# FRANCHISE DISCLOSURE DOCUMENT



PBC, LLC. d/b/a PackageHub Business Centers™ 1475 Richardson Drive Ste. 270 Richardson, Texas 75080

866-774-4748

#### www.packagehub.net

The **PackageHub Business Center™** franchise is offered to pre-existing, independently owned retail shipping and business centers. As a franchisee, you will participate in programs that offer collective purchasing, methods for enhancing and streamlining the experience for your customers, and advertising and marketing programs to help promote your business.

The initial investment necessary to begin operating as a PackageHub Business Center franchise varies based on the circumstances of the individual location. Investment figures below include all fees required for the first 3 months. (See Item 7 in this document for details).\*

For an existing retail shipping and business center that is an RS Premium Member and currently subscribes to a PBC-approved Point Of Sale (POS) software system, the investment ranges from \$385 to \$6,878. This includes \$385 to \$850 that must be paid to us or our affiliate.

For an existing retail shipping and business center that is an RS Basic Member and currently subscribes to a PBC-approved POS software system, the initial investment ranges from \$385-\$6,878. This includes \$385 to \$850 that must be paid to us or our affiliate.

For an existing retail shipping and business center that is an RS Basic Member and does not yet subscribe to a PBC-approved POS software system, the initial investment ranges from \$655 to \$6,878. This includes \$385 to \$850 that must be paid to us or our affiliate.

You have the right to terminate the franchise agreement (also referred to as the PBC Membership Agreement) at any time with 30 days' written notice without cause.

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, franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.** 

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission.

You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, 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 be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: September 1, 2021

# 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?	<b>Item 19</b> may give you information about outlet sales costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or exhibits.
How much will I need to invest?	<b>Items 5 and 6</b> list fees you will be paying to the franchisor or at the franchisor's direction. <b>Item 7</b> lists the initial investment to open. <b>Item 8</b> describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit III includes financial statements. Review these statements carefully.
Is the franchise 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 PackageHub Business Center business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	<b>Items 3 and 4</b> tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be PackageHub Business Center franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. <b>Review all 23 Items</b> and all exhibits in this disclosure document tobetter understand this franchise opportunity. See the table of contents.

## What You Need to Know about Franchising Generally

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

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

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

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

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

**<u>Renewal.</u>** 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.

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

#### **Some States Require Registration**

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

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

## Special Risks to Consider about This Franchise

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

• Out-of-State Dispute Resolution. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. 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 Texas 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, PREDECESORS AND AFFILIATES

PBC, LLC is the franchisor. To simplify matters, the franchisor will be referred to in this disclosure document as "PBC", "we", "us" or "our." "You" or "Member" means a person or legal entity who buys a franchise from us. If you are a corporation, limited liability company, or other entity, the terms and conditions of our PBC Membership Agreement will also apply to your owners, LLC members, and corporate shareholders who will be required to sign the Membership Agreement.

We are a Delaware limited liability company formed on June 6, 2019. Our principal business address is 1475 Richardson Drive Ste. 270, Richardson, Texas 75080. We conduct business under our corporate name and under the trade and service mark "PackageHub Business Centers" and associated logos and designs, and all additional, different or replacement trade names, trademarks, service marks, logos and slogans that we adopt from time to time (collectively called "Marks"). Our agents for service of process in various states are listed on Exhibit IV.

We have not previously offered franchises for PackageHub Business Centers. We do not offer franchises in any other line of business.

#### **Our Parents, Predecessors and Affiliates**

Our affiliate, Retail Shipping Partners, Inc. d/b/a Retail Shipping Associates ("RSA"), is a Texas corporation incorporated on February 15, 2007, with its principal place of business at 1475 Richardson Drive Ste. 270, Richardson, Texas 75080. RSA provides membership management, accounting services, customer service, software development, website administration, marketing services, and training course materials to PBC.

RSA operates as a trade association for independently owned retail shipping and business centers throughout the United States, whereby members are offered a variety of services. Depending on the member's level of participation, members benefit from discounts on shipping rates, discounts from select suppliers, website setup and maintenance, and certification training. RSA does not engage in any other business activities and does not offer or operate franchises.

We do not have a parent organization. We have never had any predecessors.

#### **Our Franchise Program**

PackageHub Business Centers<sup>™</sup> offers franchises that provide an integrated bundle of programs and services, including programs and services for collective purchasing and advertising, which enhance, streamline and improve the efficiencies of independently owned retail shipping and business centers. We may manage the distribution of related materials, supplies, and merchandise under the Marks.

Our franchise is offered to existing independent retail shipping and business centers which havebeen in operation for a minimum of three (3) months. You have the right to terminate the agreement at any time with 30 days' written notice without cause.

To be eligible to participate in our program, you must meet the following minimum requirements:

- Operate an existing independent retail shipping and business center which has been in operation for a minimum of three (3) months.
- Offer private mailbox rentals, package receiving, domestic and international shipping, professional packing services, and general office services including print, copy, and fax.
- Be a current RSA Premium Member in good standing and maintain your RSA Premium Membership throughout the term of the franchise agreement.
- Consistently maintain a retail store location that is clean, organized, and secure.
- Be open to the public Monday through Friday opening no later than 9:00 am and closing no earlier than 6:00 pm, and open for a minimum of 4 hours on Saturdays. Certain locations may qualify for an exception to this requirement based on local market conditions.

You will use the methods, procedures, services, and products developed under the Marks in accordance with the terms and conditions of the PackageHub Business Centers Membership Agreement and the standards we establish ("Program Standards") described in the PBC Operations Manual, which we will revise from time to time. The standards pertain to the use of the Marks, training and certification, store aesthetics, security, uniform standards, days and hours requirements, reporting and insurance requirements, and other business best practice recommendations.

## <u>The Market</u>

We consider the market for PackageHub Business Centers to be very well developed. Our members offer most of their products and services to all types of consumers and small businesses on a walk-in retail basis. Some member stores also serve local small businesses on a contract or monthly billing account basis. You will be competing with other walk-in retail shipping and business centers including national and internationally branded stores.

## **Regulations**

You must adhere to all applicable federal and state regulations relating to the receipt and delivery of mail, including all regulations regarding Commercial Mail Receiving Agencies ("CRMA") as outlined in the United States Postal Service Domestic Mail Manual ("DMM") available online at <a href="https://pe.usps.com/text/dmm300/dmm300">https://pe.usps.com/text/dmm300/dmm300</a> landing.htm.

You must comply with all international, federal, state, and local regulations regarding shipping of certain materials or items (alcohol, tobacco, hazardous materials, etc.). You must follow all federal, state and local regulations related to any other product or service you offer.

#### ITEM 2 BUSINESS EXPERIENCE

#### **Brandon Gale, President**

Mr. Gale has served as President of PBC since its inception. Mr. Gale is also co-founder and President of our affiliate, RSA, since 2007. Mr. Gale serves in these capacities in our office in Richardson, Texas.

## Rutledge Scarborough, Vice President & II Director

Mr. Scarborough has served as Vice President and IT Director of PBC since its inception. Mr. Scarborough is also co-founder and has served as Vice President and IT Director for our affiliate, RSA, since 2007. Mr. Scarborough serves in these capacities in Marvin, North Carolina.

#### Steven S. Weigman, Chief Financial Officer & Business Development

Mr. Weigman has served as Chief Financial Officer of PBC. since its inception. Mr. Weigman has served as Chief Financial Officer of RSA since 2012. Mr. Weigman serves in these capacities in our office in Richardson, Texas.

#### Peter Wixson, Creative Director

Mr. Wixson has served as the Creative Director of PBC. since its inception. He has served as Creative Director for RSA since 2007. Mr. Wixson serves in these capacities in Issaquah, Washington.

#### ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item

#### ITEM 4 BANKRUPTCY

There is no bankruptcy information required to be reported in this Franchise Disclosure Document.

#### ITEM 5 INITIAL FEES

We do not charge an initial franchise fee unless your franchise agreement has expired and you did not renew the agreement within 30 days of the date of expiration or you have previously terminated your franchise agreement with us in which case you will be charged a \$100 reinstatement fee that is due and payable at the time you sign your new franchise agreement However, you are required to pay us and our Affiliate the membership fees described in Item 6. The membership fees are not refundable.

#### **Payments to Affiliates**

Prior to signing the PBC Membership Agreement, you must become a Premium Member of Retail Shipping Associates (RSA) and pay the RSA Premium membership fee throughout the term of the franchise agreement as described in Item 6.

#### **Certification Training**

Prior to operating as a PBC, your Designated Manager must demonstrate they have certain industry specific knowledge in each of the following subjects:

- Private Mailbox Management (CMRA)
- Professional Packing
- Domestic Shipping
- International Shipping
- Customer Service

Industry specific knowledge can be demonstrated by any combination of the following:

- Proof of completion of an RS Academy Certification course and passing the test
- Proof of completion of a PBC Certification course and passing the test
- Proof of completion of a PBC approved third-party training course and passing the test
- Passing the corresponding module(s) of the PBC Knowledge Exam

The following are the fees charged for certification training:

- In-person classroom training \$60 per person per class, plus travel and lodging expenses
- Live Webinar Training \$40 per person per class
- Online eLearning Modules \$30 per person per class

The PBC Knowledge Exam modules will be provided online for a total fee not to exceed \$30.

PBC may, in the future, extend the above-referenced certification requirement to employees of Member that perform certain tasks unsupervised. Such employee certification requirements will be outlined in the PBC Operations Manual.

Type of Fee	Amount	Due Date	Remarks
PBC Membership Fee (1)	\$75.00 per month	In advance each month	This fee must be paid monthly throughout the term of the PBC Membership Agreement.
RSA Premium Membership Fee (2)	\$24.95 per month	In advance each month, or annually on the anniversary of membership start date.	This membership must be maintained throughout the term of the PBC Membership Agreement.
Advertising Fee (3)	None currently	N/A	N/A
Initial Training Fee (4)	None currently	N/A	There are no upfront training fees. Required certification training costs are detailed in Item 7. We may charge a fee for additional training for new products or services to be offered by you.

# ITEM 6 OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Additional Assistance	None currently	N/A	N/A
Transfer of Franchise (5)	N/A	N/A	No fees. Approval is required.
Renewal Fee	N/A	N/A	We do not charge a renewal fee.
Liquidated Damages	\$100/day	As incurred	Payable if you terminate or do not renew the PBC Membership Agreement and you do not surrender to us all property (if any) belonging to us and cease using the Marks.
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Payable if you fail to comply with the PBC Membership Agreement and we have to enforce it.
Indemnification and Insurance (6)	Will vary under circumstances	As incurred	As more fully specified in the PBC Operations Manual, you must carry liability insurance that covers PBC as an additional insured and you must indemnify us for any fees, costs and expenses resulting from any claim or legal action resulting from or related to the operation of your PackageHub Business Center, you must pay for the cost to defend us.
Master Account Agreement Fees/Commissions	None currently. Will vary based on vendor	N/A	We may receive commissions or rebates as part of any master account agreement entered into by us.

Type of Fee	Amount	Due Date	Remarks
Vendor/Supplier Collection Fees	None currently. Will vary based on vendor/supplier	N/A	As part of any master account we enter, we may guaranty payment to the vendor/supplier for products, services or supplies ordered by you at our sole discretion. We may collect sums charged for products, services or supplies directly from you and pay them to the vendor/supplier.

*NOTES:* Except as otherwise indicated in the charts and notes, all fees and expenses described in this Item 6 are uniformily imposed and collected and are non-refundable. Except as specifically stated in this Item 6, the amounts given may be subject to increases based on changes in market conditions, our cost of providing services and future policy changes. At the present time, we have no plans to increase payments over which we have control.

(1) <u>PBC Membership Fee</u>

You will pay us a non-refundable membership fee ("Membership Fee") equal to \$75.00 per month. This fee will be due and payable in advance each month on the same calendar day as your PBC Effective Date. Monthly payments must be made through automatic debit/credit card charge, EFT or ACH payment. This membership fee includes the monthly hosting and maintenance cost of your PBC Store Website, which will replace your RSA Store Website, if you have one. We reserve the right to increase the Membership Fee upon providing you with thirty (30) prior notice. If you entered into a PBC Membership Agreement in 2020 and have renewed on each anniversary of the agreement, you will be eligible for a \$25 per month credit against any increase in the PBC Membership Fee. The credit will not compound and will not increase above \$25 per month. The credit is non-transferable.

## (2) <u>RSA Premium Membership Fee</u>

You are required to maintain a Premium Membership with Retail Shipping Associates (RSA). The Premium Membership Fee is \$24.95 per month. The fee is due and payable in advance each month on the same calendar day as your RSA Premium Membership start date. The monthly fee must be paid through automatic debit/credit card charge, EFT or ACH payment, The fee may be paid on an annual basis. If the Membership Fee is paid on an annual basis, the annual fee is \$249.00. Annual payments must be made through automatic debit/credit card charge, EFT or ACH payment, or by check. Your RSA Premium membership must be maintained throughout the term of the PBC Membership Agreement.

## (3) <u>Advertising Fee</u>

We do not currently charge an advertising fee but reserve the right to do so in the future. The amount of any advertising fee charged in the future has not been determined but may include offers for co-op advertising or advertising channels that are specific to local markets.

## (4) Initial Training Fee

We do not charge an initial training fee. However, prior to operating as a PBC, a minimum of one person who actively manages the store, the ("Designated Manager") is required to:

(a) attend a PBC Onboarding session by phone or webinar, which will introduce you to the required and optional programs related to the PBC program. There is no cost for this session.

(b) demonstrate they have certain industry specific knowledge. This knowledge may be demonstrated or obtained by taking the corresponding PBC Knowledge Exam modules or attending in-person or online training classes. Costs of this training is detailed in the notes of Item 7.

We will also offer additional training classes and assistance to you by our staff and other industry experts on the operation or presentation of new products and services. In most cases, additional training is not mandatory; however, if you fail to maintain our performance standards and we notify you of the required training, or, if we enter into an agreement with a third party which requires additional training, you must participate. Training costs will vary based on the requirements of the program.

## (5) Transfer

If you sell your store, or otherwise transfer all or partial ownership, you must notify PBC of the change(s), we must grant approval, and a new PBC Membership Agreement must be executed. If any organizational change impacts the day-to-day management of the store location, we require that the Designated Manager demonstrate that they can meet the then current standards and requirements for becoming a Member of PBC before approval will be granted.

#### (6) Indemnification and Insurance

Before you will be authorized to begin operating as a PackageHub Business Center, you must purchase insurance with the policy minimum limits described in the PBC Operations Manual. The cost of this insurance will vary, depending on factors that include the charges established by the insurer, terms of payment, prior loss history and the geographic location of the franchise operations.

As part of your business insurance policy, you must sign a waiver of subrogation in favor of PBC, LLC. and name PBC, LLC as Additional Insureds on a Primary and Non-Contributory basis for both on-going and completed operations, in the minimum amounts specified in the PBC Operations Manual.

You must provide proof of insurance by delivering to us a declaration page produced by the insurance company which has issued the required insurance showing the policy limits of each required type of insurance as specified in the PBC Operations Manual. We may increase these limits or require new types of coverage be added, as circumstances dictate, from time to time. You may choose to purchase additional insurances coverages beyond what is listed in the PBC Operations Manual, based on your circumstances.

## ITEM 7: ESTIMATED INITIAL INVESTMENT

The following outlines the expected amount of money an existing location will spend to participate in the PackageHub Business Center program during the **first 3 months (90 days)** of operation. Note: For established retail shipping and business centers, there will be minimal, or no incremental investment needed to become a PBC location.

