®
LICENSE AGREEMENT

This Addendum pertains to franchises subject to Illinois statutes and regulations. Notwithstanding anything in the License Agreement to the contrary, the License Agreements is hereby amended as follows:

1. Section 4 of the Illinois Franchise Disclosure Act dictates that “Any provision in the Franchise Agreement which designates jurisdiction or venue in a forum outside of this State is void” with respect to any cause of action which otherwise is enforceable in this State, provided that a Franchise Agreement may provide for arbitration in a forum outside this State.
2. Section 41 of the Illinois Franchise Disclosure Act dictates that “Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void.”
3. Section 17(a)(b) of the License Agreement is revised to grant authority to Illinois law as it relates to governing law and choice of law.
4. Section 17 of the License Agreement is revised to grant authority to Illinois law as it relates to waivers.
5. In all other respects, the License Agreement will be construed and enforced with its terms.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

LICENSEE: _____

By: _____

Its: _____

Date: _____

MARYLAND ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

This Addendum relates to franchises residing, sold in or located in the state of Maryland and is intended to comply with Maryland statutes and regulations.

1. Item 5 is amended to add the following:

The Maryland Securities Commissioner requires us to defer payment of the initial license fee and other payments owed by franchisees to us until we have completed our initial obligations under the License Agreement.

2. The Summary column of Item 17 paragraph (h) is amended to add the following:

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

3. The Summary column of Item 17 paragraph (u) is amended to add the following:

Any claims arising under the Maryland Franchise Registration and Disclosure law must be brought within 3 years after the franchise is granted.

4. The Summary column of Item 17 paragraph (v) is amended to add the following:

Any lawsuits under the Maryland Franchise Registration and Disclosure law may be brought in the State of Maryland.

5. Section 17 paragraph (i) is amended to include the following:

Nothing in the franchise agreement, will act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

6. The summary column of Item 17 paragraph (m) is amended to add the following:

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

7. The following provision modifies the Acknowledgement Addendum:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law,

including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND ADDENDUM
TO A
TRAVEL LEADERS®
LICENSE AGREEMENT

This Addendum relates to franchises sold in Maryland and is intended to comply with Maryland statutes and regulations. In consideration of the execution of the License Agreement, Licensor and Licensee agree to amend the License Agreement as follows:

1. Section 4 is amended to include the following: “As required by the Maryland Securities Commissioner, the initial license fee and other payments shall be deferred until such time as the Licensor completes its initial obligations under the License Agreement.”
2. Section 14(a)(5) is amended to include the following: “Licensor’s termination of the License Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.)”
3. Section 17(b) is amended to include the following: “Licensee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the date of the License Agreement.”
4. Section 17(c) is amended to include the following: “Nothing in this Section 17(c), however, will act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”
5. Section 17(l) is amended to include the following: “No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.”

TRAVEL LEADERS NETWORK, LLC

LICENSEE:

By: _____
Roger E. Block, President

By: _____

Date: _____

Its: _____

Date: _____

NOTICE REQUIRED BY THE STATE OF MICHIGAN

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provisions 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 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 values 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 a 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 refusal to purchase the franchise. Good cause shall include, but is not limited to:

- (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise
P. O. Box 30213
Lansing, Michigan 48909

MINNESOTA ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

This Addendum relates to franchises sold in the state of Minnesota and is intended to comply with Minnesota statutes and regulations.

1. Item 13 of the disclosure document is amended to include the following language:

TLN will indemnify you for damages for which you are held liable in any proceeding arising out of the use of the "TRAVEL LEADERS" mark, provided you have used the Service Marks properly and have notified us of any claim against you within 10 days of your knowledge of the claim. We will have sole control of any litigation involving the Service Marks. Our indemnification obligation will not apply to any licensee residing outside the state of Minnesota who purchases a franchise to be located outside of Minnesota.

2. Item 17 of the disclosure document is amended to include the following:

"Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes Section 80C.14, subs. 3, 4 and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement."

"Minnesota Statutes Section 80C.17, Subd. 5. No cause of action may be commenced pursuant to this section more than three years after the cause of action accrues."

"Minnesota Statutes Section 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. To the extent a dispute is subject to litigation (and not arbitration or mediation), nothing in the franchise disclosure document or Franchise Agreement can eliminate or reduce any of your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

"Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release that would relieve any person from liability imposed by Minnesota laws concerning franchising, provided, however that this part will not bar the voluntary settlement of disputes. This provision will prevail over a contrary provision in a franchise agreement."

"Minnesota Rules 2860.4400J provides that we may seek injunctive relief, however you are not required to consent."

