

DISCLOSURE DOCUMENT
OF



FRANCHISE DISCLOSURE DOCUMENT

TRANSWORLD BUSINESS ADVISORS, LLC

A Florida Limited Liability Company

2121 Vista Parkway

West Palm Beach, FL 33411

(888) 816-6749

wluce@ufgcorp.com



The franchisee will own and operate a Transworld business which will serve as a broker/intermediary to facilitate the purchase and sale of existing businesses which can include existing franchised businesses and as a referral agent for franchisors.

The total investment necessary to begin operation of a Transworld business is from ~~\$59,632~~\$64,632 to ~~\$81,877~~\$86,877. These amounts include ~~\$49,877~~\$54,877 that must be paid to the Franchisor.

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

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact a Franchise Development Specialist at 2121 Vista Parkway, West Palm Beach, FL 33411, (888) 816-6749.

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 contracts carefully. Show your contract and this disclosure document to an advisor, like a lawyer or accountant.

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

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

Issue date: ~~April 1, 2015~~March 30, 2016

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. **REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.**

Call the state franchise administrator listed in Exhibit D for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION OR LITIGATION ONLY IN FLORIDA. OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR TO LITIGATE WITH US IN FLORIDA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Date: See State Effective Dates on next page

STATE EFFECTIVE DATES

The following states 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, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This Franchise Disclosure Document is registered, on file, or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

Hawaii	Pending
Indiana	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Wisconsin	Pending

California – Maryland – Washington - separate disclosure document
Illinois – separate disclosure document

**THE FOLLOWING APPLY TO
TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY**

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise Section
~~670~~-G. Mennen Williams Building, First Floor
525 West Ottawa Street
Lansing, Michigan 48933
Telephone Number: (517) 373-7117

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ATTACHED EXHIBITS -

Exhibit A	Franchise Agreement
Exhibit B	Financial Statements
Exhibit C	Table of Contents for Operations Manual
Exhibit D	Agents for Service of Process/-State Administrators
Exhibit E	General Release
Exhibit F	List of Franchisees
Exhibit G	List of Terminated, Cancelled or not Renewed Franchisees
Exhibit H	Deposit Receipt
Exhibit I	Compliance Certification
Exhibit J	Addendum to Disclosure Document
Exhibit K	Disclosure Document Receipt

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language of this Disclosure Document “Franchisor” or the “Company” or “we” refers to Transworld Business Advisors, LLC. “You” means the person, including any owner, partner or corporation who is looking at our franchise.

The Company was organized in October 2010 in the State of Florida. Our principal business address is 2121 Vista Parkway, West Palm Beach, Florida 33411. We do business under our company name and Transworld. Our agents for service of process are listed in Exhibit D to this Disclosure Document. The Company is 50% owned by UFG Synergies, LLC, (“UFG”) a Florida limited liability company whose business address is 2121 Vista Parkway, West Palm Beach, ~~FL~~Florida 33411, and 50% owned by TW Franchise Holdings, LLC, (“TW”) a Florida limited liability company whose business address is 5101 N.W. 21st Avenue, Suite 300, Fort Lauderdale, ~~FL~~Florida 33309. TW has never offered franchises in any line of business.

Our immediate predecessor, UFG, acquired on December 31, 2009, the franchise agreements and trademarks of two predecessors, FranchiseMart, LLC, a Florida limited liability company, and Biz1Brokers, Inc., a Florida corporation, which had their principal place of business at 2121 Vista Parkway, West Palm Beach, Florida 33411. FranchiseMart, LLC began offering FranchiseMart franchises for agencies offering lead referral services in August 2007 and had 12 franchisees on December 31, 2009. Biz1Brokers, Inc. began offering franchises for business brokerage agencies in July 2009 and had 12 franchisees on December 31, 2009. Neither FranchiseMart, LLC nor Biz1Brokers, Inc. has offered franchises in any other line of business.

In January 2010, UFG commenced offering FranchiseMart/Biz1Brokers franchises which was a co-branded franchise concept for agencies that would offer business brokerage services and lead referral services to franchisors. In connection with the offering of the FranchiseMart/Biz1Brokers franchise, UFG also offered Development Agent Agreements which gave a FranchiseMart/Biz1Broker franchisee the right to sell FranchiseMart/Biz1Broker franchises and development agent agreements. From January 2010 to October 2010, UFG sold 8 FranchiseMart/Biz1Brokers franchises and 2 FranchiseMart/Biz1Brokers Development Agent Agreements.

Effective, October 26, 2010, UFG assigned all of its FranchiseMart/Biz1Brokers Franchise Agreements and Development Agent Agreements and all of the FranchiseMart, LLC and Biz1Brokers, Inc. franchise agreements to the Company in connection with the formation of the Company. The franchisees under those agreements now conduct business under the Transworld trademark and the Transworld Business Advisors name. The Company is no longer offering Development Agent Agreements

We began offering for sale this franchise in December 2010. We do not operate any Transworld businesses. Transworld Business Brokers, LLC (“TBB”) located at 5101 NW 21st Ave., Suite 300, Fort Lauderdale, ~~FL~~Florida 33309 is affiliated with TW. TBB has the exclusive right to own and operate Transworld businesses in the State of Florida and currently operates one Transworld business in the State of Florida. TBB is the owner of the trademark Transworld and has granted the Company a license to use that trademark in connection with its franchise sales and operations and to sublicense the trademark to its franchisees.

DESCRIPTION OF A TRANSWORLD BUSINESS

A Transworld business is a franchise operated from a single location in a Designated Marketing Area. A franchisee will operate a business brokerage assisting sellers and buyers in the purchase and sale of existing businesses which can include existing franchised businesses. A franchisee will offer lead referral services for franchisors by recruiting and meeting with prospective franchisees to introduce them to various franchise concepts and assist them in identifying the franchise concept most suitable to them. Franchisees may also assist existing business owners who wish to establish a franchise system for their business.

A Transworld business will be operated from an office location within the Designated Marketing Area granted to the franchisee. See Item 12.

The market for business brokerage services will be primarily small to medium-sized businesses and prospective purchasers of these businesses. Competition is primarily from other companies providing business brokerage services, some real estate agencies and owners selling their own businesses. The business brokerage business as an industry is highly developed in many areas and industries and is continuing to develop and grow. The market for the franchise lead referral services has grown substantially in the past ten years in response to the increase in the number of businesses expanding through franchising and individuals seeking entrepreneurial opportunities through franchising. Competition will include the in-house sales forces of franchisors and other companies offering local and national lead referral services. Neither the lead referral services nor the business brokerage services are seasonal businesses.