TYPE OF	AMOUNT	METHOD OF	WHEN DUE	TO WHOM
EXPENDITURE		PAYMENT		PAYMENT
				IS TO BE
				MADE
Reinstatement Fee (1)	\$0-\$100	Debit/Credit	Upon signing of	PBC
		card, or ACH	the franchise	
			agreement	
Membership Fee	\$225	Debit/Credit	In advance each	PBC
(3 months) (2)		card or ACH	month.	
Retail Shipping	\$0-\$75.00	Debit/Credit	In advance each	Retail
Associates Premium Membership Fee		card, or ACH	month, or annually on the	Shipping Associates
(3 months)			anniversary of	Associates
(*)			membership start	
			date.	
Real Property	See Note 2	N/A	N/A	N/A
Lease/Ownership (3)				
Leasehold	\$0 - \$2,500	As arranged	As agreed	Third-party
Improvements (3)				contractors
Furniture, Fixtures,	\$0 - \$2,500	As arranged	As agreed	Vendors
and Equipment (3)				
Supplies (4)	\$0 - \$500	As arranged	As agreed	Vendors
Signage & Marketing	\$150	Debit/Credit	At time of order	PBC. or an
Materials (5)	\$150	Card or ACH	At time of order	authorized
				equipment
				provider
Software Licensing	\$0-\$480	As arranged	As agreed	Vendor
Fees (6)				
Outing Destant	<u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u></u>	A	A	No. dou
Online Postage Subscription	\$0-\$48	As arranged	As agreed	Vendor
·				
Insurance (7)	See Note 6	As arranged	As agreed	Third Party Insurance
				Company
Business licenses, tax	\$0	As arranged	Before operating	State and
registrations, and	ΦΟ		as a PackageHub	Local
permits (8)			Business Center	Municipalities
				and filing
				agents

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Business Entity Establishment Fees (9)	\$0	As arranged	Before operating as a PackageHub Business Center	State and Local Municipalities and filing agents
Certification Training (10)	\$10-\$300	As incurred	As incurred	PBC or RSA
Additional Funds (3 month period) (11)	\$0	As incurred	As incurred	Vendors, Employees
TOTAL	Current RS Pro PBC-approved system: \$385-5	POS software		
		RS Premium with I POS software \$6,878		
	Non-Current R without PBC-a software system			

The above figures are estimates, and we cannot guarantee that you will not have additional expenses operating the business.

Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill; experience and business capability; local economic conditions; the local market for our services; the prevailing wage rate; competition; and the sales level reached during the initial phase.

We relied on our experience in retail shipping and business center operations to compile these estimates based on the typical store. You should review these figures carefully with a business advisor before making any decision to invest in the PackageHub Business Center program.

Unless otherwise indicated, the amounts disclosed in Item 7 are non-refundable.

Neither us nor any of our affiliates offer financing for the initial investment.

## NOTES:

## (1) <u>Reinstatement Fee</u>

If your franchise agreement has expired and you did not renew the agreement within 30 days of the date of expiration or you have previously terminated your franchise agreement with us, you will be charged a \$100 reinstatement fee that is due and payable at the time you sign your new franchise agreement

## (2) Membership Fee

We reserve the right to increase the Membership Fee upon providing you with thirty (30) prior notice. If you entered into a PBC Membership Agreement in 2020 and have renewed on each anniversary of the agreement, you will be eligible for a \$25 per month credit against any increase in the PBC Membership Fee. The credit will not compound and will not increase above \$25 per month. The credit is non-transferable.

(3) Real property lease/ownership, leasehold improvements, furniture, fixtures and equipment. The total cost for deposits, updates, and monthly rent will depend on factors such as the size, condition, and location of the leased premises. Because you have an existing store, depending on the design and layout of your store, you may not need to incur any additional leasehold costs.

If you do need to incur leasehold costs, these improvements vary substantially based on the location and condition of your existing store. These costs may also vary if the landlord agrees to incur the costs and allocate them over the term of the lease. If you do not need leasehold improvements, your furniture and fixtures do not need to be upgraded, and if you already have the required equipment, you will not incur any additional expenses for these items.

Leasehold improvements may include:

- Install new flooring or carpeting
- Paint interior
- Paint exterior
- Upgrade lighting

Furniture and fixtures that you may need to upgrade or purchase include:

- Exterior and/or interior signage
- Retail display fixtures
- Mailboxes, lockers or secure package storage
- Security gate (if you offer 24-hour access to mailboxes)
- Countertops and/or retail display fixtures

Equipment that you may need to purchase or upgrade include:

- Computer workstation(s) and monitors
- Commercial grade postal mailing scale
- Bar code scanner(s)
- Shipping label printer(s)
- Mailboxes or mail storage system
- Dedicated or multi-function office machine(s)—print, copy, fax
- Security system that complies with specifications outlined in the PBC Operations Manual

## (4) <u>Supplies</u>

As an existing retail shipping location, we anticipate you will incur little or no additional investment in supplies or inventory. You are expected to carry a representative assortment to meet consumer demand, taking into account, among other things, your store's size and market.

Types of supplies may include:

- General office supplies (pens, paper, etc.)
- Mailing supplies
- Postage (stamps)
- Packing materials including a variety of boxes and cushioning material
- Packing tape
- Janitorial supplies

## (5) Signage and Marketing Materials

You must meet or exceed our specifications for signage as outlined in the PBC Operations Manual unless you are restricted by local ordinance or lease provisions from meeting our specifications. At your discretion, you may use the PBC Marks in interior or exterior signage. The Marketing Kit includes the minimum signage required as defined in the operations manual. Other sign options will be available for purchase from us. Or, you may have signs created by third parties, as long as they follow the brand standards as outlined in the PBC Operations Manual.

The cost of marketing materials depends on the quantity and specific items you choose to purchase. Some print materials may be produced in-house by you provided you follow brand guidelines and printing standards as outlined in the PBC Operations Manual.

## (6) Software Licensing Fees

You are required to utilize a PBC-approved POS software system to operate your business. These software packages are typically subscription based and you are required to maintain an active licensing agreement with the vendor and pay their corresponding fees which include a one-time administrative set up fee and a monthly subscription fee.

You are also required to offer mail and package postage through a U.S. Postal Service (USPS) online postage provider that is supported by a PBC-approved POS software system.

Approved systems are defined in the PBC Operations Manual.

## (7) Insurance

If you have an existing location with business insurance that covers all the requirements, you may not incur incremental expense for required insurance coverage. See Item 8 for a more detailed description of insurance requirements. Costs for insurance may vary substantially based on the geographic location of your store.

## (8) Business Licenses, Tax Registrations, and Permits

In order to purchase this franchise, you are required to be the operator/owner of an existing independent retail shipping and business center which has been in operation for a minimum of 3 months. You must obtain all proper business licenses, tax registrations, and permits from various state and local agencies before engaging in business. As an existing store, we assume you have all required licenses and, as such, will have minimal or no incremental expenses. Filing fees and other costs vary greatly based on the type of business entity formed and the jurisdiction in which it is formed.

#### (9) Business Entity Establishment Fees

You may operate your business as any entity you choose (sole proprietorship, partnership, corporation, or Limited Liability Company) provided you comply with federal, state and local laws and regulations. Filing fees and other costs vary greatly based on the type of business entity formed and the jurisdiction in which it is formed.

## (10) <u>Certification Training</u>

Prior to operating as a PBC, your Designated Manager must demonstrate they have certain industry specific knowledge in each of the following subjects:

- Private Mailbox Management (CMRA)
- Professional Packing
- Domestic Shipping
- International Shipping
- Customer Service

Industry specific knowledge can be demonstrated by any combination of the following:

- Proof of completion of an RS Academy Certification course and passing the test
- Proof of completion of a PBC Certification course and passing the test
- Proof of completion of a PBC approved third-party training course and passing the test
- Passing the corresponding module(s) of the PBC Knowledge Exam

The following are the fees charged for certification training:

- In-person classroom training \$60 per person per class, plus travel and lodging expenses
- Live Webinar Training \$40 per person per class
- Online eLearning Modules \$30 per person per class

The PBC Knowledge Exam modules will be provided online for a total fee not to exceed \$30.

PBC may, in the future, extend the above-referenced certification requirement to employees of Member that perform certain tasks unsupervised. Such employee certification requirements will be outlined in the PBC Operations Manual.

(11) Additional Funds (3-month period)

Because you have an existing store, we anticipate that you will have no significant additional expenses to operate as a PackageHub Business Center, and you will incur little or no additional investment.

## ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

#### Approved Suppliers

Except for the requirement that you use a PBC-approved POS software system and a USPS online postage provider that integrates with the POS software, you are not currently required to purchase any products

or services from a specific vendor or supplier. However, we will continually endeavor to negotiate agreements with vendors and suppliers.

Some agreements may require you to utilize or purchase exclusively from a specific vendor or supplier. We will only consider exclusive agreements when there will be a significant benefit to the PBC members and the exclusivity was required to obtain the benefit. We will provide you with 30 days' written notice each time we enter into any agreement that will require you to use the vendor exclusively. In the event you do not agree to the exclusive use, you may exercise your right to terminate the franchise by providing the required notice.

If you are an existing franchisee of another retail shipping and business center franchise and we negotiate an exclusive agreement with a third party that is in conflict with your agreement with the other franchise, you will have the opportunity to opt out of the conflicting PBC agreement.

PBC will continually endeavor to negotiate purchase arrangements with designated and approved vendors and suppliers who will provide preferred pricing to you and other members in the program. Our criteria for supplier approval are based on quality controls, the capacity to supply your needs promptly, reliability, price management, and product knowledge and support. If a supplier fails to maintain the criteria required for designated status, we reserve the right to revoke such status and provide notification of any such change.

#### Insurance

Each member must carry comprehensive general liability, professional liability, care custody and control (also known as inland marine) insurance, and legally-required workers' compensation. Minimum insurance limits are described in the PBC Operations Manual. We anticipate that this insurance is comparable to policies already in place for most existing Retail Shipping Centers, and as such, there should not be any significant additional expense.

Such insurance must be underwritten on an occurrence basis, covering activities and errors and omissions of your Retail Shipping store and your personnel, naming PBC, LLC and our affiliates as additional insureds and requiring at least 30 days' written notice to PBC if such insurance is canceled or coverage is reduced. You will provide PBC, with a copy of such policies upon request.

#### Marketing Materials

You may purchase advertising brochures, flyers, and other promotional materials from us or produce materials yourself as long as all advertising or promotional materials that you or third parties create that contain PackageHub Business Center marks are in accordance with the terms of this Agreement and the brand standards documented in the PBC Operations Manual

#### Website

To maintain brand consistency nationwide, you are required to use the co-branded PBC Store Website, hosted by us, as your primary store website.

Member agrees to use the co-branded PBC Store Website, hosted by PBC, as their primary store website. Member is responsible for maintaining the content on their individual store website and content must be in compliance with standards specified in the manual. The cost of the PBC Store website is included in the monthly membership fee.

#### Store Standards

You must maintain your office and all fixtures, furnishings, signs, and equipment in good order and condition, and in conformity with our Program Standards, as described in the PBC Operations Manual.

#### Other

With the exception of our affiliate, RSA, none of our officers own an interest in any privately-held suppliers or any material interest in any publicly-held suppliers of our franchise network; however, from time to time, our officers may own non-material interests in publicly-held companies that may be suppliers to our franchise network.

## ITEM 9 FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	N/A	N/A
(b) Pre-conversion purchase/leases	N/A	N/A
(c) Site development and other pre-conversion	N/A	N/A
(d) Initial and ongoing training	Sections 5	Item 11
(e) Opening	Section 5	Item 7
(f) Fees	Sections 2	Items 6 and 7
(g) Compliance with standards and Policies/Operating Manual	Sections 4	Item 11
(h) Trademarks and proprietary information	Sections 4	Item 13
(i) Restrictions on products/services offered	N/A	N/A
(j) Warranty and customer service requirements	N/A	N/A
(k) Territorial development and sales quotas	None	N/A
(l) On-going product/service purchases	None	N/A

Obligation	Section in Agreement	Disclosure Document Item
(m) Maintenance, appearance and remodeling requirements	Section 4	Items 11
(n) Insurance	Section 4	Items 6
(o) Advertising	Sections 6	Items 11
(p) Indemnification	Sections 4	Item 6
(q) Owner's participation/management/ staffing	Section 4	Items 6
(r) Records and reports	Sections 4	Item 17
(s) Inspections and audits	Sections 4, 10	Items 11
(t) Transfer	Section 9	Items 17
(u) Renewal	Section 3	Items 17
(v) Post-termination obligations	Sections 7	Item 17
(w) Non-competition covenants	N/A	N/A
(x) Dispute resolution	Section 11	Item 17
(y) Other: Guaranty of franchisee obligations	N/A	N/A

#### ITEM 10 FINANCING

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

#### Our Guarantee of Your Supply and Services Purchases

As part of our program, we may enter into agreements with certain carriers, vendors and suppliers using our network's geographic and size footprint. You may be required to participate in some of these agreements unless we make participation optional. The decision to grant an exemption from joining in any agreement will be made at our sole discretion.

Certain vendor/supplier agreements may require us to guarantee payment on behalf of all members. In the event of such a requirement, we reserve the right to centralize the invoices from a vendor/supplier and collect from you your portion of the payment. We may require you to maintain a deposit and/or provide payment through the use of a debit or credit card, or via ACH.

We reserve the right to assign or transfer any accounts payable balances. Except as disclosed in the information above about the limited guaranty we provide to designated suppliers, we do not guarantee your obligations to third parties.

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

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

#### Pre-Conversion Obligations

Before you begin actively promoting your business as a PackageHub Business Center we will:

- 1. Grant you the right to operate as a PackageHub Business Center and a license to use the PackageHub Business Center's marks in a specific store location. (PBC Membership Agreement: 1. Grant, Territory)
- 2. Provide you with access to the PBC Operations Manual in electronic format. This manual contains mandatory and suggested specifications, standards, operating procedures and rules ("Program Standards") that we prescribe from time to time. The manual may be modified periodically to reflect changes in Program Standards.. (PBC Membership Agreement: 4.25). The Table of Contents for the PBC Operations Manual are included in Exhibit II. As of the date of this disclosure document, our Operations Manual consists of a total of 50 pages.
- 3. Provide a PBC Onboarding session developed by us, via webinar, phone call, or a combination thereof. This onboarding is described later in this Item. (PBC Membership Agreement: 5.2).
- 4. Certify you as an authorized PackageHub Business Centers member after you complete the required certification training and/or exams, comply with all operating requirements, and provide proof of required insurance. (PBC Membership Agreement: 4.20, 5).
- 5. Set up a new PBC store website for you. If you are currently using an RS Store Website, we will convert your existing RS Store Website to the PBC format. It is your responsibility to maintain your website domain name and to confirm the accuracy and completeness of the content on your PBC store website.
- 6. Confirm that your store has corrected any deficiencies and complies with all PackageHub Business Centers appearance and branding standards.

The typical length of time between the signing of the PBC Membership Agreement and when you begin actively promoting your business as a PackageHub Business Center is 30 days. However, the length of time may range from 7 days to 4 months or more, depending on when you meet all requirements.

#### Post-Conversion Obligations

After you are authorized to begin promoting your business as a PackageHub Business Center, we will:

- 1. Make accessible to you all additions, modifications and supplements to the PBC Operations Manual in electronic format, as they become available (PBC Membership Agreement: 4.25).
- 2. Actively seek vendor and supplier relationships that are intended to provide preferred pricing for products and services to all members in the network.

- 3. Handle accounting functions (collection from you and payment to the vendor or supplier) for any vendors or suppliers who have contracted with us to provide certain services or products to members in the network and who require such financial requirements.
- 4. Provide you with marketing assistance, and consultation and advice on operating procedures. This guidance will, at our discretion, be furnished in the PBC Operations Manual, bulletins or other written materials and/or during telephone consultations, electronic mail, training programs, meetings and conferences.
- 5. At our discretion, make available to you at a reasonable cost, promotional materials and other materials as they are developed that are relevant to the operation of your franchise.
- 6. Perform periodic quality control which may include on-site renews, telephone interviews, e-mail surveys, online and in-person mystery shoppers, and requests for site photographs. We may make recommendations on how to correct deficiencies, improve techniques, and enhance the efficiency of the services provided by you which are covered under the franchise agreement. (PBC Membership Agreement: 4.19).
- 7. Issue, modify, and supplement Program Standards for your franchise. We may periodically modify Program Standards and procedures, which may accommodate regional or local variations as we determine, and these modifications may require you to invest additional capital in your franchise business and/or incur higher operating costs. However, these modifications will not alter your fundamental status and rights under the PBC Membership Agreement. (PBC Membership Agreement: 4.25).
- 8. Establish, amend, or revise company policies and/or procedures pertaining to the operation of your franchised business and distribute them through the PBC Operations Manual, policy directives, or memos. (PBC Membership Agreement: 4.25).

We will not provide any other supervision, assistance, or service during the operation of the franchise business.

## Advertising

At our sole discretion, we will create, manage and direct all national and/or regional PackageHub Business Centers advertising programs in the following manner:

- 1. We will direct all national and regional advertising programs and will have sole discretion to approve or disapprove the creative concepts, materials and media used in the programs. The national and regional advertising program will be designed to maximize general public recognition and acceptance of the registered trademarks and enhance the collective success of all members operating under the PackageHub Business Centers network. We and our designees are not required to make expenditures for you or for your benefit. We, or our designees, are also not required to advertise in the area where you are located. The volume and type of advertising will be at our sole discretion.
- 2. We may advertise for PackageHub Business Centers in various forms of media. We intend to use internet and digital media as our primary focus. However, other media such as radio, TV, magazine, newspaper, direct mail and billboard advertising may be used. We may use members of our staff and outside advertising agencies to create our advertising programs.
- 3. Although we are not obligated to do so, we may provide optional advertising programs including local advertising and cooperative advertising. If we choose to provide such advertising, we reserve the right to charge a fee. No fee structure has been created for this type of advertising program at this time.