3. The following provision modifies the Acknowledgement Addendum:

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

MINNESOTA ADDENDUM
TO A
TRAVEL LEADERS® LICENSE AGREEMENT

This Addendum relates to franchises sold in Minnesota and is intended to comply with Minnesota statutes and regulations. In consideration of the execution of the License Agreement, Licensors and Associates agree to amend the License Agreement as follows:

1. Section 8(d) is amended to include the following language:

“We will indemnify a Minnesota franchisee for damages for which such franchisee is held liable in any proceeding arising out of the use of the “TRAVEL LEADERS” trademark, provided that you have used the Mark properly and have notified us of any claim against you within ten (10) days of your knowledge of such claim. Our indemnification obligation will not apply to you if you reside outside the state of Minnesota and your franchise is to be located outside of Minnesota.”

2. Sections 13 and 14 are amended to include the following sentences at the end of each Section:

“Minnesota law provides franchisees with certain termination and nonrenewal rights. Minnesota Statutes Section 80C.14, Subds. 3-5 require, except in certain specified cases, that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for nonrenewal of the License Agreement.”

3. Section 17(d) is amended to provide that the phrase “have the right to seek” is replaced with the phrase “we may seek.”

4. Section 17(g) is amended to include the following language:

“No action may be commenced pursuant to this section more than three years after the cause of action accrues.” Minnesota Statutes Section 80C.17, Subd. 5.

5. Section 17(a) is amended to include the following language:

No release language stated in the License Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota, provided that this part will not bar the voluntary settlement of disputes. Minn. Rule 2860.4400D will prevail over a contrary provision in a franchise agreement.

6. In all other respects, the License Agreement will be construed and enforced with its terms.

TRAVEL LEADERS NETWORK, LLC

LICENSEE: _____

By: _____
Roger E. Block, President

By: _____

Date: _____

Its: _____

Date: _____

NEW YORK ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

This Addendum relates to franchises sold in the state of New York and is intended to comply with New York statutes and regulations.

1. Cover Page of the disclosure document is amended by the addition of the following:
The Franchisor may, if it chooses, negotiate with you about items covered in the prospectus. 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 prospectus.
2. Item 17(c) of the disclosure document is amended to provide that all rights arising in your favor from the provisions of Article 33 of the Gen. Bus. Law of the State of New York and the regulations issued thereunder will remain in force; it being the intent of this proviso that the non-waiver provisions of Gen. Bus. Law sections 687.4 and 687.5 be satisfied.
3. Item 17(d) of the disclosure document is amended to provide that you may terminate the Franchise Agreement on any grounds available by law.
4. Item 17(j) of the disclosure document is amended to provide that no assignment will be made by TLN, except to an assignee who, in TLN's good faith judgment, is willing and able to assume our obligations under the License Agreement.

NEW YORK ADDENDUM
TO A
TRAVEL LEADERS®
LICENSE AGREEMENT

This Addendum relates to franchises sold in New York and is intended to comply with New York statutes and regulations. In consideration of the execution of the License Agreement, Licensor and Licensee agree to amend the License Agreement as follows:

1. Sections 13 and 14 of the License Agreement are amended to provide that all rights enjoyed by Licensee 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 will remain in force, it being the intent of this provision that the applicable nonrenewal or termination provisions of the General Business Law be satisfied.
2. Sections 17(a) and 17(l) of the License Agreement are amended to include the following sentence at the end of such Section: "The foregoing should not be considered a waiver of any right that either Licensor or Licensee may have under the General Business Law of the State of New York, Article 33."
3. In all other respects, the License Agreement will be construed and enforced with its terms.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

LICENSEE: _____

By: _____

Its: _____

Date: _____

NORTH DAKOTA ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

This Addendum relates to franchises sold in the State of North Dakota and is intended to comply with North Dakota statutes and regulations.

1. Any provision of the License Agreement which designates a jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota

2. Item 17(i) of the Franchise Disclosure Document is amended to include the following additional language.

Any provision of the License Agreement which requires you to consent to termination or liquidated damages has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

3. Item 17 (u) and (v) of the Franchise Disclosure document is amended to include the following additional language:

In North Dakota, Items 17(u) and (v) are amended to provide that TLN cannot require you to agree in advance to litigate outside the State of North Dakota.

NORTH DAKOTA ADDENDUM
TO A
TRAVEL LEADERS® LICENSE AGREEMENT

This Addendum relates to franchises sold in North Dakota and is intended to comply with North Dakota statutes and regulations. In consideration of the execution of the License Agreement, Licensor and Associate agree to amend the License Agreement as follows:

1. The North Dakota Securities Commissions has held that requiring the Associate to consent to the jurisdiction of courts outside of North Dakota is contrary to the provisions of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, Section 17(b) is amended to provide that all suits brought in connection with this License Agreement shall be venued in the State of North Dakota.