The operation of both the business brokerage business and the lead referral service will be subject to federal and state laws regulating the sale of franchises and other local, state and federal law generally applicable to businesses. In certain states, you will be required to register as a franchise broker in order to operate your lead referral service. You will need to comply with state laws which apply to business brokerage agencies. In most states, if you handle business sales in which real estate is part of the transaction you will need to be a licensed real estate agent and be associated with a licensed real estate broker. In some states, a person engaged in business brokerage must be a licensed real estate agent even if real estate is not part of the transaction and a licensed real estate agent must be associated with a licensed real estate broker in that state. Other states have specific statutes requiring registration as a business broker. You should consult an attorney in your state to learn about local laws and ordinances that may affect the operation of your business.

AFFILIATES AND SUBSIDIARIES

The Company is a member of the United Franchise Group, an affiliated group of companies all of which are located at 2121 Vista Parkway, West Palm Beach, Florida 33411 and whose franchising companies are:

1. Sign*A*Rama Inc., (“Sign*A*Rama”), a franchisor of retail sign centers, that has been in franchising since April 1987 and currently has ~~731~~741 locations in ~~34~~28 countries;
2. EmbroidMe.com, Inc., (“EmbroidMe”), a franchisor of retail embroidery stores, has been in franchising since September 2000 and currently has ~~285~~270 locations in ~~40~~11 countries;

3. Greener Energy, LLC d/b/a SuperGreen Solutions (“SuperGreen”), a franchisor of retail stores for energy efficient products and services that has been in franchising since April 2012 and currently has ~~1523~~ stores in ~~46~~ countries.

4. Experimac Franchising, LLC, (“Experimac”), a franchisor of retail computer stores that buy, sell, repair and refurbish pre-owned cell phones, computers, tablets and other electronic equipment, has been in franchising since October 2014 and currently has ~~119~~ locations ~~with additional units in development~~.

5. J.S. Subs, LLC d/b/a Jon Smith Subs (“JSS”), a franchisor of restaurants offering made-to-order submarine sandwiches, grilled sandwiches, salads and other related foods and beverages that has been franchising since February 2016 and currently has 6 locations; and

6. Venture X Franchising, LLC, (“VTX”) a franchisor of co-working, collaborative office facilities, that has been franchising since March 2016 and currently has 1 location.

The Sign*A*Ramarama, EmbroidMe, SuperGreen, ~~and Experimac~~, JSS and VTX franchises are different businesses than the Transworld business described in this Disclosure Document. The companies are affiliated by common, but not identical ownership and none of them own any capital stock in any of the other companies. We have not and none of these affiliates has offered franchises in any other line of business.

ITEM 2

BUSINESS EXPERIENCE

Andrew Cagnetta – Chief Executive Officer and Manager – West Palm Beach, FL

- Chief Executive Officer and Manager of the Company since October 2010.
- President of Transworld Business Brokers, LLC., a business brokerage located in Fort Lauderdale, Florida for more than the past 10 years.

Raymond W. Titus – Manager – West Palm Beach, FL

- Manager of the Company since October 2010.
- Chief Executive Officer of VTX since September 2015; JSS since April 2015 and Chief Executive Officer of Experimac since June 2013.
- Chief Executive Officer of SuperGreen since October of 2010.
- President of UFG Synergies, LLC since November 2009.
- Chief Executive Officer of ~~Sign*A*Ramarama~~ since January 2008. President of ~~Sign*A*Ramarama~~ from January 1995 to December 2007.
- Chairman of the Board of EmbroidMe since January 2008; President of EmbroidMe from February 2000 to December 2007.
- President of FranchiseMart, LLC from June 2007 to December 2009 and of Biz1Brokers, Inc. from April 2009 to December 2009.
- President of Plan Ahead Events, Inc., (“PAE”) a franchisor of an event planning business, West Palm Beach, FL from January 2007 to February 2015.

David Baxter – Chief Operating Officer – West Palm Beach, FL

- Chief Operating Officer of the Company since June 2012.

- Chief Operating Officer of VTX since September 2015; JSS since April 2015; ~~Chief Operating Officer of~~ Experimac since June 2013.
- Chief Operating Officer of Signarama*~~A*Rama~~, EmbroidMe and SuperGreen since June 2012.
- Chief Operating Officer of PAE from June 2012 to February 2015.
- Vice President of Operations for Accurate Septic Services, in Fort Pierce, FL from October 2006 to June 2012.

Todd Newton – Chief Financial Officer – West Palm Beach, FL

- Chief Financial Officer of the Company since January 2007.
- Chief Financial Officer of VTX since September 2015; JSS since April 2015; ~~Chief Financial Officer of~~ Experimac since June 2013.
- Chief Financial Officer of Sign*~~A*Rama~~arama, EmbroidMe and SuperGreen since January 2007.
- Chief Financial Officer of PAE from January 2007 to February 2015.

James Butler – Director of Sales – West Palm Beach, FL

- Director of Sales for the Company since February 2015.
- Director of Sales for VTX and JSS since December 2015; ~~Director of Sales for~~ Experimac since July 2014.
- Director of Sales for Sign*~~A*Rama~~Signarama and EmbroidMe since December 2013.
- Director of Sales for SuperGreen since March 2012.
- Regional Vice President of TBA from January 2011 to February 2012.
- Regional Vice President for Sign*~~A*Rama~~Signarama from December 1994 to December 2010; EmbroidMe from January 2010 to December 2010 and from January 2008 to December 2008.
- Regional Vice President for PAE from January 2008 to December 2010.

William A. Luce –~~Executive Vice President~~ – West Palm Beach, FL

- President of the Company since October 2015.
- Executive Vice President of the Company ~~since from~~ June 2014 to September 2015.
- ~~–~~Vice President of Sales of the Company from October 2010 to June 2014.
- Brand Director of UFG Synergies from December 2009 to November 2010.
- Brand Manager for Biz 1 Brokers, Inc. from June 2009 to December 2009.
- Regional Vice President of PAE from January 2008 to December 2009.
- Regional Vice President of Sign*~~A*Rama~~Signarama from January 1999 to December 2009 and of EmbroidMe from January 2007 to December 2009.

Nick Bruckner – Sr. Vice President of Sales – West Palm Beach, FL

- Sr. Vice President of Sales for the Company and SuperGreen since February 2015; for VTX and JSS since December 2015; for Experimac since July 2014.
- Sr. Vice President of Sales for PAE from January 2008 to February 2015.
- Sr. Vice President of Sales for Sign*~~A*Rama~~Signarama since January 2000; for EmbroidMe since October 2004.