- 4. Although we do not currently charge an advertising fee, we reserve the right to implement and charge an advertising fee in the future. In the event we do implement an advertising fee, you will be given a notice of not less than 30 days.
- 5. You may use your own advertising materials (including internet advertising) so long as the materials comply with our Program Standards.

## Computer Systems

We require you to have a computer system and Internet access. We do not specify specific computer hardware or an Internet supplier.

You are required to utilize a PBC-approved POS software system and a USPS online postage provider that integrates with your POS software. Approved systems are defined in the PBC Operations Manual. Currently, you are required to use one of two approved software systems by entering into a license agreement with one of the vendors. The monthly license fee currently ranges from \$90 to \$95 per month. You are also required to use an approved online postage subscription service. Currently, the only approved online postage subscription service is Endicia. The monthly subscription price is currently \$15.95 for this service.

For the POS (Point of Sale) software system, you will be required to use one of the two approved software systems provided by third parties (PostalMate or ShipRite). For ShipRite, the license fee is \$90 per month. For PostalMate, the license fee is \$95 per month. The franchisee will also be required to open an online postage subscription provided by a third party (Stamps.com/Endicia) The Stamps.com/Endicia monthly fee is \$15.95.

We reserve the right to collect and aggregate industry-specific data from your POS provider to be used in negotiating discounted pricing with shipping carriers and to establish network metrics. The information we collect will not include any personal information about you, your employees or the retail prices you charge for services provided by you. You give us permission to request the information and receive the data from your POS provider and further agree to submit any authorization forms required by your POS provider in order for us to receive the information. There is no contractual limitation on our right to receive this information. We will have the right to use the data in any way that we deem appropriate without compensating you.

You may also be required to purchase additional software in order to participate in any programs offered by us that require the use of certain software. Although we do not require you to update or upgrade your computer system, your computer and internet connection must be in good repair, with sufficient speed and memory to carry out ordinary business functions and to run the required software. You are responsible for maintaining your computer and internet connection and will solely decide what, if any, maintenance updating, upgrading or support contracts you choose or enter into with third party providers.

## Manuals

We will provide you access to the PBC Operations Manual in an online format. This manual contains mandatory and suggested specifications, standards, and procedures. This manual is confidential and remains our property. We will modify this manual from time to time, but the modification will not alter your status and rights under the PBC Membership Agreement (PBC Membership Agreement, Paragraph 4.25.) The table of contents is attached as Exhibit II. As of the date of this disclosure document, our Operations Manual consists of a total of 50 pages.

## Training

Before becoming authorized to use PBC branded materials and operating as a PackageHub Business Center, a minimum of one person who actively manages the store, known as the "Designated Manager" is required to demonstrate industry specific knowledge. Areas of knowledge will include but are not limited to:

- Private Mailbox Management (CMRA) .
- Professional Packing
- Domestic Shipping
- International Shipping
- **Customer Service** •

Industry-specific knowledge can be demonstrated by one of these three means:

- a) Successfully completing RS Academy Certification course and passing the test on the subject matter, or
- b) Successfully completing PBC Online Certification course and passing the test on the subject matter, or
- c) Passing the corresponding module(s) of the PBC Knowledge Exam for any topics on which you are not already certified.

Certification training will be licensed from our affiliate, RSA, under the program "RS Academy" or through comparable licensed training using the PBC name. Qualifying classes that can be taken to satisfy this requirement will be specified in the PBC Operations Manual.

Certification training will be offered to PBC member owners, managers and employees through these avenues:

- In-person classroom training
- Live Webinar Training
- Online eLearning Modules

Training will be conducted virtually during October, 2021.

Training will be led by persons who have at least 2 years industry-specific experience. We also expect to draw on the substantial experience of our management and from other experienced members. We may provide additional training, seminars and refresher courses to you that you may attend at your option.

Typical in-person training course durations are listed below:

TRAINING PROGRAM				
SUBJECT	HOURS OF	HOURS OF ON-	LOCATION	
	CLASSROOM	THE-JOB		
	TRAINING	TRAINING		
Mailbox Management	3	0	Richardson, Texas	
Domestic Shipping	3	0	Richardson, Texas	
International Shipping	3	0	Richardson, Texas	
Professional Packing	3	0	Richardson, Texas	
Customer Service	3	0	Richardson, Texas	

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON- THE-JOB TRAINING	LOCATION
TOTAL	15	0	

## Packing Guarantee

Member agrees to abide by our packing guarantee, as described in the PBC Operations Manual, which requires that the Member take responsibility for compensating the customer for their loss in the case that a claim made on a package/shipment packed by the Member store owner or employees is denied by the carrier or insurer due to "inadequate packing" or failure to follow terms or conditions established by the carrier or insurer.

## ITEM 12 TERRITORY

We will grant you the right to operate a PackageHub Business Center under the Marks at specific location described in the Agreement.

Your use of the Marks or any element of our franchise program in the operation of a business at any other address or in any other channel of distribution without our express prior written authorization is prohibited and will constitute willful infringement of our rights in the Marks and violation of the franchise agreement. In the event that you choose to change the location of your store or open an additional location, you must complete the same approval process used to establish your current PBC location(s).

You will not receive an exclusive territory or any minimum territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. You will have no competitive protection at all. We reserve the right to allow others to establish and operate PBC locations without compensation to you, regardless of proximity to or competitive impact on you.

We have no obligation or duty to insulate or protect your revenues from erosion as the result of competition from unrelated third parties or other PBC locations.

We do not have any current plans to, nor do we retain any rights, to use other channels of distribution, including the Internet, using our Marks or other marks.

You will not have any options, rights of first refusal, or similar rights to acquire additional franchises or other rights under the Franchise Agreement. The Franchise Agreement does not give you a right to relocate your franchise to another territory, and you do not receive the right to acquire additional franchises within or outside of your territory unless you sign another Franchise Agreement with us.

We do not intend to establish any other franchise with similar services or products under a different trademark.

## ITEM 13 TRADEMARKS

We grant you the right to use certain trademarks, service marks and other commercial symbols in operating your franchise. Our primary service mark is PackageHub. We own the PackageHub Business Centers mark and the associated icon.

PBC registered the marks on the Principal Register of the United States Patent and Trademark Office and has filed all required affidavits:

Mark	Federal Registration Number	Registration Date
PackageHub Business Centers	88464021	June 7, 2019
PackageHub Icon	88683377	November 7, 2019

You must follow our rules when you use these Marks. You may not use the marks as part of your corporate or other legal name, but the forgoing does not preclude the Member from registering a fictitious name, also known as the d/b/a, doing business as, trade name or assumed name that contains the Marks.

You must use the Marks only for the operation of your franchise as specified in the PBC Membership Agreement, and you cannot use any of the marks for the performance or sale of any unauthorized services or products or in any other manner we do not authorize in writing.

There are no currently effective material determinations by the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state, or of any court, nor are there any pending infringement, opposition or cancellation proceedings or any pending material litigation involving our principal marks, which are relevant to their use in this state or in any other state in which the franchise business is to be located.

We know of no superior prior rights or infringing uses that could materially affect your use of these marks in any state where your franchise business will be located.

You must promptly notify us of any infringement of the Marks or of any challenge to the use of any of the Marks or claim by any person of any rights in any of the Marks. You must agree not to communicate with any person other than us, any designated affiliate, and our or their counsel about any infringement, challenge or claim. We, or our affiliates, have sole discretion to take any action we deem appropriate and the right to exclusively control any litigation, or Patent and Trademark Office (or other) proceeding, from any infringement, challenge or claim concerning any of the Marks. You must sign all instruments and documents and give us any assistance that, in our counsel's opinion, may be necessary or advisable to protect and maintain our interests or those of our affiliates in any litigation or proceeding or to otherwise protect and maintain our or their interest in the Marks.

We are not obligated to protect your rights to use these marks or to protect you against claims of infringement or unfair competition that result from your use of the marks within the terms of the PBC Membership Agreement, although we intend to do so when that action is in the best interest of the PackageHub Business Center program. We are not obligated to participate in your defense and/or indemnify you for expenses or damages if you are party to an administrative or judicial proceeding involving the Marks if the proceeding is resolved unfavorably to you.

We may change the program and may require you, among other things, to adopt and use new or modified trademarks. You must promptly accept, implement, use and display these additions, modifications and changes in the operation of the franchise business at your sole cost and expense.

#### ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

## Patents and Copyrights

We do not own any right in or to any patent or registered copyrights, and we do not have any pending patent applications, that are material to the franchise.

You may use the Marks in connection with advertising on the internet, subject to your compliance with the PBC Operations Manual, our Program Standards and applicable law. Although we do not require that you get our prior approval for any internet domain name, home page or other web address or internet content, we may restrict use that includes a Mark (or require a separate license for its use), limit your use of hyperlinks or require use of hyperlinks or other material (including required links to our advertising on the internet for consumers), and restrict use of material in which any third party has any interest. You must discontinue any use if we notify you that any use or material is disapproved. You are responsible for the accuracy of all content. We require that you follow the rules for domain name usage as detailed in Brand guidelines in the PBC Operations Manual.

We claim copyrights in the manual; advertising, training and marketing materials; and the business methods and processes used in the operation of the franchise. These copyrights have not been registered with the United States Registrar of Copyrights.

In the event we require you to modify or discontinue using any subject matter covered by a patent or copyright, you will have the right to cancel your franchise agreement without penalty by providing 30 days notice. This is the sole remedy you have and you will have no rights to compensation.

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. No agreements are currently in effect which significantly limit our right to use or authorize our members to use the copyrighted materials. We do not know of any infringing uses which could materially affect your use of the copyrighted materials in any state. We are not required by any agreement to protect or defend copyrights, patents, or confidential information, although we intend to do so when that action is in the best interest of the PackageHub Business Centers network.

#### Confidential Manuals

You must operate the franchise according to the standards, policies, and procedures specified in the operating manual. We will provide you access to the PBC Operations Manual online for the term of the PBC Membership Agreement. You must treat the manual and any other materials we create or approve for use in the operation of your franchise, and the information in them, as confidential.

We may revise the contents of the manual and you must comply with each new or changed standard. If there is a dispute as to the contents of the manual, the terms of the master copy published and available to members on the PBC support website will be controlling.

#### Confidential Information

We claim property rights in all the information about the operational, sales, promotional methods and techniques, and marketing methods and techniques of the PackageHub Business Centers program.

We claim proprietary trade secret rights in information like lists and files, agreements and other compilations created by us, which may include:

- a) PackageHub Business Centers manuals and forms, the information contained and compiled in the manuals and forms, and the updates and memoranda relating to the manuals and forms
- b) The contractual arrangements between PackageHub Business Centers and our agents and suppliers
- c) The financial details (including but not limited to credit and discount terms) of PackageHub Business Centers' relationship with our agents and suppliers
- d) Information concerning and presented at PackageHub Business Centers meetings
- e) Information provided through initial and ongoing specialized training
- f) PackageHub Business Centers' business plans and strategies

All such lists, files, other compilations of information, and the information contained in such materials (whether or not denoted, labeled, or marked as confidential) is considered confidential and will be and remain our exclusive property.

You and your principals must not use or communicate, either during or after the term of the PBC Membership Agreement, the contents of any confidential manuals or forms, or any other trade secrets or confidential information about the operation of the franchise or of the PackageHub Business Centers program, except as provided for in the PBC Membership Agreement. You must also use all reasonable efforts to maintain this information as secret and confidential, and you must not duplicate, copy, record, or otherwise reproduce these materials, in whole or in part, or make them available to any unauthorized person without our written permission.

You must also promptly tell us when you learn about the unauthorized use of this proprietary information. We are not obligated to take any action, but we will respond to your notification of unauthorized use as we think appropriate. We will indemnify you for any loss you sustain as a result of any action brought by a third party concerning your use of this proprietary information.

If you (including your officers, directors, managers, and/or members, if you are a corporation or limited liability company), your principals, or any of your employees develops any new concept, process, or improvement to the PBC Program, PBC may, at our sole discretion, make such improvement available to all Members without any obligation for PBC to compensate the Member who develops the new concept, process or improvement to the PBC Program.

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

We do not require that you must personally manage, supervise or participate personally in the direct operation of the franchise business. However, if you do not personally manage your franchise, you will be solely responsible for the services you perform for your customers, and you must designate one person who will be primarily responsible for the ongoing management of the retail shipping and business center's operation (the "Designated Manager"). The Designated Manager is not required to hold an equity interest in the ownership of your franchise. You must also provide all labor, management, materials, tools and supplies necessary to provide such service. You are responsible for the billing, accounting and other financial management obligations associated with running a company unless certain billing and accounting functions are performed by us as a requirement for certain agreements with vendors or suppliers.

You will have sole authority and control over the day-to-day management and operations of your franchise business and its employees. At no time will you or your employees be deemed to be employees of us or any of our affiliates. The people you retain to work in your franchise business will be your agents and employees. They are not our agents or employees and we are not a joint employer of those persons. We do not have any right to exercise, and do not exercise, control over your labor relations matters, including without limitation, hiring, firing, supervision, discipline, compensation, benefits, hours of work, working conditions, or unionization or collective bargaining.

Each owner, partner, LLC member and corporatate shareholder will be required to sign the Membership Agreement in which each will agree to be bound by the terms and conditions of the agreement, including maintaining confidentiality of the proprietary information described in Item 14, among other things.

If you employ any individual in a managerial position, you must also obtain an agreement to maintain the confidentiality of information they receive, or have access to, based on their relationship with you relating to the Confidential Information and the Marks.

## ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISE MAY SELL

You are not limited in the products and services you offer to the public so long as these offerings do not negatively impact the PBC Program Standards. You must offer for sale certain products, and perform certain services that we require for the PackageHub Business Centers franchise program. We have the right to change any products or services we require without limitation. These products and services are defined in the PBC Operations Manual. We are the sole arbiters of what may potentially harm the brand.

## ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

The Franchise Relationship

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

Provision	Section in PBC Membership Agreement	Summary
a) Length of the franchise term	Section 3	Term is for one calendar year (1 year) with the right to terminate the franchise agreement by providing 30 days' written notice

Provision	Section in PBC Membership Agreement	Summary
b) Renewal	Section 3	If you are in good standing, you can renew your franchise for additional one-year periods.
c) Requirements for the member to renew	Section 3	We will allow you to renew your franchise and remain as a member after the initial term of your PBC Membership Agreement expires if you meet the criteria set forth in the PBC Membership Agreement. However, to remain a member, you must meet all required conditions to renewal, including signing our then-current PBC Membership Agreement, which may be materially different than your original agreement.
d) Termination by the franchisee	Section 7	You may terminate the PBC Membership Agreement by providing us at least 30 days written notice of your intent to terminate and comply with all termination provisions listed in the PBC Membership Agreement.
e) Termination by franchisor without cause	Section 7	We may terminate the PBC Membership Agreement by providing you with 30 days' prior written notice.
f) Termination by franchisor with cause	Section 7	We may terminate the PBC Membership Agreement with cause. (See g and h below)
g) "Cause" defined – curable defaults	Section 7	Certain events will not be considered "defaults" if they are cured within 15 days of written notice, specifically: failure to comply with any provisions of the PBC Membership Agreement or other agreement; failure to pay any monies when due; failure to maintain the standards that we require in the PBC Membership Agreement, or in the PBC Operations Manual; failure to obtain any required approvals; misuse of the Marks; insolvency or bankruptcy; failure to maintain proper books and records regarding sales and customer metrics as defined in the Manual, failure to maintain full, complete and accurate books, records and accounts as required by law; failure to maintain your business as duly existing and in good standing or otherwise ceasing qualifications to transact business.