2. Section 17(g) of the License Agreement is hereby amended by the addition of the following language to the original language that appears therein:

Provisions requiring an Associate to consent to a limitation of claims within one year have been deemed to be unjust, unfair, and inequitable within the intent of Sections 51-19-09 of the North Dakota Franchise Investment Law. Therefore, for North Dakota Associates, the statute of limitations under North Dakota Law will apply.

3. Section 17(e) of the License Agreement is hereby amended by the addition of the following language to the original language that appear therein:

Provisions requiring the Associate to pay all costs and expenses incurred by the franchisor in enforcing the agreement have been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, for North Dakota Associates, this provision shall be amended to provide that the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorney's fees.

4. Provisions requiring the Associate to consent to termination or liquidated damages have been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, for North Dakota Associates, Section 15 shall be deleted in its entirety.

5. Sections 17(c) and 17(l) of the License Agreement are hereby amended to by the addition of the following language to the original language that appears therein:

Provisions requiring the Licensee to consent to a waiver of exemplary and punitive damages are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

6. In all other respects, the License Agreement will be construed and enforced with its terms.

TRAVEL LEADERS NETWORK, LLC

LICENSEE:

By: _____
Roger E. Block, President

By: _____
Its: _____

Date: _____

Date: _____

RHODE ISLAND ADDENDUM
TO A
TRAVEL LEADERS®
LICENSE AGREEMENT

This Addendum relates to franchises sold in Rhode Island and is intended to comply with Rhode Island statutes and regulations. In consideration of the execution of the License Agreement, Licensor and Licensee agree to amend the License Agreement as follows:

1. Section 17(b) of the License Agreement is amended by the addition of the following sentence: "Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that a 'provision in a franchise agreement restricting jurisdiction or venue to a forum outside the state or requiring the application of the laws of another state is void respecting a claim otherwise enforceable under this Act.'"

2. In all other respects the License Agreement will be construed and enforced with its terms as written.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

LICENSEE: _____

By: _____

Its: _____

Date: _____

VIRGINIA ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

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

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

WASHINGTON ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

This Addendum relates to franchises sold in Washington and is intended to comply with Washington statutes and regulations.

1. Item 1 of the Franchise Disclosure Document is amended to include the following additional language.

Franchisees who receive financial incentives to refer franchise prospects to the Franchisor may be required to register as franchise brokers under the laws of Washington State.

2. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, will prevail.
3. RCW 19.100.180 may supersede the License Agreement in Licensee's relationship with the Licensor, including the areas of termination and renewal of Licensee's franchise. There may also be court decisions which may supersede the License Agreement in Licensee's relationship with Licensor, including the areas of termination and renewal of Licensee's franchise.
4. 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 License Agreement, a Licensee 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.
5. 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 trial by jury, may not be enforceable.
6. Transfer fees are collectible to the extent that they reflect Licensor's reasonable estimated or actual costs in effecting a transfer.
7. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a Licensee, 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 Licensee 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 License Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

8. RCW 49.62.060 prohibits a Licensor from restricting, restraining, or prohibiting a Licensee from (i) soliciting or hiring any employee of a Licensee of the same Licensor or (ii) soliciting or hiring any employee of the Licensor. As a result, any such provisions contained in the License Agreement or elsewhere are void and unenforceable in Washington.
9. The following provision modifies the Acknowledgement Addendum:

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

WASHINGTON ADDENDUM
TO A
TRAVEL LEADERS® LICENSE AGREEMENT

This Addendum relates to franchises sold in Washington and is intended to comply with Washington statutes and regulations. In consideration of the execution of the License Agreement, Licensor and Licensee agree to amend the License Agreement as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, will prevail.
2. This Addendum does not waive any liability the Licensor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.
3. RCW 19.100.180 may supersede the License Agreement in Licensee's relationship with the Licensor, including the areas of termination and renewal of Licensee's franchise. There may also be court decisions which may supersede the License Agreement in Licensee's relationship with Licensor, including the areas of termination and renewal of Licensee's franchise.
4. 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 License Agreement, a Licensee 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.
5. 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 trial by jury, may not be enforceable.
6. Transfer fees are collectible to the extent that they reflect Licensor's reasonable estimated or actual costs in effecting a transfer.
7. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a Licensee, 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 Licensee 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 License Agreement or elsewhere that conflict with these limitations are void and

unenforceable in Washington.