Gary Lengel – Executive Vice President – West Palm Beach, FL - Florida Region

- Executive Vice President of the Company, Signarama, EmbroidMe, SuperGreen, JSS and VTX since December 2015.

- Regional Vice President of the Company and Experimac from February 2015 to November 2015; SuperGreen from January 2014 to November 2015; EmbroidMe from December 2012 to November 2015; Signarama from December 2009 to November 2015.
- Executive Vice President of EmbroidMe from January 2010 to December 2012.
- Executive Vice President of FranchiseMart, LLC, West Palm Beach, FL, from June 2007 to December 2009.

Sean Oatney – Executive Vice President – Monument, CO – Mountain Plains Region

- Executive Vice President of the Company, Signarama, EmbroidMe, SuperGreen, Experimac, VTX and JSS since December 2015.
- Regional Vice President of the Company and Experimac from February 2015 to November 2015; SuperGreen from January 2014 to November 2015; EmbroidMe from December 2012 to November 2015 and Signarama from December 2009 to November 2015.
- Executive Vice President of EmbroidMe from January 2010 to December 2012 and Signarama from June 2007 to December 2012.

Michael White – Executive Vice President – Durham, NC – Carolinas Region

- Executive Vice President of the Company, Signarama, EmbroidMe, SuperGreen, Experimac, VTX and JSS since December 2015.
- Regional Vice President of the Company and Experimac from February 2015 to November 2015; SuperGreen from January 2014 to November 2015; Signarama and EmbroidMe from December 2010 to November 2015.
- Regional Vice President of PAE, from December 2010 to February 2015.
- Regional Vice President of IZON Global Media, Inc., a franchisor of a billboard signs business, West Palm Beach, FL, from December 2010 to February 2014.

Robert Cusick – Regional Vice President – Roswell, GA – Tennessee Region

- Regional Vice President of the Company, Sign*A*Ramarama, EmbroidMe, SuperGreen and Experimac since February 2015.
- Regional Vice President of VTX and JSS since December 2015.
- Vice President of Empower, a software startup in Atlanta, GA from February 2014 to January 2015.
- Vice President and Director of Sales for Dex Media, a media company in Cary, NC from October 2011 to January 2014.
- Vice President of Sales for Yellow 360 in Uniondale, NY from January 1999 to August 2011.

Michael Greco – Regional Vice President

- ~~Regional Vice President of the Company and Experimac since February 2015.~~
- ~~Regional Vice President of Sign*A*Ramarama, EmbroidMe and SuperGreen since February 2014.~~
- ~~President of Me Cal, Inc., San Mateo, CA from January 2003 to September 2013.~~

Jeff Griffith – Regional Vice President – Charlotte, NC – Carolinas Region

- Regional Vice President of the Company since January 2013.
- Regional Vice President of VTX and JSS since December 2015; Regional Vice President of Sign*A*Ramarama, EmbroidMe, SuperGreen and Experimac since February 2015.

- Regional Vice President of Sign*A*Rama from February 2012 to January 2013.
Business Broker with A.K. Goodwin Business & Financial, Charlotte, NC from July 2008 to January 2012.

Glenn Leingang – Regional Vice President – Katy, TX – Louisiana Region

- Regional Vice President of the Company, Signarama, EmbroidMe, SuperGreen, Experimac, JSS and VTX since January 2016.
- Vice President of Sales for Regal Plastics in Houston, TX from May 2015 to January 2016.
- Director for Northwood Church, a non-profit church in New Orleans, LA from January 2009 to January 2015.

Joel Kahn – Regional Vice President

- ~~Regional Vice President of the Company, Sign*A*Rama, EmbroidMe, SuperGreen and Experimac since February 2015.~~
- ~~Owner of The Provident Team, a real estate company in Westerville, OH from October 2009 to February 2015.~~

Gary Lengel – Regional Vice President – Florida Region

- ~~Regional Vice President of the Company and Experimac since February 2015.~~
- ~~Regional Vice President of SuperGreen since January 2014; EmbroidMe since December 2012.~~
- ~~Regional Vice President of Sign*A*Rama since December 2009.~~
- ~~Executive Vice President of EmbroidMe from January 2010 to December 2012.~~
- ~~Executive Vice President of FranchiseMart, LLC, West Palm Beach, FL, from June 2007 to December 2009.~~

Kenneth Lynch – Regional Vice President – Ladera Ranch, CA – Central California Region

- Regional Vice President of the Company and Experimac since February 2015.
- Regional Vice President of VTX and JSS since December 2015; Experimac since February 2015; Regional Vice President of EmbroidMe and SuperGreen since January 2014.
- Regional Vice President of Sign*A*Rama Signarama since October 2013.
- Regional Sales Manager for Kaleidescape, Silicon Valley, CA from October 2011 to May 2013.
- Independent Sales Consultant in Orange County, CA from May 2009 to October 2011.

Paul Mason – Regional Vice President – Lafayette, CA – Pacific Northwest Region

- Regional Vice President of the Company, Signarama, EmbroidMe, SuperGreen and Experimac since May 2015; VTX and JSS since December 2015.
- President of Maintenance Systems Management, Inc., a maintenance contract broker in San Francisco, CA from January 2002 to April 2015.

Eric Meyer – Regional Vice President – Dowington, PA – NJ, PA Region

- Regional Vice President of the Company, Signarama, EmbroidMe, SuperGreen, and Experimac since August 2015; and VTX and JSS since December 2015.
- Vice President of Service Brands International in Ann Arbor, MI from January 2014 to August 2015.

- Vice President of Franchise Development for AAMCO Transmissions in Horsham, PA from January 2013 to December 2013.
- Director of Franchise Development for Paul Davis Restoration in Jacksonville, FL from August 2010 to December 2012.
- Manager of Franchise Development for Maaco (Driven Brands) in King of Prussia, PA from April 2009 to July 2010.

Dan Nemunaitis – Regional Vice President – Crystal Lake, IL – Midwest Region

- Regional Vice President of the Company and Experimac since February 2015.
- Regional Vice President of VTX and JSS since December 2015; –SuperGreen since January 2014; EmbroidMe since December 2013; and Sign*A*Rama–Signarama since November 2011.
- Senior Director of Franchise Sales & Business Development for Global Recruiters Network, Downers Grove, IL from September 2004 to November 2011.