Provision	Section in PBC Membership Agreement	Summary
h) "Cause" defined – non- curable defaults	Section 7	Non-curable defaults include: conviction of or guilty plea or no contest plea of a felony, crime of moral turpitude, or certain other crimes or a plea down to a lesser crime when initially charged with a felony; disclosure of confidential information; abandonment; unauthorized transfer; material misrepresentations of the information submitted in the PBC application process; repeated failure to comply with PBC Membership Agreement or PBC Operations Manual requirements.
i) Franchisee's obligations on termination/ non- renewal	Section 7	You must immediately cease use of all PackageHub Business Centers trademarks, trade secrets, and all aspects of the PackageHub Business Centers system; You must immediately destroy or discard all advertising matter, products or writing that contain PackageHub Business Centers' trade name, logo, or copyright, as well as any information of a proprietary nature; all of the preceding terms are subject to \$100 per day liquidated damages; You must pay us all sums due; You must continue to keep Confidential Information confidential; You must continue to indemnify us for claims based on your actions.
j) Assignment of contract by franchisor	Section 9	The Franchise Agreement is fully assignable by us.
k) "Transfer" by franchisee-defined	Section 9	Includes transfer of rights under the PBC Membership Agreement or a change in ownership or control of your business. Prior notification required. (9.1)
1) Franchisor approval of transfer by franchisee	Section 9	We have the right to approve or reject all transfers. (9.2)

Provision	Section in PBC Membership Agreement	Summary
m) Conditions for franchisor approval of transfer	Section 9	The assignee must satisfactorily demonstrate to PBC that it meets all PBC's then current standards and requirements for becoming a Member of PBC (which standards and requirements need not be in writing). PBC will require that the current Agreement be terminated, and a new Agreement be executed. (9.3 & 9.4)
n) Franchisor's right of first refusal to acquire franchisee's business	N/A	None
o) Franchisor's option to purchase franchisee's business	N/A	None
p) Death or disability of franchisee	Section 9	Subject to Transfer rules.
q) Non-competition covenants during the term of the franchise	N/A	None
r) Non-competition covenants after the franchise is terminated or expires	N/A	None
s) Modification of the agreement	Section 12	No modifications generally except by written agreement, but we may change the PBC Operations Manual and Program Standards at any time. You may be required to implement these changes at your own cost.
t) Integration/ merger clause	Section 12	Only the terms of the PBC Membership Agreement (including the PBC Operations Manual) are binding (subject to state and federal law). Any other promises may not be enforceable.
u) Dispute resolution by arbitration or mediation	Section 11	Except for certain claims, all disputes must first be mediated through non-binding mediation. In the event mediation is not successful, the claim must be arbitrated in McKinney, seat of Collin County, Texas.
v) Choice of forum	Section 11	Litigation must be in Collin County, Texas (subject to your state law).

Provision	Section in PBC Membership Agreement	Summary
w) Choice of law	Section 11	Texas law applies without reference to choice of law principals (subject to your state law).

See state addenda to the PBC Membership Agreement and disclosure document for special state disclosures.

#### ITEM 18 PUBLIC FIGURES

We do not have any public figures involved our franchise program.

## ITEM 19

# FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet.

If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Brandon Gale, PBC, LLC, 1475 Richardson Drive, Suite 270, Richardson, Texas 75080. Telephone; 866-774-4748, the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

## TABLE NO. 1

Network Wide Outlet Summary

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2018	0	0	0
	2019	0	0	0
	2020	0	364	364

State	Year	Number of Transfers
Alabama	2018	0
	2019	0
	2020	0
Arizona	2018	0
	2019	0
	2020	0
Arkansas	2018	0
	2019	0
	2020	0
California	2018	0
	2019	0
	2020	0
Colorado	2018	0
	2019	0
	2020	0
Connecticut	2018	0
	2019	0
	2020	0
Delaware	2018	0
	2019	0
	2020	0
District of Columbia	2018	0
	2019	0
	2020	0
Florida	2018	0
	2019	0
	2020	0
Georgia	2018	0
	2019	0

## TABLE NO. 2 Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor)

	2020	0
Hawaii	2018	0
	2019	0
	2020	0
Illinois	2018	0
	2019	0
	2020	0
Indiana	2018	0
	2019	0
	2020	0
Kansas	2018	0
	2019	0
	2020	0
Kentucky	2018	0
	2019	0
	2020	0
Louisiana	2018	0
	2019	0
	2020	0
Maryland	2018	0
	2019	0
	2020	0
Massachusetts	2018	0
	2019	0
	2020	0
Michigan	2018	0
	2019	0
	2020	0
Minnesota	2018	0
	2019	0
	2020	0
Mississippi	2018	0

	2019	0
	2020	0
Missouri	2018	0
	2019	0
	2020	0
Nebraska	2018	0
	2019	0
	2020	0
Nevada	2018	0
	2019	0
	2020	0
New Jersey	2018	0
	2019	0
	2020	0
New Mexico	2018	0
	2019	0
	2020	0
New York	2018	0
	2019	0
	2020	0
North Carolina	2018	0
	2019	0
	2020	0
Ohio	2018	0
	2019	0
	2020	0
Oklahoma	2018	0
	2019	0
	2020	0
Oregon	2018	0
	2019	0
	2020	0

Pennsylvania	2018	0
	2019	0
	2020	0
Rhode Island	2018	0
	2019	0
	2020	0
South Carolina	2018	0
	2019	0
	2020	0
Tennessee	2018	0
	2019	0
	2020	0
Texas	2018	0
	2019	0
	2020	0
Utah	2018	0
	2019	0
	2020	0
Virginia	2018	0
	2019	0
	2020	0
Washington	2018	0
	2019	0
	2020	0
Wisconsin	2018	0
	2019	0
	2020	0
All Other States	2018	0
	2019	0
	2020	0
Totals	2018	0
	2019	0

2020 0
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TABLE NO. 3 Status of Franchised Outlets

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Alabama	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	4	0	0	0	0	4
Arizona	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	9	0	0	0	0	9
Arkansas	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
California	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	62	3	0	0	0	59
Colorado	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	6	1	0	0	0	5
Connecticut	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	4	0	0	0	0	4
Delaware	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
District of	2018	0	0	0	0	0	0	0
Columbia	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
Florida	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	31	1	0	0	0	30
Georgia	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0

	2020	0	10	1	0	0	0	9
Hawaii	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Illinois	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	7	0	0	0	0	7
Indiana	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	3	0	0	0	0	3
Iowa	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	3	0	0	0	0	3
Kansas	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	3	0	0	0	0	3
Kentucky	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	2	0	0	0	0	2
Louisiana	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	6	0	0	0	0	6
Maryland	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Massachusetts	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	3	0	0	0	0	3
Michigan	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	5	0	0	0	0	5
Minnesota	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	6	0	0	0	0	6
Mississippi	2018	0	0	0	0	0	0	0

2020         0		2019	0	0	0	0	0	0	0
Missouri         2018         00         00         00         00         00         00         00           2020         00         5         00         00         00         00         00         00           2020         00         5         00         00         00         00         00         00         00           2020         00									
2019         0         0         0         0         0         0         0           2020         0         5         0         0         0         0         0         0           2019         0         0         0         0         0         0         0         0         0           2019         0         0         0         0         0         0         0         0         0           2020         0	Missouri		-					-	
2020         0         5         0         0         0         0         5           Nebraska         2018         0	WIISSOUT							-	
Nebraska         2018         0 <th< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></th<>									
2019         0	NT-1								
10         10         0         0         0         0         0         0           Nevada         2018         0 <td< td=""><td>INEDFASKA</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	INEDFASKA								
Nevada         2018         0									
2019         00         00         00         00         00         00         00           2020         0         6         1         0         0         0         5           New Jersey         2018         0 </td <td></td> <td></td> <td>0</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>			0						
100         0         0         0         0         0         0         0         0           New Jersey         2018         0	Nevada		0						
New Jersey         2018         0         <			0	0	0				
2019         0			0	6	1			0	5
2020         0         6         0	New Jersey	2018	0	0	0	0	0	0	0
New Mexico         2018         0         <		2019	0	0	0	0	0	0	0
100         00         00         00         00         00         00         00         00           2019         0         1         0         0         0         0         0         1           New York         2018         0 <td></td> <td>2020</td> <td>0</td> <td>6</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>6</td>		2020	0	6	0	0	0	0	6
New York         2020         0         1         0         0         0         0         1           New York         2018         0	New Mexico	2018	0	0	0	0	0	0	0
New York         2018         0 <th< td=""><td></td><td>2019</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></th<>		2019	0	0	0	0	0	0	0
100         100         0		2020	0	1	0	0	0	0	1
100         15         0         0         0         0         15           North Carolina         2018         0	New York	2018	0	0	0	0	0	0	0
North Carolina         2018         0		2019	0	0	0	0	0	0	0
Image: Constraint of the		2020	0	15	0	0	0	0	15
Image: Column and Col	North Carolina	2018	0	0	0	0	0	0	0
Ohio         2018         0 </td <td></td> <td>2019</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td>		2019	0	0	0	0	0	0	0
Image: Constraint of the		2020	0	16	1	0	0	0	15
Image: Constraint of the	Ohio	2018	0	0	0	0	0	0	0
2020         0         6         0         0         0         0         6           Oklahoma         2018         0		2019	0	0	0	0	0	0	0
Oklahoma         2018         0 <th< td=""><td></td><td>2020</td><td></td><td>6</td><td>0</td><td>0</td><td>0</td><td>0</td><td>6</td></th<>		2020		6	0	0	0	0	6
2019       0       0       0       0       0       0       0         2020       0       8       0       0       0       0       8         Oregon       2018       0       0       0       0       0       0       8         Oregon       2018       0       0       0       0       0       0       0       0       0         2019       0	Oklahoma	2018		0	0	0	0	0	0
2020       0       8       0       0       0       0       8         Oregon       2018       0       0       0       0       0       0       0       0         2019       0       0       0       0       0       0       0       0       0       0         2019       0       12       0       0       0       0       12       0       12       <		2019		0	0	0	0	0	0
Oregon         2018         0		2020		8	0	0	0	0	8
2019         0         12         0         0         0         12         0         0         0         12         0         0         0         0         12         0<	Oregon	2018		0	0	0	0	0	0
2020         0         12         0         0         0         12           Pennsylvania         2018         0         0         0         0         0         0         12           2019         0 <td>-</td> <td></td> <td></td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td>	-			0	0	0	0	0	0
Pennsylvania         2018         0				12			0	0	12
2019         0	Pennsylvania								
								0	0
2020 <sub>0</sub> 8 0 0 0 0 8		2020		8	0	0	0	0	8

Rhode Island	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
South Carolina	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	4	0	0	0	0	4
Tennessee	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	5	0	0	0	0	5
Texas	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	78	3	0	0	0	75
Utah	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
Virginia	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	4	0	0	0	0	4
Washington	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	13	0	0	0	0	13
Wisconsin	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	7	0	0	0	0	7
All Other States	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	13	0	0	0	0	13
Totals	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	375	11	0	0	0	364

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Alabama	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Arizona	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Arkansas	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
California	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Colorado	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Connecticut	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Delaware	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
District of	2018	0	0	0	0	0	0
Columbia	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Florida	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0

# TABLE NO. 4Status of Company-Owned Outlets2018-2020

	2020	0	0	0	0	0	0
Georgia	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Hawaii	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Illinois	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Indiana	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Iowa	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Kansas	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Kentucky	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Louisiana	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Maryland	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Massachusetts	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Michigan	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Minnesota	2018	0	0	0	0	0	0

	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Mississippi	2018	0	0	0	0	0	0
	2010		0	0	0	0	0
	2019	0	0	0	0	0	0
Missouri	2020	0	0	0	0	0	0
	2018	0	0	0	0	0	0
		0					
NT 1 1	2020	0	0	0	0	0	0
Nebraska	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Nevada	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
New Jersey	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
New Mexico	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
New York	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
North Carolina	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Ohio	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Oklahoma	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Oregon	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
		U	ý	, v	, v	, v	ý

2019         0         0         0         0         0         0         0           Rhode Island         2018         0         0         0         0         0         0         0         0           2019         0         0         0         0         0         0         0         0           2019         0         0         0         0         0         0         0         0           2020         0         0         0         0         0         0         0         0           2019         0         0         0         0         0         0         0         0           2020         0         0         0         0         0         0         0         0           2020         0         0         0         0         0         0         0         0           2019         0         0         0         0         0         0         0         0           2019         0         0         0         0         0         0         0         0         0           2020         0         0         0 </th <th>Danmardanania</th> <th>2019</th> <th></th> <th>0</th> <th>0</th> <th>0</th> <th>0</th> <th>0</th>	Danmardanania	2019		0	0	0	0	0
Image: book of the second se	Pennsylvania	2018	0	0	0	0		
Rhode Island         2018         0			0					
2019         0         0         0         0         0         0         0           South Carolina         2018         0         0         0         0         0         0         0           2019         0         0         0         0         0         0         0           2019         0         0         0         0         0         0         0           2020         0         0         0         0         0         0         0           2020         0         0         0         0         0         0         0           2019         0         0         0         0         0         0         0           2020         0         0         0         0         0         0         0           2020         0         0         0         0         0         0         0           2020         0         0         0         0         0         0         0           2020         0         0         0         0         0         0         0           2020         0         0         0 <t< td=""><td></td><td>2020</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></t<>		2020	0	0	0	0	0	0
2020         0	Rhode Island	2018	0	0	0	0	0	0
South Carolina         2018         0		2019	0	0	0	0	0	0
2019         0		2020	0	0	0	0	0	0
2020         0	South Carolina	2018	0	0	0	0	0	0
Tennessee         2018         0 <t< td=""><td></td><td>2019</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></t<>		2019	0	0	0	0	0	0
2019         0		2020	0	0	0	0	0	0
2020         0	Tennessee	2018	0	0	0	0	0	0
Texas         2018         0<		2019	0	0	0	0	0	0
2019         0		2020	0	0	0	0	0	0
100         0	Texas	2018	0	0	0	0	0	0
Utah         2018         0 </td <td></td> <td>2019</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td>		2019	0	0	0	0	0	0
2019         0		2020	0	0	0	0	0	0
Image: Constraint of the constratex of the constraint of the constraint of the constraint of the	Utah	2018	0	0	0	0	0	0
Virginia         2018         0 <th< td=""><td></td><td>2019</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></th<>		2019	0	0	0	0	0	0
2019         0		2020	0	0	0	0	0	0
Image: Constraint of the constrated of the constraint of the constraint of the constraint of the	Virginia	2018	0	0	0	0	0	0
Washington         2018         0         <		2019	0	0	0	0	0	0
2019         0		2020	0	0	0	0	0	0
2020         0	Washington	2018	0	0	0	0	0	0
Wisconsin         2018         0 <t< td=""><td></td><td>2019</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></t<>		2019	0	0	0	0	0	0
2019         0		2020	0	0	0	0	0	0
2020         0	Wisconsin	2018	0	0	0	0	0	0
All Other States         2018         0		2019	0	0	0	0	0	0
2019         0		2020	0	0	0	0	0	0
2019         0	All Other States	2018		0	0	0	0	0
Totals         2018         0		2019	0	0	0	0	0	0
Totals         2018         0		2020	0	0	0	0	0	0
2019 <sub>0</sub> 0 0 0 0 0	Totals	2018		0	0	0	0	0
		2019		0	0	0	0	0
2020 0 0 0 0 0 0		2020		0	0	0	0	0

State	PBC Membership Agreements Signed but Outlets Not Opened	Projected New Franchised Outlets in The Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	1	0
Arkansas	0	2	0
Arizona	0	10	0
California	0	52	0
Colorado	0	2	0
Connecticut	0	2	0
Delaware	0	1	0
Florida	0	30	0
Georgia	0	15	0
Hawaii	0	2	0
Iowa	0	1	0
Idaho	0	2	0
Illinois	0	12	0
Indiana	0	4	0
Kansas	0	2	0
Kentucky	0	3	0
Louisiana	0	5	0
Massachusetts	0	2	0
Maryland	0	12	0
Maine	0	2	0
Michigan	0	2	0
Minnesota	0	4	0
Missouri	0	3	0
Mississippi	0	3	0
Montana	0	2	0
North Carolina	0	17	0
New Hampshire	0	2	0
New Jersey	0	7	0

TABLE NO. 5 Projected Openings as of December 31, 2020

State	PBC Membership Agreements Signed but Outlets Not Opened	Projected New Franchised Outlets in The Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Nevada	0	1	0
New Mexico	0	1	0
New York	0	34	0
Ohio	0	1	0
Oklahoma	0	5	0
Oregon	0	7	0
Pennsylvania	0	13	0
Puerto Rico	0	0	0
Rhode Island	0	1	0
South Carolina	0	4	0
Tennessee	0	4	0
Texas	0	43	0
Utah	0	1	0
Vermont	0	1	0
Virginia	0	6	0
Washington	0	24	0
Wisconsin	0	6	0
West Virginia	0	1	0
Total	0	359	0

If you decide to purchase this franchise, your contact information may be disclosed to other participants when you leave the franchise network.