8. RCW 49.62.060 prohibits a Licensor from restricting, restraining, or prohibiting a Licensee from (i) soliciting or hiring any employee of a Licensee of the same Licensor or (ii) soliciting or hiring any employee of the Licensor. As a result, any such provisions contained in the License Agreement or elsewhere are void and unenforceable in Washington.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

LICENSEE:

By: _____

Its: _____

Date: _____

WISCONSIN ADDENDUM
TO A
TRAVEL LEADERS®
FRANCHISE DISCLOSURE DOCUMENT

The following information applies to franchises and franchisees subject to the Wisconsin Fair Dealership Law. Item numbers correspond to those in the main body.

Item 17

1. For all franchisees residing in the State of Wisconsin, TLN will provide you at least 90 days' prior written notice of termination, cancellation, or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation, or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.
2. For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the License Agreement or a related contract which is inconsistent with the Law.

WISCONSIN ADDENDUM
TO A
TRAVEL LEADERSLICENSE AGREEMENT

This Addendum relates to franchises sold in Wisconsin and is intended to comply with Wisconsin statutes and regulations. In consideration of the execution of the License Agreement, Licensor and Licensee agree to amend the License Agreement as follows:

1. Notwithstanding anything which may be contained in the body of the License Agreement to the contrary, Section 14 of the License Agreement is amended as follows:

Licensor will provide Licensee at least 90 days' prior written notice of termination, cancellation, or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, or substantial change in competitive circumstances and will provide that Licensee has 60 days in which to rectify any claimed deficiency. If the deficiency is rectified within 60 days, the notice will be void. If the reason for termination, cancellation, or substantial change in competitive circumstances is nonpayment of sums due under the franchise, Licensee will be entitled to written notice of such default, and will have not less than 10 days in which to remedy such default from the date of delivery or posting of such notice.

2. Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of this Agreement or a related document between Licensee and Licensor inconsistent with the Law.
3. Except as amended herein, the License Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

TRAVEL LEADERS NETWORK, LLC

By: _____
Roger E. Block, President

Date: _____

LICENSEE: _____

By: _____

Its: _____

Date: _____

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 as 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.

RECEIPT

This disclosure document summarizes provisions of the license agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Travel Leaders Network, LLC ("TLN") offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, TLN or an affiliate in connection with the proposed franchise sale. Under Iowa, Michigan, New York and Rhode Island law (if applicable) this period is 10 business days, which could be longer than 14 calendar days.

In addition, under Iowa, New York and Rhode Island law, TLN must provide the disclosure document to you at the first personal meeting between you and TLN to discuss the franchise.

If TLN does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable franchise administrator listed on Exhibit A. TLN's agent for service of process in your state, if any, is also identified in Exhibit A.

Issuance Date: March 31, 2023

This disclosure document is also available in PDF format electronically.

The franchise seller for this offering is _____
located at 3033 Campus Drive, Suite W320, Minneapolis, MN 55441, (800) 888-8584.

I received a TRAVEL LEADERS 2023 disclosure document with an Issuance Date of March 31, 2023 that included the following exhibits: (A) List of State Administrators, (B) Current Licensed Locations; (C) Locations that Left the System; (D) Consolidated Financial Statements; (E) License Agreement; (F) Table of Contents for the Operations Manual; and (G) State Addenda.

I received this disclosure document on: _____, 2023
Date

If Prospect is a Sole Proprietor:

Signature _____ Signature _____

Print Name _____ Print Name _____

If prospect is a Legal Entity:

Name of Legal Entity

Signature Corporation LLC Partnership

Print Name and Title State where entity formed: _____

Please sign this copy of the receipt, date your signature, and retain for your records.

RECEIPT

This disclosure document summarizes provisions of the license agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Travel Leaders Network, LLC ("TLN") offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, TLN or an affiliate in connection with the proposed franchise sale. Under Iowa, Michigan, New York and Rhode Island law (if applicable) this period is 10 business days, which could be longer than 14 calendar days.

In addition, under Iowa, New York and Rhode Island law, TLN must provide the disclosure document to you at the first personal meeting between you and TLN to discuss the franchise.

If TLN does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable franchise administrator listed on Exhibit A. TLN's agent for service of process in your state, if any, is also identified in Exhibit A.

Issuance Date: March 31, 2023

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The franchise seller for this offering is _____
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I received this disclosure document on: _____, 2023
Date

If prospect is a Sole Proprietor:

Signature _____ Signature _____

Print Name _____ Print Name _____

If prospect is a Legal Entity:

Name of Legal Entity

Signature Corporation LLC Partnership

Print Name and Title State where entity formed: _____

Please sign this copy of the receipt, date your signature and return to TRAVEL LEADERS, Travel Leaders Network, LLC, 3033 Campus Drive, Suite W320, Minneapolis, Minnesota 55441.