Sean Oatney – Regional Vice President – Pacific Northwest and Mountain Plains Regions

- ~~Regional Vice President of the Company and Experimac since February 2015.~~
- ~~Regional Vice President of SuperGreen since January 2014.~~
- ~~Regional Vice President of EmbroidMe and Sign*A*Rama since December 2012.~~
- ~~Executive Vice President of Sign*A*Rama from June 2007 to December 2012.~~

Evan Opel – Regional Vice President – Midlothian, VA – Mid-Atlantic Region

- Regional Vice President of the Company, EmbroidMe, TBA, SuperGreen, Experimac, VTX and JSS since December 2015.
- Regional Manager of Experimac from February 2015 to November 2015; the Company, Signarama, EmbroidMe and SuperGreen from March 2014 to November 2015.
- Regional Manager for PAE from October 2014 to February 2015.
- Account Executive for Holiday Signs, a sign manufacturer in Chester, VA from September 2006 to March 2014.

Benjamin Padilla – Regional Vice President – Spring, TX – Houston Region

- Regional Vice President of the Company and Experimac since February 2015.
- Regional Vice President of VTX and JSS since December 2015; ~~Regional Vice President of Sign*A*Ramaarama~~, EmbroidMe and SuperGreen since February 2014.
- President of Restaurant Development Concepts, Inc. Consulting contracts with Syal & Sons, Inc. dba The Fish Place in Houston, TX from December 2012 to January 2014.
- President of Restaurant Development Concepts, Inc. dba Two Cities Grill & Cantina in Houston, TX from January 2009 to December 2012.

Sean Palmer – Regional Vice President – Seattle, WA – Pacific Northwest Region

- Regional Vice President of the Company, Signarama, EmbroidMe, SuperGreen, Experimac, JSS and VTX since March 2016.
- Vice President of Sales – North America for Main Street Energy and Technologies, a reseller of energy efficient LED lighting in Birmingham, AL from December 2014 to February 2016.
- Consultant for Taylor Sales & Service, a food service equipment company in Birmingham, AL from January 2015 to May 2015.

- Founder and President of MOVEDADDY.COM, a moving and storage company in Birmingham, AL from January 2011 to November 2014.

Mark Patek – Regional Vice President – Lees Summit, MO – Dallas Region

- Regional Vice President of the Company since February 2015.
- Regional Vice President of VTX and JSS since December 2015; SuperGreen and Experimac since February 2015;
- Regional Vice President of Sign*A*Rama Signarama and EmbroidMe since June 2014.
- Regional Sales Manager for 220 Companies/T-Mobile in Dallas, TX from December 2012 to June 2014.
- President of College Spirit in Overland Park, KS from September 2007 to November 2012.

David Ross – Regional Vice President – Londonderry, NH – ~~New York and~~ New England Region

- Regional Vice President of the Company and Experimac since February 2015.
- Regional Vice President of VTX and JSS since December 2015; Sign*A*Rama Experimac since February 2015; and from 1993 to December 2012 VTX and JSS since December 2015; SuperGreen since January 2014 and Signarama since February 2015 and from 1993 to December 2012.
- Regional Vice President of SuperGreen since January 2014.
- Regional Vice President of EmbroidMe since July 2004; and PAE from January 2008 to December 2012.

Brannan Thomas – Regional Vice President – Atlanta, GA – Georgia Region

- Regional Vice President of the Company, Signarama, EmbroidMe, SuperGreen, Experimac, VTX and JSS since December 2015.
- Regional Manager of the Company, Signarama, EmbroidMe and SuperGreen from December 2013 to November 2015.
- Regional Manager of Experimac from February 2015 to November 2015.
- Franchise Development Representative for EmbroidMe, SuperGreen and PAE from March 2013 to December 2013.
- Teacher/Coach for The King's Academy, West Palm Beach, FL from January 2010 to March 2013.

Troy Thomas – Regional Vice President – ~~Mid-Atlantic~~ West Palm Beach, FL – Florida Region

- Regional Vice President of the Company and Experimac since February 2015.
- Regional Vice President of VTX and JSS since December 2015; Experimac since February 2015; Sign*A*Rama Signarama and SuperGreen since January 2014; EmbroidMe since January 2013.
- Publisher for New Jersey Media Group, LLC, Cherry Hill, NJ from August 2011 to December 2012.
- Vice President of Business Development for American Newspaper Solutions, LLC, Detroit, MI from January 2004 to August 2011.

Jeffrey Thompson – Regional Vice President – St. Charles, MO – Missouri Region

- Regional Vice President of the Company, Signarama, EmbroidMe, SuperGreen, Experimac, JSS and VTX since January 2016.

- Owner of T & H Foundations, a concrete design company in St. Charles, MO from January 1996 to January 2015.

Todd Trembl – Regional Vice President – Plymouth, MN – Midwest Region

- Regional Vice President of the Company, Signarama, EmbroidMe, SuperGreen, Experimac, JSS and VTX since January 2016.
- Franchise Development Director for Lift Brands, health and wellness businesses, in Chanhassen, MN from November 2014 to January 2016.
- Director of Buying Operations for Winmark Corporation; a franchisor of five retail resale businesses in Minneapolis, MN from July 1987 to September 2014.

William Vetter – Regional Vice President – Locust Valley, NY – New York Region

- Regional Vice President of the Company, Signarama, EmbroidMe, SuperGreen and Experimac since June 2015 and VTX and JSS since December 2015.
- Senior Vice President of Sales and General Manager of Tensator Inc. a queue management solutions provider in Bayshore, NY from June 2009 to January 2015.

Michael White – Regional Vice President – Carolinas Region

- Regional Vice President of the Company and Experimac since February 2015.
- Regional Vice President of SuperGreen since January 2014; Sign*A*Rama and EmbroidMe since December 2010.
- Regional Vice President of PAE, from December 2010 to February 2015.
- Regional Vice President of IZON Global Media, Inc., a franchisor of a billboard signs business, West Palm Beach, FL, from December 2010 to February 2014.
- Regional Manager of Sign*A*Rama, EmbroidMe and PAE from November 2008 to December 2010.

Andrew Beach – Regional Manager – Newport Beach, CA

- Regional Manager for the Company, Signarama, EmbroidMe, SuperGreen and Experimac since August 2015; VTX and JSS since December 2015.
- Operations Advisor for the Company from February 2014 to August 2015.
- Franchise Development Representative for the Company, Signarama, EmbroidMe, SuperGreen and from December 2013 to February 2014.
- Equipment Manager for Whitecaps, a sports equipment rental company in Palm Beach, FL from March 2013 to November 2013.
- VIP Tour Guide for Keylypso Charters in West Palm Beach, FL from March 2013 to November 2013.
- Commodities Broker for Blackstone Group in West Palm Beach, FL from March 2012 to February 2013.