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

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

#### ITEM 21 FINANCIAL STATEMENTS

The financial statements listed below are attached to this Disclosure Document as Exhibit III:

- 1. Audited financial statements of PBC, LLC which comprise the balance sheets as of December 31, 2019 and December 31, 2020 with report of independent auditor and consent to use;
- 2. Unaudited financial statements of PBC, LLC from January, 2021 to July, 2021

#### ITEM 22 CONTRACTS

We attached the following agreements as Exhibits to this Disclosure Document: Exhibit:

- I. PBC Membership Agreement
- II. Table of Contents for PBC Operations Manual
- III. Financial Statements and Consent to Use
- IV. List of State Administrators/Agents for Service of Process
- V. State Addendums
- VI. List of Franchise Salespersons
- VII. List of Franchisees
- VIII. Receipts of Franchise Disclosure Document

#### ITEM 23 RECEIPT

Attached is a Receipt to be signed by you as the sole owner, or by your Authorized Agent. A PDF copy of this Receipt will be sent to the email address you provided for the owner or Authorized Agent. The issuance date of this Franchise Disclosure Document is September 1, 2021. Please see Exhibit VI attached for a list of franchise salespersons and their contact information.

#### EXHIBIT I

## PBC, LLC,

#### d/b/a PACKAGEHUB BUSINESS CENTERS

#### MEMBERSHIP AGREEMENT



## PackageHub Business Center™ (PBC) Membership Agreement

#### SUMMARY

This PackageHub Business Center Membership Agreement ("Agreement") is made and entered into on the date appearing next to PBC's signature on the signature page ("Effective Date") herein by and between PBC, LLC. 1475 Richardson Drive Ste. 270, Richardson, Texas 75080, a Delaware Limited Liability Company ("PBC") and Member (identified below).

Legal Name: **<Member Business Entity Name>** Address1: **<Street Address1>** Address 2: **<Street Address2>** City: **<City>** State: **<ST>** Zip Code: **<Zip Code>** Telephone Number: (**<Area Code>**) **<XXX>-<XXXX>** E-mail: **<Email Address>** Federal Tax Identification Number: **<Federal Tax ID>** State Tax Identification Number (if applicable): **<**State Tax ID> PBC Store Number: **<PBC ID>** 

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#### PBC MEMBERSHIP AGREEMENT

THIS MEMBERSHIP AGREEMENT (the "<u>Agreement</u>"), made and entered into at Richardson, Texas, by and between PBC, LLC dba PackageHub Business Centers, a Delaware Limited Liability Company with its principal offices at 1475 Richardson Drive Ste. 270, Richardson, Texas 75080 (hereinafter referred to as "**PBC**"), and

#### <Member Business Entity Name>

hereinafter referred to, singularly or collectively, as "Member", doing business as a:

#### <Business Entity Type>

for the purposes of allowing Member to operate a business as a Member of the PBC Network. Member and PBC may be jointly referred to as the "*Parties*."

WHEREAS, PBC, with expenditure of time, skill, effort and money, has developed an integrated bundle of programs and services, including programs and services for collective purchasing and advertising, which enhance, streamline and improve the efficiencies and experience for customers of independently owned retail shipping and business centers (the "*PBC Program*"), and

WHEREAS, in connection with the PBC Program, PBC is the owner of the federally registered service marks **PackageHub Business Centers**<sup>™</sup> and other trade names, trademarks, service marks, logos, designs, slogans and marks now or hereafter used by PBC, either alone or in conjunction with other words or phrases, to identify the PBC Program (collectively, the "*Marks*"); and

WHEREAS, Member owns and operates one or more independently owned retail shipping and business center(s) and desires to obtain the right to use the PBC Program in operating a specific retail shipping and business center, as identified by its address in the Summary (the "*Retail Shipping and Business Center*") pursuant to this Agreement, which right PBC is willing to grant.

WHEREAS, Member acknowledges that Member entering into this Agreement will not violate any other contract provision under which Member is bound and that any such violation may constitute termination of this Agreement. Specifically, if Member is currently operating as a Franchisee of another Franchisor, Member must provide written permission from such Franchisor as a condition to entering into this Agreement.

WHEREAS, Member has had full and adequate opportunity to be thoroughly advised of the terms and conditions of this Agreement by counsel of Member's own choosing, and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties agree as follows:



#### Section 1 Grant, Territory

- 1. <u>Use of PBC Program and Marks.</u> Subject to the terms and conditions of this Agreement and the continuing good faith performance thereof by Member, PBC licenses to Member the non-exclusive right to use the PBC Program and the Marks in conjunction with the operation of the Retail Shipping and Business Center and to advertise and promote the Retail Shipping and Business Center using the Marks. Member's use of the Marks is subject to the conditions set forth in Section 4 of this Agreement. PBC reserves all rights not specifically granted to Member hereunder.
- 2. <u>Restriction of Use to Retail Shipping and Business Center Location.</u> Pursuant to this Agreement, Member's use of the PBC Program is restricted to the Retail Shipping and Business Center only and may not be used at any other locations. In granting rights under this Agreement, PBC makes no assurance, express or implied, about suitability of such location for the use of the PBC Program or for any other reason, and PBC will not be responsible if the Retail Shipping and Business Center does not meet Member's expectations for revenue, operations or other criteria.
- 3. <u>Territory</u>. There is no defined territory, either exclusive or non-exclusive granted in this Agreement.
- 4. <u>Unapproved Operations.</u> Member may not use any of the Marks or other distinctive or unique elements of the PBC Program in conjunction with the operation of any business other than the Retail Shipping and Business Center without PBC's express prior written approval. Such use constitutes willful infringement of the Marks and the PBC Program.
- 5. <u>Non-Exclusivity.</u> Member's rights with respect to the PBC Program are not exclusive. PBC may, among other things, grant the right to use the PBC Program to others, including other PBC franchisees, and offer related products and services, in each case regardless of proximity to or competitive impact on the Retail Shipping Center.

#### Section 2 Fees

- 2.1. <u>Initial Fee.</u> PBC does not charge an initial fee associated with the rights granted in this Agreement. However, if this Agreement is not renewed within thirty (30) days following the expiration of the Agreement or notice of the right to renew the Agreement, a reinstatement fee of \$100 will be charged which is due and payable at the time of the renewal.
- 2.2. <u>Monthly Fees</u>. In consideration for Member's continuing use of the Marks and the PBC Program, Member agrees to pay PBC the monthly fee of \$75.00 ("Monthly Fee"). The Monthly Fee is non-refundable, and PBC reserves the right to increase the Monthly Fee upon 60 days' notice to Member.



#### Section 3 Term

3.1. <u>Initial & Renewal Terms.</u> The initial term of this Agreement begins on its Effective Date and, subject to earlier termination, ends one (1) year after the Effective Date ("Term"). Thereafter, the Term can be renewed for additional one-year periods. Such renewal is contingent upon PBC's approval and the member executing a new membership agreement.

#### Section 4 PBC Member Obligations

- 4.1. Member must use the PBC Program in the operation of its Retail Shipping and Business Center.
- 4.2. Member must offer private mailbox rentals, package receiving, domestic and international shipping, professional packing services, and general office services including print, copy, and fax.
- 4.3. Member must be a RSA Premium Member in good standing throughout the term of the membership agreement.
- 4.4. Member must consistently maintain a retail store location that is clean, organized, and secure.
- 4.5. Member must be open to the public Monday through Friday opening no later than 9:00 am and closing no earlier than 6:00 pm, and open for a minimum of 4 hours on Saturdays. Certain locations may qualify for an exception to this requirement based on local market conditions.
- 4.6. Member must adhere to all applicable federal and state regulations relating to the receipt and delivery of mail, including all regulations regarding Commercial Mail Receiving Agencies ("CRMA") as outlined in the United States Postal Service Domestic Mail Manual ("DMM") available online at <a href="https://pe.usps.com/text/dmm300/dmm300\_landing.htm">https://pe.usps.com/text/dmm300/dmm300\_landing.htm</a>.
- 4.7. Member must comply with all international, federal, state, and local regulations regarding shipping of certain materials or items (alcohol, tobacco, hazardous materials, etc.) and must follow all federal, state and local regulations related to any other product or service offered at the location.
- 4.8. Member is not authorized and agrees not to use the trademarks "PackageHub", "PackageHub Business Center" or "PBC" in any part of a corporate name or other legal name of an entity used to enter into this agreement. The forgoing does not preclude the Member from registering a fictitious name, also known as the d/b/a, doing business as, trade name or assumed name that contains the Marks.
- 4.9. PBC has developed and continues to develop, in connection with the PBC Program, certain brand standards, guidelines, recommendations, and advice containing confidential information, programs, devices, methods, techniques, and/or processes which are not generally known to the public including, but not limited to, the PBC Program, which includes but is not limited to (a) PBC's, manuals, forms, the information contained and compiled therein, and the updates and memoranda thereto; (b) names of agents and suppliers; (c) the contractual arrangements with



agents and suppliers; (d) the financial details (including but not limited to credit and discount terms) of relationships with its agents and suppliers; (e) certain information provided through training; and (f) PBC's business plans and strategies (collectively, the "*Confidential Information*"). All use of the Marks and Confidential Information by Member must be in accordance with the terms of this Agreement and the brand standards in the PBC Operations Manual ("the **Manual**") and inure to the benefit of PBC and all such Marks and Confidential Information will remain the sole property of PBC. Member will maintain in confidence all PBC Confidential information and take all necessary action to ensure that its employees and other representatives do not disclose any PBC Confidential information,

- 4.10. Member will comply with PBC brand standards, as they may be amended from time to time, and agrees not to deviate there from without prior written consent of PBC.
- 4.11. Each owner, partner, LLC member, and corporate shareholder of Member (each, a "*Principal* and collectively, the "*Principals*") are required to execute this Agreement and be bound by all terms and conditions of the Agreement.
- 4.12. Member will designate one person who will be primarily responsible for the ongoing management of the Retail Shipping and Business Center's operations (the "Designated Manager").
- 4.13. Successful completion of the prescribed PBC Certification Courses or passing the Knowledge Exam is mandatory for the Designated Manager. PBC reserves the right, in its sole discretion, to extend the above-referenced certification requirement to certain employees of Member.
- 4.14. Except as otherwise noted herein, all fees due under this Agreement are non-refundable.Member agrees to make all payments due to PBC promptly in accordance with the terms of this Agreement and recognizes that any failure on the part of the Member to do so will be deemed a material breach of this Agreement.
- 4.15. Member agrees to record and maintain all sales and customer metrics as defined in the Operations Manual and maintain and preserve full, complete and accurate books, records, and accounts as required by law and is solely responsible for the integrity of such books, records, and accounts.
- 4.16. During the term of this Agreement and any renewal term, Member agrees to maintain a license and actively use a PBC-approved POS software system as their primary shipping platform and point of sale (POS) system. Approved systems are defined in the Operations Manual.
- 4.17. To support the negotiation of volume-based discount agreements with shipping carriers and suppliers and to establish network metrics, PBC will collect and aggregate industry-specific data from Member. Member grants PBC, LLC. access to data from Member's POS system provider. The data collected will not include any personal information about Member, Member's employees or the retail prices Member charge for services provided by Member. Member also agrees to submit any authorization forms required by Member's POS provider in order for PBC to receive the information. If Member records any sales outside of the prescribed POS system, member agrees to provide summary reports of such sales as requested by PBC, LLC.



- 4.18. Member agrees to maintain a clean and safe place of business in compliance with OSHA and other governmental and industry standards and to conduct business in a manner that would bring goodwill and public approval to Member and the PBC Program.
- 4.19. Member is solely responsible for any leases of real or personal property in connection with the operation of Member's Business. Member must at all times during the term of this Agreement maintain office fixtures, furnishings, signs, and equipment located thereon in good order and condition, and in a manner which will portray the goodwill and a positive image of the Marks and reputation as such may be prescribed by PBC from time to time. These standards apply to the entire premises in which Member will operate Member's business.
- 4.20. Member will procure and maintain general comprehensive liability (and business automobile liability insurance, if applicable), with policy limits in amounts specified by PBC in the Manual. To the extent available, PBC requires Member to obtain insurance, from an insurer carrying an A.M. Best Rating of A- or better, for contractual liability; errors and omissions; property of others in care, custody, and control, and employer's liability (workers' compensation), with policy limits in amounts specified by PBC in the Manual. Member will ensure that all insurance policies name PBC and its members, officers, directors and employees as additional insureds (on a primary and non-contributory basis), and contain a waiver of subrogation in favor of PBC and its shareholders, officers, directors and employees. PBC is permitted to establish reasonable minimum standards for coverage to be met by underwriters for insurance, which PBC will state in the Manual. Before opening for business as a PackageHub Business Center, Member will provide PBC with certificates of insurance for all policies and will obtain any other insurance required by law. Member will maintain in good standing all required insurance during the Term of this Agreement, and will immediately notify PBC of any lapse, alteration, or cancellation or any policy or coverage. PBC is entitled to make any reasonable revision to any insurance requirements herein upon reasonable notice to Member. Member is required to notify their insurance carrier that the insurance carrier will provide any cancellation notice directly to PBC no less than 30 days prior to cancellation.
- 4.21. Failure to secure the above listed insurance to the satisfaction of PBC is a material breach of this Agreement.
- 4.22. Member agrees to hold PBC harmless and to indemnify PBC for all losses or damages caused by the direct or indirect action or inactions of Member or any of the Principals of Member. Member agrees to defend PBC in any lawsuit based on such loss or damage and to pay all costs and reasonable attorneys' fees associated with such defense. If PBC wishes to retain their own counsel to defend any such action, Member agrees to reimburse PBC for all reasonable costs and legal fees incurred by PBC for such defense. Said reimbursement must be made to PBC in a timely manner as such fees are incurred by PBC and billed to Member.
- 4.23. Member warrants and represents Member is registered with all taxing authorities to which Member will be responsible for paying taxes. Member agrees to pay all personal property, sales, excise, use and other taxes, regardless of type or nature, which may be imposed, levied, assessed or charged, on, against or in connection with any services sold or furnished by Member, whether from any state, municipality, county or parish, or other governmental unit or agency, which may have jurisdiction over such products, service and equipment. Member must also pay all personnel performing services for Member in full compliance with all Federal, state, local, and



municipal laws, statutes, and regulations. Failure to pay taxes will result in termination of this Agreement.

- 4.24. To protect the reputation of the Marks, PBC may visit and inspect any premises or communicate with Member from time to time to ensure that the Member meets PBC's brand standards. Any visits made by PBC may be scheduled or unscheduled and may be made through the use of anonymous sources.
- 4.25. PBC reserves the right to establish brand standards pertaining to the use of the Marks relating to the operation of Member's Business or this Agreement. PBC also reserves the right to provide guidelines, recommendations, and advice for the Member to adopt, modify, or reject in Member's operation of the Business. PBC will keep a current, updated Manual of all such brand standards and guidelines, recommendations, and advice available to all members via a secure online portal. The brand standards maintained by PBC and published online will be controlling. The Manual will, among other things, set forth PBC's brand standards and guidelines, recommendations, and advice for operating Member's Business when, where, and to what extent PBC deems appropriate. Member agrees to be bound by the brand standards upon receipt of same by Member, and to operate in strict compliance with brand standards in the Manual. PBC has the right to prescribe additions to, deletions from or revisions of the Manual (the "Supplements to the Manual"), all of which will be considered a part of the Manual. All references to the Manual in this Agreement will include the Supplements to the Manual. Supplements to the brand standards in the Manual will become binding on Member as if originally set forth in the Manual, upon Member being notified of updates. The Manual and any Supplements to the Manual are material in that they will affect the operation of certain aspects of the Franchised Member's business, but they will not conflict with or materially alter Member's rights and obligations under this Agreement.
- 4.26. Member agress to use the co-branded PBC Store Website, hosted by PBC, as their primary store website. Member is responsible for maintaining the content on their individual store website and content must be in compliance with standards specified in the manual. The cost of the PBC Store website is included in the monthly membership fee.
- 4.27. Member acknowledges that the PBC Program must continue to evolve in order to reflect the changing market and to meet new and changing customer demands, and that accordingly, variations and additions to the PBC Program and brand standards may be required from time to time in order to preserve and enhance the public image of the PBC name and the Marks. Accordingly, Member agrees that PBC may, from time to time, hereafter or otherwise, change the PBC Program and brand standards, including, without limitation, the adoption and use of new or modified Proprietary Marks, Confidential Information, Products, and Services; and Member agrees to be bound by these changes. Member agrees to promptly comply with all such additions, modifications and changes at Member's sole cost and expense.
- 4.28. Member agrees that if Member develops any new concept, process or improvement to the PBC Program, PBC may, at our sole discretion, make such improvement available to all Members without any obligation for PBC to compensate the Member who develops the new concept, process or improvement to the PBC Program.