Dre Carter - Regional Manager – Ann Arbor, MI

- Regional Manager of the Company, Signarama, EmbroidMe, SuperGreen, Experimac, VTX and JSS since December 2015.
- Franchise Development Manager of the Company, Signarama, EmbroidMe, SuperGreen and Experimac from December 2015 to November 2015.
- Short term/Long term disability analyst for The Hartford Insurance Group, an insurance company in Lake Mary, FL from November 2014 to February 2015.

- Team member for Chick-fil-A, a fast food restaurant in West Palm Beach, FL from May 2011 to May 2014.
- Lifeguard for Adventure Island, a water park in Tampa, FL from June 2013 to August 2013.

Brady Lee - Corporate Regional Manager – West Palm Beach, FL

- Corporate Regional Manager for the Company, Signarama, EmbroidMe, and SuperGreen since April 2014.
- Corporate Regional Manager for VTX and JSS since December 2015 and Experimac since September 2014.
- Regional Manager for PAE from December 2013 to April 2014.
- Director of Franchise Development – Australia for Signarama, EmbroidMe and PAE from December 2013 to April 2014.
- Client Account Specialist and Production Staff Member for Signarama sign center in Tallahassee, Florida from August 2012 to July 2014.
- Franchise Development Representative for Signarama, EmbroidMe, SuperGreen, PAE, TBA and Izon Global Media, Inc., a franchisor of advertising agencies in West Palm Beach, Florida from June 2009 to November 2013.

Amber Mortensen – Regional Manager

- ~~Regional Manager for the Company, Sign*A*Rama, EmbroidMe and SuperGreen since October 2014; for PAE from October 2014 to February 2015.~~
- ~~Regional Manager for Experimac since February 2015.~~
- ~~Director of Operations for O'Rourke Investment Group (DBA McDonalds) in Phoenix, AZ from October 2012 to October, 2014.~~
- ~~Senior Sales Manager for Kumon Learning Center in Los Angeles, CA from October 2011 to October 2012.~~
- ~~Managing Partner for Franchise Force Consulting, LLC in Los Angeles from July 2010 to October 2011.~~
- ~~Regional Manager for Sign*A*Rama and EmbroidMe from August 2005 to July 2010.~~

Jeremy Norfus – Regional Manager – Phoenix, AZ

- ~~Regional Manager of the Company, Sign*A*Rama, EmbroidMe and SuperGreen since January 2014~~December 2013.
- Regional Manager of VTX and JSS since December 2015; Regional Manager of Experimac since February 2015.
- Certified Aftercare Counselor at Crosspointe Elementary in Boynton Beach, FL from March 2013 to January 2014.
- Marketing Assistant at the University of Central Florida in Orlando, FL from September 2009 to December 2012.

Evan Opel – Regional Manager

- ~~Regional Manager of the Company, Sign*A*Rama, EmbroidMe and SuperGreen since March 2014.~~
- ~~Regional Manager of Experimac since February 2015.~~
- ~~Regional Manager for PAE from October 2014 to February 2015.~~
- ~~Account Executive for Holiday Signs, a sign manufacturer in Chester, VA from September 2006 to March 2014.~~

Lenny Patinella — Regional Manager

- ~~Regional Manager of the Company, Sign*A*Rama, EmbroidMe and SuperGreen since January 2015.~~
- ~~Regional Manager of Experimac since February 2015.~~
- ~~Regional Vice President of EmbroidMe since July 2012.~~
- ~~Director of Master Franchise Development for JPI, Inc. Alpharetta, GA. from January 2004 to June 2012.~~

Brannan Thomas — Regional Manager

- ~~Regional Manager of the Company, Sign*A*Rama, EmbroidMe and SuperGreen since December 2013.~~
- ~~Regional Manager of Experimac since February 2015.~~
- ~~Franchise Development Representative for EmbroidMe, SuperGreen and PAE from March 2013 to December 2013.~~
- ~~Teacher/Coach for The King's Academy, West Palm Beach, FL from January 2010 to March 2013.~~
- ~~Football Coach for Cheyney University, Westchester, PA from August 2008 to December 2010.~~

ITEM 3

LITIGATION

A. Pending Litigation: None

B. Litigation Against Franchisees Commenced in the Past Fiscal Year:

Litigation to enforce non-competition covenant

~~Transworld Business Advisors, LLC v. Richard DeLuca and Cecilia T. DeLuca, Arbitration No. 01-14-0000-3619, West Palm Beach, Florida (Filed April 28, 2014) Transworld Business Advisors, LLC v. Brian Truman, Jana Truman, and Middle Tennessee Business Brokers LLC, Case No. 502015CA007537, Circuit Court, Palm Beach County, Florida (Filed July 2, 2015)~~

C. Completed Litigation: None

D. Restrictive Orders:

The following injunctive order relates to Sign*A*RamaSignarama, an affiliate of the Company and covers certain directors, officers and employees of Sign*A*RamaSignarama.

Federal Trade Commission, Plaintiff, v. Minuteman Press International, Inc., Speedy Sign-A-Rama, USA, Inc., Roy W. Titus and Jeffrey Haber, Defendants (CV 93-2496) Filed on June 4, 1993, in the United States District Court, Eastern District of New York. The Federal Trade Commission complaint alleged that the Defendants violated Section 5(a) of the Federal Trade Commission Act and the Commission's Franchise Rule (16 CFR Part 436) by falsely representing to prospective franchisees potential gross sales levels and profitability of their franchise units, failing to disclose the obligation to pay a substantial transfer fee ~~up~~ on the resale of the franchise, and by making earnings

claims without proper documentation and in contradiction of statements in their disclosure documents. On December 18, 1998, an injunction was filed prohibiting the Defendants excluding Haber from doing the following: A. Making, or assisting in the making of, expressly or by implication, orally or in writing, to any prospective franchisee any statement or representation of past, present or future sales, income, or gross or net profits of any existing or prospective franchisee or group of franchisees, unless at the time of making such representation the defendant possesses written material that provides a reasonable basis for the representation. B. Violating any provision of the Franchise Rule 16 C.F.R. Part 436 or the Rule as it may later be amended and the disclosure requirements of the UFOC in effect at the time. C. Assessing or collecting a transfer/training fee from any franchisee who sells or assigns its franchise unless the selling franchisee received a copy of a disclosure statement indicating that such fee would be charged. D. Failing to monitor and investigate any complaints about compliance with the rule or the injunction. E. To cooperate with the Commission in the enforcement of this injunction.

The following order relates solely to Sign*A*RamaSignarama:

Sign*A*Rama-Signarama entered into a consent order with the Securities Commissioner of Maryland in January of 1996. The matter is captioned In the Matter of Speedy Sign-A-Rama, USA, Inc., Case No. S-95-112. It is alleged in the consent order that Sign*A*Rama-Signarama sold four (4) franchises in the State of Maryland after its registration under the Maryland Franchise Law had lapsed, and before it was renewed. In settlement of the matter, and while neither admitting nor denying the findings in the order, Sign*A*Rama-Signarama agreed to offer rescission to the four (4) franchisees, adopt a compliance program intended to avoid unregistered sales and disclose the existence of the order in its franchise disclosure document under the Maryland Franchises Law.

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

ITEM 4

BANKRUPTCY

~~Michael Greco, a Regional Vice President of the Company, filed on May 6, 2013 a bankruptcy petition under Chapter 11 of the United States Bankruptcy Code (United States Bankruptcy Court for the Northern District of California, Case No.13-31100). He was granted a discharge on January 14, 2015 and the case was closed. He was also an officer of Me Cal, Inc. which filed a petition for Chapter 11 bankruptcy on April 21, 2013 (United States Bankruptcy Court for the Northern District of California Case No.13-30940). This case was converted to Chapter 7 on October 4, 2013 and is still pending.~~

Sean Palmer, a Regional Vice President of the Company, filed on April 21, 2015 a bankruptcy petition under Chapter 7 of the United States Bankruptcy Code (United States Bankruptcy Court for the Northern District of Alabama, Case No. 15-01601-TOM7). He was discharged on July 20, 2015.

Troy Thomas, a Regional Vice President of the Company, filed on October 13, 2010 a bankruptcy petition under Chapter 7 of the United States Bankruptcy Code (United States Bankruptcy Court for the Eastern District of Michigan, Case No. 10-71480). He was granted a discharge on January 4, 2011.

Except as set forth above, no bankruptcy information is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

Excepted as noted below, all Franchisees purchasing a new franchise pay an initial franchise fee of ~~\$39~~44,500. Prior to executing the Franchise Agreement, you will be required to pay a \$5,500 deposit, commonly referred to as a “binder,” to reserve your Designated Marketing Area while you are investigating the purchase of this franchise. This binder is fully refundable if you do not purchase a franchise. When you enter into your Franchise Agreement the initial franchise fee (less the binder already paid) is due. The initial franchise fee is non-refundable.

Eligible United States military veterans will receive a discount equal to 10% of the standard franchise fee. An eligible veteran is a veteran who has received an honorable discharge. Transworld franchisees purchasing an additional franchise, and owners in good standing of our affiliated brands (~~Sign*A*Ramarama~~, EmbroidMe, Experimac, ~~and SuperGreen, JSS and VTX~~) purchasing our franchise, will pay a franchise fee of ~~\$19~~24,500. If you currently own an independent business brokerage business and are converting it into a Transworld business, you will pay an initial franchise fee of \$19,500.

You must purchase the software and supplies package from us described in Items 7 and 8. The cost of this package including shipping is \$9,877 plus taxes, which is non-refundable, and due at the time of signing the Franchise Agreement. At the time of signing your Franchise Agreement, you must also pay \$500 to the Transworld Business Advisors Advertising Fund as an initial membership fee. This fee is not refundable.

ITEM 6

OTHER FEES

Name of Fee¹	Amount	Due Date	Remarks
Royalty ²	A monthly fee equal to the greater of 8% of Gross Revenues or \$300 - months 4-12 \$500 - months 13-24 \$750 - after 24 months	Payable monthly by the 10 th day of the next month	The minimum monthly royalty can be increased at our discretion by up to 10% but not more frequently than once every three years and increase must apply to all Transworld agencies
Marketing Fee ³	\$150 per month	Payable monthly by the 10 th day of the next month commencing with the 4 th month of operation	Fee can be increased by up to 10% but not more frequently than once every three years and increase must apply to all Transworld agencies
Transfer Fee ⁴	\$192 \$24,500 for the transfer of each Designated Marketing Area, or the then current transfer fee	Prior to consummation of transfer	Payable by the Seller from the proceeds of the sale of the franchise or the Buyer
Renewal Fee	\$1,500	30 days before renewal	To cover costs of closing and processing paper work
Technology License Agent Fee ⁵	\$150 per month for the first license agent and \$75 per month for each additional license purchased agent or the then current fee	Payable monthly commencing in the fourth month of business operation	Payable to the Company
Salesperson Training Fee ⁶	\$295 or then current training fee per person attending training plus travel & hotel expenses	Payable prior to start of training	Payable to the Company
Franchise Resale Program Fee ⁷	<u>10% referral fee of commission on sale of franchise business</u>	<u>Payable within 5 days of receiving funds</u>	<u>Payable to the Company</u>

Audit-Inspection Costs	Cost of audit-inspection, including travel, hotel, meals, salaries or fees	When billed	Payable should we conduct an inspection of your books of account and records and our inspection reveals you have underreported your Gross Revenue by more than 2%.
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¹ Unless indicated otherwise, these fees or payments are uniformly applied to franchisees and are nonrefundable

² Our Franchise Agreement requires you to pay to us monthly a continuing royalty in the amount listed in the table above. During the first three months of operation, there is no minimum amount; you pay 8% of your Gross Revenue. Gross Revenues includes all revenue received in the operation of your business. You are required to provide a monthly report of your revenues. You are prohibited from offsetting or deducting this required royalty payment in any form or fashion. We require you to pay these amounts and the Marketing Fee through electronic funds transfer or automatic withdrawal. We may charge you interest and/or late fees if your royalty fees and other amounts due to us are not paid in a timely manner. We have the right to inspect your financial records to verify the accuracy of these reports. The minimum amounts stated are “per Designated Marketing Area.” For example, if you operate in 2 Designated Marketing Areas, the minimum amount you would pay during months 4-12 of operations is \$300 per Designated Marketing Area = \$600 total.

³ The Marketing Fee is paid monthly to Transworld Business Advisors Advertising Fund, Inc. (the “Fund”) which is controlled by the franchisees. This fee will be used by the Fund for national advertising, Internet advertising and web hosting and development and other marketing and advertising conducted by the Fund. See Item 11.

⁴ The transfer fee is a per territory fee. For example, the current fee to be paid for the transfer of two territories (known as “Designated Marketing Areas”) would be \$349,000. This fee is subject to change.

⁵ The monthly ~~Technology Agent~~ Fee covers hosting and maintenance of an Internet website, email account and hosting and maintenance ~~and hosting and maintenance of the Transworld CRM software.~~

⁶ Our Franchise Agreement requires that all new salespersons hired by a franchisee attend a five day training class at the Company’s headquarters. Prior to attending the training class, new salespersons may at your option take and complete our online training course. If they do, the salesperson training fee is due prior to completing the online course, and no additional training fee is due when the salesperson attends the live class at the Company’s headquarters.