- 4.29. Member agrees to maintain a valid and operational email address at which Member may receive communications from PBC. Member agrees to update PBC as to any changes to such email address.
- 4.30. Member is solely responsible for maintaining accurate, complete and current payroll records, and to abide by all applicable wage and hour laws, rules and regulations, and any other federal, state or local laws applicable to Member's relationship with its employees.
- 4.31. Member agrees to participate in any agreements PBC enters into with carriers, vendors or suppliers which require the participation of all members in the system and to be bound by the terms of any such agreements.
- 4.32. Not withstanding 4.31, if Member is an existing franchisee of another franchise, and if the case arises that PBC negotiates an exclusive agreement that is in conflict with Member's agreement with the other franchise, Member can opt out of the conflicting PBC exclusive agreement.
- 4.33. Member understands that certain vendor/supplier agreements may require PBC to guarantee payment on behalf of all members. In the event of such a requirement, PBC may centralize the invoices from the vendor/supplier and collect from you your portion of the payment. We may require you to maintain a deposit and/or provide payment through the use of a debit or credit card, or via ACH.
- 4.34. Member agrees to abide by our packing guarantee, as described in the PBC Operations Manual, which requires that the Member take responsibility for compensating the customer for their loss in the case that a claim made on a package/shipment packed by the Member store owner or employees is denied by the carrier or insurer due to "inadequate packing" or failure to follow terms or conditions established by the carrier or insurer.

#### Section 5 Proof of Industry Knowledge and Onboarding Session

- 5.1. <u>Proof of Industry Knowledge</u>. Prior to operating as a PBC, the Designated Manager must demonstrate they have certain industry specific knowledge in each of the following subjects:
  - Private Mailbox Management (CMRA)
  - Professional Packing
  - Domestic Shipping
  - International Shipping
  - Customer Service

Industry specific knowledge can be demonstrated by any combination of the following:

- Proof of completion of an RS Academy Certification course and passing the test on the subject matter,

- Proof of completion of a PBC Certification course and passing the test on the subject matter

- Proof of completion of a PBC approved third-party training course and passing the test on the subject

- Passing the corresponding module(s) of the PBC Knowledge Exam



5.2. <u>Onboarding Session</u>. Member's Designated Manager is required to complete the PBC Onboarding, as defined in the PBC Operations Manual, prior to operating as a PBC.

#### Section 6 Advertising

- 6.1. Member has the right to advertise in accordance with the terms of this Agreement and the brand standards in the Manual. Member may conduct its own advertising campaigns using such items as direct mail, flyers, newspaper ads, digital ads, and other approved forms of advertising so long as any and all such advertising refers specifically to Members' location. Member's advertising materials may not contain any statement or material which, in PBC's sole business judgment may be considered: (a) in bad taste or offensive to the public or to any group of persons; (b) defamatory of any person or an attack on any competitor; (c) to infringe upon the use, without permission, of any other persons' trade name, trademark, service mark or identification; or (d) inconsistent with the public image of the PBC Program. Member acknowledges that these advertising terms and conditions are essential to protect the goodwill toward the PBC Program and the Marks. Member will promptly discontinue any advertising if PBC notifies Member that such use is disapproved.
- 6.2. Member acknowledges and agrees that Member may not claim any copyright on advertising materials developed by Member or on Member's behalf which contain any of the Marks or derivations of the Marks which is or will be PBC's sole property.
- 6.3. Member may promote store and sell products using the Marks on the internet pursuant to the Manual. Any such internet operation will clearly identify Member's local business and be incidental to and an extension of such business. Internet operations must comply fully with applicable federal and state laws. PBC may (i) restrict use of an internet domain name, home page or other web address that includes a Mark (or require a separate license for such use); and (ii) limit or require use of hyperlinks or other material (including required links to PBC websites), including material such as text, images, photographs, video and sound that a third party owns or has the right to use or limit the use of. Member must promptly discontinue any use if PBC notifies Member it is disapproved.

#### Section 7 Termination

- 7.1. <u>Mutual Termination</u>. Either party may terminate this Agreement, with or without cause, upon 30 days' prior written notice to the other party. Termination of this Agreement will not, by itself, terminate any other agreement between the Parties.
- 7.2. <u>Termination for Breaching PBC Obligations</u>. PBC may terminate this Agreement immediately upon notice to Member and without providing Member the opportunity to cure if Member or any Principal of Member (i) breaches its obligations to protect Confidential Information (ii) commits a material breach of this Agreement; (iii) provides false or incomplete information on the PBC application or (iv) is convicted of or pleads guilty or no contest to a felony or any other offense that PBC determines may adversely affect the goodwill or reputation of PBC, related programs or goodwill of the Marks, including fraud, sexual harassment, battery, drug possession



and crimes of moral turpitude. PBC may terminate this Agreement for failure to perform any other material obligation of this Agreement and such failure continues for 15 days after it receives notice of such breach.

- 7.3. <u>Cessation of Use.</u> Upon termination or non-renewal of this Agreement for any reason, Member, at Member's sole expense, must immediately and permanently cease all use of the Marks, Confidential Information, and all aspects of the PBC Program, including but not limited to removing all signage containing the Marks, cease indicating verbally or in writing to customers and any other Member that Member is a PBC Member or associated with PBC, and cancel registration of any fictitious name, also known as the d/b/a, doing business as, trade name or assumed name that contains the Marks. All Confidential Information will remain the exclusive property of PBC. Member agrees to pay PBC \$100.00 per day for each day that it has not complied with this paragraph.
- 7.4. <u>Surrender of Property.</u> If this Agreement is terminated or not renewed for any reason, Member must surrender to PBC all property belonging to PBC (if any). Member must also pay, in full, all amounts owed to PBC at the date of termination or non-renewal. If Member has proclaimed to have terminated or not renewed the Agreement and refused to surrender the items described herein, Member agrees to pay PBC \$100.00 per day for each day that it has not complied with this paragraph. The Parties acknowledge that damages for Member's failure to adhere to the foregoing paragraph are difficult to ascertain and therefore agree that this amount will be payable as liquidated damages and not as a penalty.

#### Section 8 Independent Contractor

8.1. The Parties agree and understand that Member will be at all times an independent contractor under this Agreement and will not, at any time, directly or indirectly, hold itself out as an agent, servant, or employee of PBC. Nothing in this Agreement may be construed to create a partnership, joint venture, agency, employment or fiduciary relationship of any kind. None of Member's employees will be considered to be PBC's employees. Neither Member nor any of Member's employees whose compensation Member pays may in any way, directly or indirectly, expressly or by implication, be construed to be PBC's employee for any purpose. Member may not, without our prior written approval, have any power to obligate PBC for any expenses, liabilities or other obligations, other than as specifically provided in this Agreement.

#### Section 9 Assignment and Transfer

- 9.1. Member will notify PBC in writing of changes in ownership, name, business form (e.g., sole proprietorship, partnership, corporation or limited liability company), state of incorporation or formation, or any intent to sell, close, move, or modify its operations prior to such change, sale, closure, or modification, and provide other information PBC reasonably requests.
- 9.2. For the Member to stay in good standing, PBC must pre-approve such changes and approval will not be unreasonably withheld. Failure to obtain pre-approval will be deemed a material breach of this Agreement.



- 9.3. The assignee must satisfactorily demonstrate to PBC that it meets all PBC's then current standards and requirements for becoming a Member of PBC as defined in the Manual.
- 9.4. PBC requires that the current Agreement be terminated, and a new Agreement be executed as a result of the changes covered in this section.
- 9.5. This Agreement is fully assignable by PBC.

#### Section 10 Enforcement

- 10.1. <u>Compliance</u>. To ensure compliance with this Agreement and to provide consultation with Member, Member agrees that PBC and its designated agent(s) shall, upon reasonable prior notice to Member, be permitted full and complete access during business hours to inspect Member's business location. Member shall cooperate fully with PBC and its designated agents requesting such access.
- 10.2. <u>Injunctive Relief</u>. PBC or its designee shall be entitled to apply for, without bond, declarations, temporary and permanent injunctions, and orders of specific performance, in order to enforce the provisions of this Agreement relating to: (1) Member's use of the Marks; (2) the obligations of Member upon termination or expiration of this Agreement and assignment of the Franchise and ownership interests in Member; or (3) to prohibit any act or omission by Member or its employees that constitutes a violation of any applicable law or regulation, that damages the goodwill or reputation of PBC or the Marks.
- 10.3. <u>Costs of Enforcement</u>. If PBC secures any declaration, injunction or order of specific performance pursuant to the terms of this Agreement, or, if any provision of this Agreement is enforced at any time by PBC, or, if any amounts due from Member to PBC are, at any time, collected by or through an attorney at law or collection agency, Member shall be liable to PBC for all costs and expenses of enforcement and collection including, but not limited to, court costs and reasonable attorneys' fees.
- 10.4. <u>Conflicting Laws</u>. If a conflicting state law prevents the performance of any of Member's obligations under this Agreement, Member shall immediately notify PBC and work with PBC to reach a mutually agreeable alternative.

#### Section 11 Dispute Resolution, Jurisdiction & Venue, Service of Process

11.1. THE PARTIES AGREE AND INTEND THIS INSTRUMENT TO BE EXECUTED, INTERPRETED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO CONFLICT OF LAWS PRINCIPLES. TEXAS LAW WILL APPLY TO ALL CLAIMS, DISPUTES, AND DISAGREEMENTS BETWEEN THE PARTIES, WHETHER ARISING FROM ALLEGED BREACHES OF THE CONTRACT OR AGREEMENT OR OTHER CLAIMS ARISING IN ANY WAY FROM THE PARTIES' DEALINGS. JURISDICTION AND VENUE IS DECLARED TO BE EXCLUSIVELY IN COLLIN COUNTY, IN THE STATE OF TEXAS.



- 11.2. Service of Process. In all lawsuits relating to or arising out of the Agreement, Member consents and agrees that it may be served with process outside the State of Texas in the same manner as service may be made within the State of Texas by any person authorized to make service by the laws of the state, territory, possession or country in which service is made or by any duly qualified attorney in such jurisdiction, and Member hereby waives any defense it may have of insufficiency of service of process relating to such service. This method of service shall not be the exclusive method of service available in such lawsuits and shall be available in addition to any other method of service allowed by law.
- 11.3. If a dispute arises from or relates to this contract or the breach thereof, and if the dispute cannot be settled through direct discussions, the Parties agree to endeavor first to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to arbitration. The Parties further agree that any unresolved controversy or claim arising out of or relating to this contract, or breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

Claims shall be heard by a single arbitrator, unless the claim amount exceeds \$25,000, in which case the dispute shall be heard by a panel of three arbitrators. Within 15 days after the commencement of arbitration, each party shall select one person to act as arbitrator and the two selected shall select a third arbitrator within ten days of their appointment. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator, the third arbitrator shall be selected by the American Arbitration Association. The arbitrator(s) shall be a licensed attorney and who has substantial experience in franchise law. The place of arbitration shall be Collin County Texas.

In making determinations regarding the scope of exchange of electronic information, the arbitrator(s) and the Parties agree to be guided by The Sedona Principles, Third Edition: Best Practices, Recommendations & Principles for Addressing Electronic Document Production. Hearings will take place pursuant to the standard procedures of the Commercial Arbitration Rules that contemplate in person hearings. The arbitrators will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute. The arbitrator(s) shall not award consequential damages in any arbitration initiated under this section. The standard provisions of the Commercial Rules shall apply. Arbitrators will have the authority to allocate the costs of the arbitration process among the Parties, but will only have the authority to allocate attorneys' fees if a particular law permits them to do so. The award of the arbitrators shall be accompanied by a reasoned opinion. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

Notwithstanding any language to the contrary in the contract documents, the Parties hereby agree: that the Underlying Award may be appealed pursuant to the AAA's Optional Appellate Arbitration Rules ("Appellate Rules"); that the Underlying Award rendered by the arbitrator(s) shall, at a minimum, be a reasoned award; and that the Underlying Award shall not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired. Appeals must be initiated within thirty (30) days of receipt of an Underlying Award, as defined by Rule A-3 of the Appellate Rules, by filing a Notice of Appeal with any AAA



office. Following the appeal process the decision rendered by the appeal tribunal may be entered in any court having jurisdiction thereof.

#### Section 12 General

- 12.1. With the exception of agreements entered into with certain carriers, vendors or suppliers, which may dictate uniform pricing, nothing in this Agreement may be construed to prevent Member from freely setting Member's own prices and discounts for services and products which Member may render or sell, provided such actions do not adversely affect the business of PBC.
- 12.2. Should any part of this Agreement for any reason be declared invalid or unenforceable, such decision will not affect the validity of the remaining portion, which remaining portion will remain in full force and effect as if this Agreement had been executed with the invalid or unenforceable portion eliminated, and the Parties to this Agreement agree that they would have executed the remaining portion of this Agreement without including any such part, parts, or portion which may, for any reason, hereafter be declared invalid or unenforceable.
- 12.3. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to renew this Agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of the Agreement or any requirement prescribed by PBC is invalid or unenforceable, the prior notice and/or other action required by such law or rule will be substituted for the comparable provisions hereof, and PBC will have the right to modify such invalid or unenforceable provision or requirement to the extent required to be valid and enforceable. Member agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is comprehended within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof, or any requirement prescribed by PBC, any portion or portions which a court may hold to be unenforceable in a final decision to which PBC is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order. Such modifications to this Agreement will be effective only in such jurisdiction, unless PBC elects to give them greater applicability, and will be enforced as originally made and entered into in all the jurisdictions.
- 12.4. This Agreement and the Attachments and Exhibits hereto constitute the entire Agreement between PBC and Member concerning the subject matter hereof and supersede all prior agreements, negotiations, representations, and correspondence concerning the same subject matter; *provided, however*, that nothing in this Agreement or any related agreement is intended to disclaim the representations PBC has made in the Franchise Disclosure Document that was furnished to Member. All transactions between Member and PBC regarding any operation of a PBC business granted under any membership agreement dated prior to this Agreement will be controlled by this Agreement and the most current publication of the PBC Operations Manual. Any amendment or modification to this Agreement is invalid unless made in writing and signed by the Parties.
- 12.5. Member acknowledges that neither PBC nor anyone on PBC's behalf has made any representations, promises or agreements, orally or otherwise, respecting the subject matter of

PackageHub Business Center™ (PBC) Membership Agreement (2021) PBC, LLC. Page **13** of **15** 



this Agreement which is not embodied herein. Member specifically acknowledges that no officer, director, employee, agent, representative or independent contractor of PBC is authorized to furnish Member or the Principals with any financial performance information; that, if they nevertheless do, neither Member nor the Principals will rely on any such financial performance information provided by any such individual; and, that if any such individual attempts to or actually does give Member or the Principals any such financial performance information in contravention of this provision, Member will immediately communicate such activity to PBC. For the purpose of this Agreement, "financial performance information" means information given, whether orally, in writing or visually which states, suggests or infers a specific level or range of historic or prospective sales, expenses and/or profits of franchised or non-franchised units.

- 12.6. Member acknowledges that Member has carefully read this Agreement, that ample opportunity has been provided for Member to obtain the services of an independent legal and financial advisor, and that Member has had the opportunity to have this Agreement and all supporting disclosure documentation, as well as any other information gathered by the Member, reviewed by an attorney and/or financial advisor of Member's own choice.
- 12.7. Member further acknowledges that PBC does not authorize any representative of PBC to make any oral, written, visual or other claim or representation that is not contained in the Franchise Disclosure Document provided to Member by PBC and does not permit any promises, agreements, contracts, commitments, or representations to be made to Member except those stated in this Agreement.
- 12.8. Member acknowledges that all documents and information Member receives from PBC relating to the operation of the PBC business, including the Manual and communication tools and the training will be presented to Member in the English language. Member is solely responsible for ensuring that a representative of Member that is fluent in the English language is present during any training provided by PBC and available for any translating necessary during the operation of Member's PBC business.
- 12.9. No waiver by PBC of any default in performance on the part of Member, time being of the essence, or like waiver by PBC of any breach or series of breaches, of any of the terms, covenants and conditions of this Agreement will constitute a waiver of any subsequent breach or waiver of said terms, conditions or covenants.
- 12.10. Any notice required or permitted under this Agreement must be in writing and delivered by email, provided sender maintains a record of transmission, personal delivery service, by deposit in the U.S. mail, certified, return receipt requested, by a recognized express delivery service providing written receipt of delivery at the address listed for the Member in the Summary or to PBC at the following address:

PBC, LLC 1475 Richardson Drive Ste. 270 Richardson, Texas 75080



- 12.11. A Party to this Agreement may change its notice information by providing written notice to the other Party pursuant to the notice requirements stated above, and such change will be effective as to each other Party on the 10<sup>th</sup> day after delivery to such other Party.
- 12.12. The submission of this Agreement does not constitute an offer to license, and this Agreement becomes effective only upon execution thereof by PBC and Member.
- 12.13. THE PARTIES AGREE THAT ANY DAMAGES SOUGHT BY OR AWARDED TO MEMBER WILL BE LIMITED TO MEMBER'S TOTAL INVESTMENT WITH PBC, AND NO PUNITIVE OR EXEMPLARY DAMAGES WILL BE AWARDED TO MEMBER.
- 12.14. This Agreement will not be binding on PBC unless and until it has been accepted and signed by an officer or director of PBC at PBC's home office in Richardson, Dallas County, Texas.
- 12.15. The numbers and headings of paragraphs used herein are for convenience only and do not affect the substance of the paragraphs themselves.