⁷ We may establish a referral program through which we refer to you franchise business owners who are interested in selling their business. If the referral results in a sale, you pay us a referral fee equal to 10% of your commission. Your continuing royalty on these transactions is calculated after deduction of the referral fee.

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ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount Estimated Range	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee ¹	\$39 44,500	Lump Sum	At signing of Franchise Agreement	Company
Travel and Living expenses while at training school ²	\$105-\$300	As incurred	During training	Hotel, Restaurants, Entertainment, etc.
Advertising Fund Initial Membership Fee ³	\$500	Lump sum	At closing	Transworld Advertising Fund
Premises lease ⁴	\$900-\$7,200	As arranged	As arranged	Landlord
Initial Advertising	\$3,000-\$6,000	As arranged	As incurred	Supplier
Software and Supplies Package ⁵	\$9,877	Lump sum	At signing of Franchise agreement	Company
Equipment and Office Software	\$0-\$1,500	As arranged	As arranged	Third party vendors
Insurance ⁶	\$750-\$2,000	As arranged	As incurred	Supplier
Additional Funds (6 mos.) ⁷	\$5,000-\$15,000	As incurred	As incurred	Employees, Suppliers and other third party vendors.
Total	Low = \$64 59,632 High = \$846,877			

(Except where noted otherwise, all amounts that you pay to us are nonrefundable. Third party lessors and suppliers will decide if payments to them are refundable.)

¹ The initial franchise fee is discussed in detail in Item 5 of this Disclosure Document. We do not offer financing for this fee.

² We provide your transportation to our Florida Corporate Headquarters where we hold our training. We also provide your hotel accommodations and one daily meal. The only cost that you will incur will be for your other daily meals and your entertainment. These costs will vary depending upon your requirements. If you bring additional persons to the training program, you will pay \$295 per person attending and you will be responsible for their travel and hotel expense.

³ The initial membership fee for the Transworld Business Advisors Advertising Fund is discussed in Item 5. During the term of the franchise, you will pay a monthly Marketing Fee to the Fund (see Item 6 for ongoing payments).

⁴ You will need an office to operate your Transworld ~~B~~business. At your option you may start operations using a virtual office or an executive office suite in a shared office space. If you obtain a virtual office you will receive an office address, phone number and the use of a conference room on an as needed basis. Monthly rental expense will vary depending on geographic location, square footage, age and condition of premises and other factors. A typical office would be located in an office building and ranges from 200 square feet (if in an executive office suite) to 1,000 square feet. Virtual offices and executive office suites can typically be leased on a month to month basis. The low estimate is based on the approximate cost to lease a virtual office for a 6 month period. The high estimate is based on leasing an executive office suite for 6 months.

⁵ You will need to purchase a Software and Supplies Package from us. This package is discussed in Items 5 and 11 and the contents are listed in Schedule A to the Franchise Agreement. The amount may vary depending on whether you already own some or all of these items.

⁶ You are obligated under the Franchise Agreement to hold certain business insurance policies including a comprehensive general liability policy, a policy covering “all risk” of physical loss and additional policies as may be required under your local laws or ordinances. The amount listed in this table reflects our estimate of basic insurance for your first six months of operation. Your expenses will vary depending on your exact requirements as dictated by local insurance rates.

⁷ You will need capital to support your on-going expenses to the extent that these costs are not covered by sales revenue when you first open. This figure does not include sums necessary for living or personal expenses nor payments for your debt service. New businesses often generate a negative cash flow for a time. We estimate the amount given will be sufficient to cover on-going expenses for the start-up phase of your business that we calculate to be up to 6 months. However, this is only an estimate and we do not represent or guarantee, nor can we assure you, that additional capital will not be necessary during your start-up phase. Your costs will depend on factors such as how much you follow our systems and procedures, your management skills and experience, your business skills, local economic conditions, the prevailing wage rate, the local market for the Transworld ~~A~~agency, competition and sales levels reached during the start-up phase.

Your total initial investment is based on our estimate of average costs and market conditions prevailing as of the date of this Disclosure Document and our experience in the business. We encourage you to seek the advice of your business advisor, accountant or attorney to help formulate a business plan and a methodology of your business operation. You must bear any deviation or escalation in costs from the estimates in this Item 7.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to insure a uniform image and uniform quality services in all Transworld Agencies, you must maintain and comply with our quality standards. As noted in Items 5 and 7, you are required to purchase from us the Software and Supplies Package, which includes our Transworld CRM Software and other items. Schedule A to the Franchise Agreement contains a list of the contents of the Software and Supplies Package. For the year ended December 31, 2014~~5~~, our gross revenue from the sale of the Software and Supplies Package was \$~~186,713~~272,983 or ~~10.18~~4.4% of our total revenue of \$~~1,843,908~~3,231,291.

You are also required to purchase Transworld CRM Software maintenance services and Internet website and email account hosting and maintenance services from us. For the year ended December 31, 2014~~5~~, our gross revenue from franchisee purchases of these services was \$~~131,086~~154,705 or ~~7.14~~4.8% of our total revenue of \$~~1,843,908~~3,231,291. Our Chief Executive Officer and Manager, Andrew Cagnetta, and Manager, Raymond Titus, owns an interest in our Company.

Custom enhancements to your Internet website will be at your expense and must be performed by a vendor we approve. You are not required to have your Internet website customized or enhanced. You are also required to purchase the computer hardware and additional software described in Item 11 that is not included in the Software and Supplies Package. These items can be purchased from a vendor of your choice.

We estimate that your purchase of software, supplies, marketing materials and software maintenance services from us or that meet our specifications and standards will represent approximately 60% to 80% or more of the cost to establish the franchise business and less than 1% up to 10% of the cost to operate the franchise~~d~~ business on an ongoing basis.

The standards and specifications imposed on franchisees are formulated and modified based on industry standards. The standards and specifications are issued to franchisees in an operations manual (the "Operating Manual") and by informational memos issued from time to time.

The Franchise Agreement requires you to sell or use only those services in connection with the Transworld trademarks and business that we have approved in writing. The purpose of this requirement is to insure that all franchisees adhere to the uniformity requirements and quality standards associated with Transworld agencies and not to exercise any day-to-day control over the operation of your Transworld business.