PBC, LLC

Signature of Brandon Gale, President

Date

MEMBER

Signature of Owner or Authorized Agent

Name/Title

Date Signed

#### EXHIBIT II

## PBC, LLC, d/b/a PACKAGEHUB BUSINESS CENTERS

OPERATIONS MANUAL TABLE OF CONTENTS

### Operations Manual Table of Contents

Section	Title	Number of Pages
1	Introduction to PBC	4
2	Program Standards	14
3	Recommended Practices	2
4	Launching as a PBC	6
5	Trademark and Proprietary Information	22
6	Support Resources	1
7	Glossary of Terms	1
	TOTAL	50

#### EXHIBIT III

## PBC, LLC, d/b/a PACKAGEHUB BUSINESS CENTERS

FINANCIAL STATEMENTS CONSENT

PackageHub Business Centers Franchise Disclosure Document (2021)

## PBC, LLC

Financial Statements As of December 31, 2020 and 2019 and for the year ending December 31, 2020

#### PBC, LLC

#### **Financial Statements**

## As of December 31, 2020 and 2019 and for the year ending December 31, 2020

#### Table of Contents

Independent Auditor's Report	3
Financial Statements	
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Statement of Operations	6
Statement of Changes in Members' Equity	7
Statement of Cash Flows	8
Notes to Financial Statements	



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#### Independent Auditor's Report

To the Members PBC, LLC Richardson, Texas

#### **Report on the Financial Statement**

We have audited the accompanying financial statements of PBC, LLC (the "Company"), which comprise the balance sheet as of December 31, 2020 and 2019, and the related statements of operations, changes in member's equity and cash flows for the year ending December 31, 2020, and related notes to the financial statements.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

#### Opinion

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations, changes in member's equity and cash flows for the year ending December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

#### Emphasis of Matter

As discussed in Note 1 to the financial statements, the Company is dependent upon financial support from its members to fund its operations for at least twelve months following the issuance of the financial statements, to ensure the Company has sufficient liquidity to satisfy its obligations. Our opinion is not modified with respect to this matter.

A+G LLP

Dallas, Texas April 19, 2021

Balance Sheets		
As of December 31,	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 43,613	\$ 62,549
Total current assets	43,613	 62,549
Total assets	\$ 43,613	\$ 62,549
Liabilities and Member's Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 7,915	\$ 22,971
Total current liabilities	 7,915	 22,971
Members' equity	35,698	39,578
Total liabilities and members' equity	\$ 43,613	\$ 62,549

## Statement of Operations

For the year ending December 31,	2020	
Revenues:	\$	-
General and administrative expenses:		
Advertising and marketing		54,119
Consulting		19,917
Professional fees		52,688
Other general and administrative expenses		7,156
Total general and administrative expenses		133,880
Net loss	\$	(133,880)

## Statement of Changes in Members' Equity

Balance at December 31, 2019	\$ 39,578
Net loss	(133,880)
Contributions from members	130,000
Balance at December 31, 2020	\$ 35,698

Statement of Cash Flows	
For the year ending December 31,	2020
Operating Activities	
Net loss	\$ (133,880)
Changes in operating assets and liabilities:	
Accounts payable and accrued expenses	 (15,056)
Net cash used by operating activities	(148,936)
Investing Activities	
Net cash provided by investing activities	 -
Financing Activities	
Contributions from members	130,000
Net cash provided by financing activities	 130,000
Net decrease in cash and cash equivalents	(18,936)
Cash and cash equivalents, beginning of period	62,549
Cash and cash equivalents, end of period	\$ 43,613

## 1. Organization and Operations

#### **Description of Business**

PBC, LLC (the "Company") is a limited liability company operating under the laws of the State of Delaware. References in these financial statement footnotes to "Company", "we", and "us" and "our" refer to the business of PBC, LLC. The Company was formed and began operations on June 6, 2019.

The Company offers franchises which provide an integrated bundle of programs and services, including programs and services for collective purchasing and advertising for customers of independent mailing centers and the distribution of related supplies under the trade name and service mark "PackageHub Business Centers".

## **Going Concern**

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company is in the start-up phase of its business plan and has sustained losses from operations for the period from inception to December 31, 2019 and for year ending December 31, 2020 and is dependent on additional funding from its members. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company's members have committed to providing the necessary funding to ensure the Company has sufficient liquidity to satisfy its obligations for at least twelve months following the issuance of the financial statements.

After considering the financial wherewithal of its members to provide financial support to the Company to ensure the continued financial viability of the Company for at least twelve months following the issuance of the financial statements, management concluded that substantial doubt about the Company's ability to continue as a going concern has been alleviated. Accordingly, these financial statements do not include any adjustments that would be required were the Company not be able to continue as a going concern.

#### COVID-19

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption. While the disruption is expected to be temporary, there is considerable uncertainty around the duration. Though some of the restrictions were lifted in some states in March 2021, the extent to which the pandemic will impact our business remains highly uncertain if it continues for an extended period. Accordingly, the Company cannot reasonably determine the ultimate impact the COVID-19 pandemic will have on its future results of operations due to the continuing uncertainty surrounding the pandemic's magnitude and duration.

## 2. Significant Accounting Policies

#### **Basis of Accounting**

The Company uses the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States. Under this method, revenue is recognized when earned and expenses are recognized as incurred.

#### Use of Estimates

The preparation of financial statement in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statement. Actual results could differ from those estimates.

## NOTES TO FINANCIAL STATEMENTS December 31, 2020

## 2. Significant Accounting Policies (continued)

## Fair Value

Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's financial instruments consist of cash and cash equivalents. The carrying values of current assets and current liabilities are considered to be representative of their respective fair values due to the short-term nature of these instruments.

Assets and liabilities that are carried at fair value are classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets and liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data

## **Cash and Cash Equivalents**

For purposes of reporting cash flows, all highly liquid investments with a maturity of three months or less are considered cash equivalents.

### **Revenue Recognition**

The Company will recognize revenue in accordance with FASB ASC 606-10-25, *Revenue from Contracts with Customers*.

The Company will generate revenues and earns fees from PackageHub Business Centers. The Company will provide the use of trademarks, system, training, opening assistance and center operating assistance in exchange for membership fees when a franchised center is opened. Initial franchise fees are not required in this contract.

A franchise agreement establishes a PackageHub Business Center developed in one or multiple defined geographic area and provides for one calendar year (1 year) initial term with renewal of additional one-year periods.

Membership fees will be recorded and recognized as revenue on monthly basis throughout the term of the franchise agreement, when a PackageHub Business Center is opened. Transfer and renewal fees will not be required, but approval must be granted.

## Advertising

All costs associated with advertising and marketing are expensed in the period incurred.

## Income Taxes Status

The Company is a limited liability company and has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code, effective December 11, 2020. Under those provisions, the Company does not pay federal corporate income taxes on its taxable income. Instead, the members are taxed on the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in the financial statements. The company recognizes income tax related interest and penalties in interest expense and other general and administrative expenses, respectively.

## 2. Significant Accounting Policies (continued)

## **Recent Accounting Pronouncements**

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)" as amended by multiple updates to the standard. This update requires lessees to recognize a lease liability and a lease asset for all leases, including operating leases, with a term greater than 12 months on its balance sheet and requires lessors to classify leases as a sales-type, direct financing or operating lease. The update also expands the required quantitative and qualitative disclosures surrounding leases. In June 2020, the FASB issued ASU 2020-05, "Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities." ASU 2020-05 defers the effective date of ASU 2016-02 for private companies and private not-for-profit entities for one year. The updated guidance is effective for fiscal years beginning after December 15, 2021 with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2016-02 on its financial statements.

In January 2021, the FASB issued ASU 2021-02, "Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient." ASU 2021-02 provides a practical expedient that simplifies the application of ASC 606 about identifying performance obligations and permits franchisors that are not public entities to account for pre-opening services listed within the guidance as distinct from the franchise license. The updated guidance is effective for annual reporting periods beginning after December 15, 2020 with early adoption permitted. This guidance should be applied retrospectively to the date ASU 606 was adopted. The Company is currently evaluating the impact of adopting ASU 2021-02 on its financial statements.

We reviewed all other significant newly-issued accounting pronouncements and concluded that they either are not applicable to our operations or that no material effect is expected on our financial statements as a result of future adoption.

## 3. Certain Significant Risks and Uncertainties

The Company maintains its cash in a bank deposit account that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant risk on cash or cash equivalents. The Company maintains its deposits in one financial institution.

## 4. Income Taxes

The Company is taxed as an S-Corporation under the provisions of Subchapter K of the Internal Revenue Code, accordingly, no federal income tax provision or liability is reflected in the financial statements.

The Company files income tax returns in the U.S. federal jurisdiction and the state jurisdictions in which it operates. The Company is subject to routine audits by taxing jurisdictions from the inception through December 31, 2020; however, there are currently no audits for any tax periods in progress.

In accordance with FASB ASC 740-10, *Income Taxes*, the Company is required to disclose uncertain tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities.

## NOTES TO FINANCIAL STATEMENTS December 31, 2020

## 4. Income Taxes (continued)

The Company has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Company believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Company's financial condition, results of operations or cash flows. Accordingly, the Company has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2020.

## 5. Subsequent Events

The Company has evaluated subsequent events through April 19, 2021, the date the financial statements were available to be issued.



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## CONSENT

April 23, 2021

To the Members PBC, LLC Richardson, TX

A&G LLP hereby consents to the use in the 2021 Franchise Disclosure Document issued by PBC, LLC ("Franchisor") on April 23, 2021, as it may be amended, of our report dated April 19, 2021, relating to the financial statement of the Franchisor as of December 31, 2020.

Signature Line: A+G LLP

## EXHIBIT IV

## PBC, LLC, d/b/a PACKAGEHUB BUSINESS CENTERS

## STATE ADMINISTRATORS AGENTS FOR SERVICE OF PROCESS

## LIST OF STATE ADMINISTRATORS

#### California

Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 576-7500

## Hawaii

Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722

#### Illinois

Office of Attorney General 500 S. Second Street Springfield, Illinois 62706 (217) 782-4465

## Indiana

Franchise Section, Securities Division 302 W. Washington St., Room E-111 Indianapolis, Indiana 46204 (317) 232-6681

## Maryland

Office of Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-7042

#### Michigan

Department of Attorney General Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street G. Mennen Williams Bldg., 1<sup>st</sup> Floor Lansing, Michigan 48913 (517) 373-7117

#### Minnesota

Department of Commerce 85 7<sup>th</sup> Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600

## New York

NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8236

## North Dakota

North Dakota Securities Department 600 East Blvd. Avenue State Capitol, Fifth Floor Dept. 414 Bismarck, North Dakota 58505-0510 (701) 328-4712

## Oregon

Division of Consumer and Business Services 350 Winter St. N.E. Labor & Industries Bldg., Rm 21 Salem, Oregon 97310 (503) 378-4387

## **Rhode Island**

Department of Business Regulation Securities Division 1511 Pontiac Avenue, Bldg. 69-1 Cranston, Rhode Island 02920 (401) 462-9527

#### South Dakota

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

## Virginia

State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9<sup>th</sup> Floor Richmond, Virginia 23219 (804) 371-9051

#### Washington

Department of Financial Institutions, Securities Div. 150 Israel Road, S.W. Tumwater, Washington 98501 (360) 902-8760

## Wisconsin

Division of Securities Department of Financial Institutions 345 W. Washington Street, 4th Floor Madison, WI 53703 (608) 266-8559

Exhibit IV State Administrators/Agents

## LIST OF AGENTS FOR SERVICE OF PROCESS

#### California

Commissioner of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, California 90013

## Hawaii

Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813

#### Illinois

Illinois Attorney General 500 South Second Street Springfield, Illinois 62706

## Indiana

Indiana Secretary of State 302 W. Washington St., Room E-111 Indianapolis, Indiana 46204

## Maryland

Maryland Securities Commissioner Office of the Attorney General 200 St. Paul Place Baltimore, Maryland 21202-2020

## Michigan

Michigan Department of Attorney General Consumer Protection Division Franchise Section 525 W. Ottawa Street G. Mennen Williams Bldg., 1<sup>st</sup> Floor Lansing, Michigan 48913

## Minnesota

Commissioner of Commerce 85 7<sup>th</sup> Place East, Suite 280 St. Paul, Minnesota 55101-2198

## **New York**

Secretary of State of The State of New York One Commerce Plaza 99 Washington Avenue Albany, New York 12231

## North Dakota

Securities Commissioner 600 East Boulevard Avenue, 5<sup>th</sup> Floor Bismarck, North Dakota 58505

## Texas

Elise Barajas Gray Reed McGraw 1601 Elm Street, Suite 4600 Dallas, TX 75201

## Washington

Director of Dept. of Financial Services Securities Division 150 Israel Rd. SW Tumwater, WA 98501 EXHIBIT V

## PBC, LLC,

## d/b/a PACKAGEHUB BUSINESS CENTERS

STATE ADDENDUM

## CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

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

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AND COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT <u>WWW.DBO.CA.GOV</u>.

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

## Item 3, Additional Disclosure:

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

## Item 5, Additional Disclosure:

The franchisor does not demonstrate a present financial ability to meet obligations stated in the FDD without relying on the proposed franchisee's funds. Franchisor will postpone payment of the initial franchise fee (membership fees) until after the franchisor's initial obligations are complete.

## Item 6, Additional Disclosure:

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

## Item 17, Additional Disclosures:

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

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

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

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

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

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

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

## HAWAII ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

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

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

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

## ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. \$705/1 – 705/44 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures. The following statements are added to Item 17:

The Illinois Franchise Disclosure Act governs the Franchise Agreement.

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

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

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

## MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

## Item 17, Additional Disclosures:

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

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

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

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

## DISCLOSURES REQUIRED BY MICHIGAN LAW

## [Per statute, the Michigan Addendum must immediately follow the cover sheet of the FDD and be in 12 point font.]

To the extent the Michigan Franchise Investment Law, Mich. Comp. Laws §§445.1501 – 445.1546 applies, the terms of this Addendum apply.

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

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years, and (ii) the franchise 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 franchise does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

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

If the franchisee has any questions regarding this notice, those questions should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Attn.: Franchise, 670 Law Building, Lansing, Michigan 48913, telephone: (517) 373-7117.

## MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Minnesota Franchise Act, Minn. Stat. \$

## State Cover Page and Item 17, Additional Disclosures:

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

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

## Item 6, Additional Disclosure:

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

## Item 13, Additional Disclosures:

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

## Item 17, Additional Disclosures:

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

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

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute \$\$00.01 - 800.22. The limitations of claims section must comply with Minn. Stat. Sec. 800.17, subd. 5.

## NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the New York General Business Law, Article 33, \$

## Cover Page, Additional Disclosure.

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT IV OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

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

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

Item 4, Additional Disclosure. Item 4 is deleted and replaced with the following:

Neither we nor any of our predecessors, affiliates, or officers, during the 10-year period immediately before the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within one year after the officer or general partner of the franchisor held this position in the company or partnership.

## Item 5, Additional Disclosures.

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

## Item 17, Additional Disclosures.

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

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

The following is added to the Summary section of Item 17(j): No assignment will be made except to an assignee who in good faith and judgment of the franchisor is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

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

## NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the North Dakota Franchise Investment Law, N.D. Cent. Code, §§51-19-01 – 51-19-17 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures. The following statements are added to Item 17:

Any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota may be unenforceable under North Dakota law. Any mediation or arbitration will be held at a site agreeable to all parties. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

Any general release the franchisee is required to assent to as a condition of renewal is not intended to nor shall it act as a release, estoppel or waiver of any liability franchisor may have incurred under the North Dakota Franchise Investment Law.

Covenants not to compete during the term of and upon termination or expiration of the franchise agreement are enforceable only under certain conditions according to North Dakota law. If the Franchise Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

The Franchise Agreement includes a waiver of exemplary and punitive damages. This waiver may not be enforceable under North Dakota law.

The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by franchisor in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

The Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. This waiver may not be enforceable under North Dakota law.

The Franchise Disclosure Document and Franchise Agreement state that franchisee must consent to the jurisdiction of courts outside that State of North Dakota. That requirement may not be enforceable under North Dakota law.

The Franchise Disclosure Document and Franchise Agreement may require franchisees to consent to termination or liquidated damages. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. To the extent this requirement conflicts with North Dakota law, North Dakota law will apply.

## RHODE ISLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Rhode Island Franchise Investment Act, R.I. Gen. Law ch. 395 §§19-28.1-1 – 19-28.1-34 applies, the terms of this Addendum apply.

Item 17, Additional Disclosure. The following statement is added to Item 17:

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

## TEXAS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The State of Texas has not reviewed and does not endorse, approve, recommend, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

## VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Virginia Retail Franchising Act, Va. Code \$ 13.1-557 – 13.1- 574 applies, the terms of this Addendum apply.

## Item 17, Additional Disclosures:

Any provision in any of the contracts that you sign with us which provides for termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et. seq.).

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

## WASHINGTON ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Washington Franchise Investment Protection Act, Wash. Rev. Code §§19.100.010 – 19.100.940 applies, the terms of this Addendum apply.

## Item 17, Additional Disclosure:

The state of Washington has a statute, RCW 19.100.180 which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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

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

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act 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, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

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

## WISCONSIN ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. \$ 553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. \$ 135.01 – 135.07 applies, the terms of this Addendum apply.

## Item 17, Additional Disclosures:

For all franchisees residing in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract which is inconsistent with the Law.

## EXHIBIT VI

## PBC, LLC,

## d/b/a PACKAGEHUB BUSINESS CENTERS

## LIST OF FRANCHISE SALESPERSONS

## PackageHub Business Centers

## List of Franchise Salesperson

Name	Business Address	Telephone Number
Brandon Gale	1475 Richardson Drive, Suite 270	214-321-9444
	Richardson, TX 75080	
Rutledge Scarborough	1475 Richardson Drive, Suite 270	214-321-9444
	Richardson, TX 75080	214-321-9444
Steven Weigman	1475 Richardson Drive, Suite 270	214-321-9444
	Richardson, TX 75080	
Peter Wixson	1475 Richardson Drive, Suite 270	214-321-9444
	Richardson, TX 75080	
Tia Tompkins	1475 Richardson Drive, Suite 270	214-321-9444
	Richardson, TX 75080	
Tonya Benton	1475 Richardson Drive, Suite 270	214-321-9444
	Richardson, TX 75080	

## EXHIBIT VII

## PBC, LLC,

## d/b/a PACKAGEHUB BUSINESS CENTERS

LIST OF FRANCHISEES

Legal Name	Address 1	Address 2	<u>City</u>	<u>State</u>	Zip Code	<u>Telephone</u>
Grant Endeavors, LLC	117 Watson St		Ripon	WI	54971-1326	920.273.3044
St. Croix Shipping and Handling, LLC. HDAH Inc.	2163 US Highway 8 206 E Upham St	Suite 100	Saint Croix Falls Marshfield	WI WI	54024 54449	715.483.2677 715.384.6967
Pack and Ship and More Store	1366 E Sumner St		Hartford	WI	53027-1614	262.673.2217
Pack & Ship LTD.	333 W Brown Deer Rd	G	Bayside	WI	53217-2372	414.228.8131
The Shipping Mill, IIc	3434 Mill Rd 8032 22nd Ave		Sheboygan	WI	53083-2058	920.803.5065
EZ Pack N Ship Etc., Inc. Teeshot Enterprises, LLC	4496 Mahoning Ave		Kenosha Youngstown	WI OH	53143-6208 44515	262.654.8000 330.792.2627
Beach Box Etc. Inc.	46 Shopping Plz		Chagrin Falls	ОН	44022-3022	440.247.9340
CKH Small Business Services LLC	8584 Washington St		Chagrin Falls Orrville	ОН	44023-5369 44667	440.708.0101 330.682.7225
PackShip USA, Inc. Beach Box Etc. Inc.	1347 N Main St 46 Shopping Plz		Chagrin Falls	ОН ОН	44007	440.247.9340
Pack & Post	925 S Clinton St		Defiance	ОН	43512-2798	419-782-5309
Custom Box Company LLC	1098 Ann Arbor Rd W		Plymouth	MI	48170-2129	734-453-0808
Best Way Pack & Send Gentner Enterprises, Inc.	15001 Kercheval Ave Postal Plus, 1416 S Main St	Suite 220	Grosse Pointe Park Adrian	MI MI	48230-1361 49221	313.882.4325 517.265.4072
The Shipping Department LLC	430 E 8th St		Holland	MI	49423	616.396.2642
Post Express Inc	6659 Schaefer Rd		Dearborn	MI	48126	313.457.0280
Inbox & More, LLC. Sai Kuber Corp.	2549 Waukegan Rd 244 S Randall Rd	South Of Rt.20	Bannockburn Elgin	IL IL	60015-1569 60123	847.607.8873 847.468.7678
COPY N SHIP SERVICES LLC	1624 Carlyle Ave	564th 01 htt:20	Belleville	IL	62221-4558	618.416.3600
Golden Prairie Inc	335 E Geneva Rd		Carol Stream	IL	60188	630.665.7447
The Shipping Point, Inc Bramkomack Enterprises	6615 Grand Ave 5343 Belleville Crossing St		Gurnee Belleville	IL IL	60031-4591 62226-3108	847.336.6000 618.235.6080
The Custom Press LLC	3833 E Main St		Saint Charles	IL	60174	630.940.2418
Postal Dispatch Business Center	5123 W 98th St		Bloomington	MN	55437	952.345.1879
R And D Enterprises of Northfield LLC	204 7th St W		Northfield	MN	55057	507.645.1610
POST-HASTE Business Solutions LLC Quick Ship Plus LLC	5842 Old Main St Ste 7 115 Elm St	STE I	North Branch Farmington	MN MN	55056-6698 55024-1031	651.237.1115 651.460.1201
Drop-n-Go, Inc.	124 4th Ave NE	••••	Hutchinson	MN	55350-1703	320.587.7500
Cloquet Mail Station Inc.	1110 Cloquet Ave		Cloquet	MN	55720	218.879.6776
Greenfield & Company LLC Mailbox It LLC	213 Saint Robert Blvd Ste 3 426 W Fir Rd		Saint Robert Carthage	MO MO	65584-3323 64836	573-336-5555 417.359.0200
UNLIMITED MAILING SOLUTIONS, LLC.	770 Market St	#90	Farmington	MO	63640-1951	573.915.5233
Mail iT	5517 N Farmer Branch Rd		Ozark	MO	65721-5315	417-582-6245
Pack 'N' Mail, Mailing Center Inc.	540 E Young Ave Ste A		Warrensburg	MO	64093-1250	660.747.2799
Granneman - Brown Enterprises Inc. Total Choice Shipping and Printing	619 Church St 800 4th Ave		Ottumwa Grinnell	IA IA	52501 50112-2041	641-682-7374 641-236-7447
Baltek Innovations Inc.	809 W 8th St		Pella	IA	50219-2302	641-628-4888
Isch Enterprises	2155 N Main St.	Ste. 3	Bluffton	IN	46714	260.824.7660
SK Renascent Ventures, Inc.	4084 Pendleton Way		Indianapolis	IN	46226-5224	317.541.1940
PackShip USA, Inc. OBITCO Technical Services, LLC.	2632 Lincolnway E 1855 Valley Road		Goshen Berkeley Springs	IN WV	46526 25411	574.642.4055 304.867.4811
The Business Center Ship, Print & More LLC	630 N Mildred St		Ranson	WV	25438	304.724.2006
YOUNG'S PACKAGING MAIL & PARCEL CENTER, CORP	1100 W Everly Brothers Blvd.Ste. 1		Central City	KY	42330	270.754.3655
Pulse Visual Display & Pkg Corp.	3735 Palomar Centre Dr Ste 150		Lexington	KY	40513-1148	859-224-4656
47th Mail & Print LLC Rayl Investments, LLC	4925 S Broadway Ave 10650 Roe Ave		Wichita Overland Park	KS KS	67216 66207-3907	316.636.7200 913-831-8490
All Occasion Prints, LLC.	11750 W 135th St		Overland Park	KS	66221-9395	913.681.6688
Black Hat Enterprises, Inc	103 W Main St		Blytheville	AR	72315-3421	870-763-8381
Edmond Parcels Plus, LLC	820 W Danforth Rd		Edmond	OK	73003	405-341-3907
United Packaging & Shipping J. Barre Conley LLC	125 S Main St 6608 N Western Ave		McAlester Oklahoma City	OK OK	74501 73116-7326	918-423-3839 405.842.5800
J. Barre Conley LLC	1530 N Harrison St		Shawnee	OK	74804-4021	405.275.2048
4 Family, LLC.	908 W Main St		Duncan	ОК	73533	580.255.7969
Thomas, Inc DBA Baker Business S	2118 Oklahoma Ave 601 S Washington St		Woodward Stillwater	ОК ОК	73801 74074-4539	580.290.5111 405.743.4800
Cook & Clark, LL	8703 N Owasso Expy	Ste. R	Owasso	OK	74074-4555	918.274.8512
Post & Ship LLC	2509 Ocoee St N Ste A		Cleveland	TN	37312	423.473.3071
TL Oldham Enterprises, LLC.	242 W Main St		Hendersonville	TN	37075	615.822.4700
The Mail Box Store Inc S&S Pack-N-Ship LLC	11205 Lebanon Rd 6339 Charlotte Pike		Mount Juliet Nashville	TN TN	37122-5545 37209-2926	(615) 758-4898 (615) 891-7532
Packet N Post	107 E Courthouse Sq		Jonesborough	TN	37659	423.753.0101
JATHET Inc DBA Go Postal WJ	1400 Mount Jefferson Rd Ste 7		West Jefferson	NC	28694-8426	336.846.4877
Mailbox Express	1319 Military Cutoff Rd Ste Cc		Wilmington	NC	28405	910.256.9999
Sawreal Global Logistics LLC Douglas & Davis LLC	8105 Fayetteville Rd Ste 121 135 W Illinois Ave		Raleigh Southern Pines	NC NC	27603-5668 28387-5808	919.900.7751 910.692.2710
usdogs,inc	609A Piner Rd		Wilmington	NC	28409-4201	910.790.1999
BIZXPRESS INC.	3116 Weddington Rd Ste 900		Matthews	NC	28105-9407	704-849-2000
Ivy Cottage Group, LLC Xpress It Shipping, LLC	216 Commerce Ave 236 Market St Ste 100		Southern Pines Locust	NC NC	28387 28097-9439	910.725.0336 704.781.0202
Xpress It Shipping of Albemarle, LLC	1939 E Main St		Albemarle	NC	28001-5333	704.983.1200
ShipOnSite, Inc.	12400 Wake Union Church Rd Ste 3		Wake Forest	NC	27587	919.570.6015
KJS Enterprises, LLC	14316 Reese Blvd W Ste B		Huntersville Durham	NC	28078-7960 27707	704-948-8120 919-489-8474
Packaging Express Inc Scott's Holdings Inc.	4711 Hope Valley Rd Ste 4F 707 Union Chapel Rd	1 B	Pembroke	NC NC	28372-8689	919-489-8474
CSAND INC	3011 NC Highway 42 W Ste C		Wilson	NC	27893-7735	252.237.1351
packplus, Inc	3730 N NC 16 Business Hwy		Denver	NC	28037	704-966-1040
Reliable Medical Billing, Inc. The Mail Room LLC	3160 Highway 21 Ste 103 5335 N Kings Hwy		Fort Mill Myrtle Beach	SC SC	29715 29577	803.547.5555 843.692.7773
The Postal Route, LLC	2764 Pleasant Rd	Suite A	Fort Mill	SC	29708	803-548-6755
Myrtle Beach Packaging and Shipping LLC	2734 Beaver Run Blvd	Suite B	Myrtle Beach	SC	29575-5392	843.215.5508
Victory Books & Gifts, Inc	589 Palisade Dr		Brunswick	GA	31523-8208	912.289.2789
Directlx LLC Mountainside Parcel & Post, LLC	3300 Hamilton Mill Rd Ste 102 1352 Main St	Ste 4	Buford Young Harris	GA GA	30519-4004 30582	678.546.2262 762.349.1542
Kings Bay Mail & More, Inc.	944 Kingsbay Rd Ste A		Saint Marys	GA	31558-3755	(912) 882-7447
Bread of Life Distributing LLC	4813 Ridge Rd Ste 111		Douglasville	GA	30134-6167	678-401-6101
TCJoseph, Inc DBA SOHO Office	2500 Dallas Hwy SW	202	Marietta	GA	30064-7505	770-590-8511
Parcel Plus Business Center Inc Right Side Mail Center LLC	5905 Atlanta Hwy Ste 101 6595 Roswell Rd Ste G		Alpharetta Atlanta	GA GA	30004-6025 30328-3152	770-667-9931 404-843-0425
Express Copy Print & Ship Inc.	2090 Lawrenceville Suwanee Rd Ste A		Suwanee	GA	30024	678-376-0122
Southern Express Solutions, LLC.	4049 US Highway 231		Wetumpka	AL	36093	334.567.7447
Laser Copy Inc Parcels Too, Inc	103 N Memorial Dr 1430 Gadsden Hwy Ste 116		Prattville Birmingham	AL	36067 35235-3111	334.358.3880 205-661-1188
Parcels Too, Inc The Package Store, LLC	1430 Gadsden Hwy Ste 116 601 Gault Ave N		Birmingham Fort Payne	AL AL	35235-3111 35967	205-661-1188 256.845.7225
Sohum, Inc.	8781 Sheridan Blvd		Westminster	CO	80003-1440	(303) 429 7447
Express It Mail Center, LLC.	205 Ken Pratt Blvd	Suite 120	Longmont	CO	80501	303-684-0444
S. S. Endeavors, LLC. Mail Boxes Parcel and Copy Center	6547 N Academy Blvd 29805 US 24	Suite Λ	Colorado Springs Buena Vista	CO CO	80918 81211	719.594.4743 719.395.6977
Pack and Ship Plus, Inc.	29805 05 24 3609 Austin Bluffs Pkwy	Suite A Ste 31	Colorado Springs	co	81211 80918-6658	719.434.8070
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## EXHIBIT VII

## PBC, LLC,

## d/b/a PACKAGEHUB BUSINESS CENTERS

RECEIPTS

## State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration:

California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

State	Effective Date
California	April 30, 2020
Hawaii	December 31, 2020
Illinois	July 24, 2020
Indiana	March 19, 2020
Maryland	Pending
Michigan	March 2, 2020
Minnesota	August 4, 2020
New York	November 12, 2020
North Dakota	August 20, 2020
Rhode Island	November 30, 2020
South Dakota	August 14, 2020
Virginia	July 28, 2020
Washington	July 23, 2020
Wisconsin	March 10, 2020

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 certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If PBC, LLC ("PBC") offers you a franchise, PBC must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make payment to, PBC or its affiliate in connection with the proposed sale.

New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If PBC 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 to the appropriate state administrator listed in Exhibit IV. PBC's Agent for Service of Process in this State is listed in Exhibit IV.

Franchise Seller: Name: \_\_\_\_\_\_ Address: 1475 Richardson Drive, Suite 270 Richardson, TX 75080

Phone Number: 866-774-4748

Issuance Date: September 1, 2021

I acknowledge receiving this Franchise Disclosure Document on \_\_\_\_\_\_, 20\_\_\_, including the following Exhibits:

<ul> <li>I. Membership Agreement</li> <li>II. Table of Contents for Manual</li> <li>III. Financial Statements &amp; Consent to Use</li> <li>IV. List of State Administrators/ Agents for Service of Process</li> </ul>	<ul><li>V. State Addendums</li><li>VI. List of Franchise Salespersons</li><li>VII. List of Franchisees</li><li>VIII. Receipts of Franchise Disclosure Document</li></ul>
Date:	Name of corporation or limited liability company (if applicable)
Signature	State where corporation or limited liability company was formed (if applicable)
Print Name/Title	

## PLEASE SIGN AND RETURN THIS COPY TO US RECEIPT

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IV. List of State Administrators/ Agents for Service of Process	VIII. Receipts of Franchise Disclosure Document		
Date:	Name of corporation or limited liability company (if applicable)		
Signature	State where corporation or limited liability		

State where corporation or limited liability company was formed (if applicable)

Print Name/Title

## PLEASE SIGN AND KEEP THIS COPY FOR YOUR RECORDS