We do not require you to purchase your on-going supplies for the operation of your franchise through us or from suppliers we approve although you may purchase at your option certain items such as marketing materials and office supplies from our affiliates or us. Our affiliate, ~~Sign*A*Ram~~Signarama, is a supplier of marketing materials and supplies. Our Manager, Ray Titus, owns an interest in this affiliated company. Except for Andrew Cagnetta's and Ray Titus' ownership interests in the Company and Ray Titus' ownership interests in

~~Sign*A*Ram~~Signarama, no officer of the Company owns any interest in a supplier. At this time, we do not negotiate purchase arrangements with suppliers for the benefit of our franchisees. We do not receive compensation or other consideration from any supplier but we may do so in the future. We do not provide material benefits to our franchisees based on a franchisees use of a designated or approved source.

The Franchise Agreement requires you to purchase and maintain liability insurance in an aggregate amount that we designate periodically, as described in Item 7. You also must purchase and maintain any other insurance required by any agreement or lease related to the franchise business or by law. You must furnish to us copies of all insurance policies. The insurance requirements are minimum requirements. You should consult with your local insurance agent and legal counsel to ensure your franchise business is adequately insured, you have all insurance required by law and under the terms of any agreement to which you are a party.

You may use only marketing and promotional materials that we have approved (see Item 11 for more information on marketing).

When your franchise is up for renewal, among the factors we consider are your compliance with your Franchise Agreement and support of our programs and policies, which would include compliance with the requirements described in this Item 8. We are not aware of any purchasing or distribution cooperatives in the franchise system that offer to you certain products used in the franchise business.

Our standards, specifications and designation of approved suppliers disclosed above are required for the purpose of protecting the goodwill associated with the Transworld trademarks and to ensure a uniform image and uniform quality services in all Transworld Agencies. You are obligated to investigate and comply with laws and regulations and we will vary our standards, specifications and designations at your request if necessary to comply with any law or regulation.

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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 statement.

	OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a.	Site selection and acquisition/lease	Section 3 of Franchise Agreement	Item 11
b.	Pre-opening purchase/leases	Section 6 of Franchise Agreement	Items 5, 7 and 8
c.	Site development and other pre-opening requirements	Section 6 of Franchise Agreement	Items 5, 7 and 11
d.	Initial and ongoing training	Sections 4.B, 6.A, <u>6.M, 7 and 8 of Franchise Agreement</u>	Items 7 and 11
e.	Opening	Section 6 of Franchise Agreement	Item 11
f.	Fees	Section 10 of Franchise Agreement	Items 5, 6 and 7
g.	Compliance with standards and policies/operating manual	Sections 6, 11 , 12 and 13 of Franchise Agreement	Items 8 and 11
h.	Trademarks and proprietary information	Sections 6.E and F, 12 and 14 of Franchise Agreement	Items 13 and 14
i.	Restrictions on products/services offered	Section 6.K of Franchise Agreement	Item 16
j.	Warranty and customer service requirements	Sections 6 and 21 of Franchise Agreement	Item 11
k.	Territorial development and sales quotas	Section 1.C of Franchise Agreement	Item 12

	OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
l.	Ongoing product/service purchases	Section 6.U of Franchise Agreement	Item 8
m.	Maintenance, appearance and remodeling requirements	Not applicable	Item 11
n.	Insurance	Section 13 of Franchise Agreement	Items 7 and 44 <u>8</u>
o.	Marketing/Advertising	Section 12 of Franchise Agreement	Item 11
p.	Indemnification	Section 6.S of Franchise Agreement	Item 6
q.	Owner's participation/Management /staffing	Sections 6.C, 6.O and 6.P of Franchise Agreement	Items 11 and 15
r.	Records and reports	Sections 10.E and 11.A of Franchise Agreement	Item 6
s.	Inspection and audits	Section 11.A of Franchise Agreement	Item 6
t.	Transfer	Section 15 of Franchise Agreement	Item 17
u.	Renewal	Sections 2.B, 2.C, 2.D and 2.E of Franchise Agreement	Item 17
v.	Post-termination obligations	Sections 16 and 17 of Franchise Agreement	Item 17
w.	Non-competition covenants	Sections 6. R <u>P</u> and 17.F of Franchise Agreement	Item 17
x.	Dispute resolution	Sections 25 and 26.D of the Franchise Agreement	Item 17

ITEM 10

FINANCING

Neither we nor any agent or affiliate offers direct or indirect financing to you, guarantees any note, lease, or obligation of yours, or has any practice or intent to sell, assign, or discount to a third party all or any part of any financing arrangement of yours.

ITEM 11

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

Except as listed below, Transworld Business Advisors, LLC need not provide you with any assistance.

PREOPENING OBLIGATIONS

Prior to opening your franchise to the public, we are required under the Franchise Agreement to provide the following assistance and service to you:

1. Prior to opening your Transworld Agency, we will bring you to our national headquarters in West Palm Beach, Florida for our six day training program. We will provide you with a hotel room and one daily meal during your stay. (See the Franchise Agreement Section 7)
2. We assist you during the initial operation of your Transworld agency. We send a corporate representative to your location within 180 days of execution of your franchise agreement for 3 days to help you with additional training, guidance on beginning your business, initial marketing, and other means of assistance. (See the Franchise Agreement Section 4.B)
3. We will sell to you the Software and Supplies Package described in Schedule A to the Franchise Agreement. (See the Franchise Agreement Section 4.C)
4. We recommend to you a suggested bookkeeping system. (See the Franchise Agreement Section 4.E)
5. We provide you with a detailed Operating Manual together with other relevant manuals and written material which will aid you in the operation of your Transworld business. Some of the materials provided will be samples of documents used by TBB in the operation of its business brokerage business in Florida. These documents are provided only for reference purposes. We recommend that prior to use that you have them reviewed by an attorney licensed in your state. (See the Franchise Agreement Sections 4.F and 4.G)

FRANCHISOR'S CONTINUING OBLIGATIONS

During the ongoing operation of your Transworld business, we are required by our Franchise Agreement to provide the following assistance and services to you.

1. We are constantly researching and developing ideas that we believe will improve our system. As we do so, we will provide you with details. In addition, we will periodically update your Operating Manual to reflect these alterations and/or improvements. (See the Franchise Agreement Section 5.A)
2. Every 12-18 months we will hold a convention for franchisees. We will invite Franchisors and vendors, to these meetings in order to make you aware of industry developments and to potentially save you money on your ongoing supplies. In addition, we will conduct seminars and conventions on topics relating to your ongoing training and improving the operation of your Transworld Agency. We update you on the progress of our company and the Transworld system as a whole. We invite and encourage all of our franchisees to attend each of these conventions and seminars, however, your attendance at these conventions and seminars is not mandatory. (See the Franchise Agreement Section 5.D)
3. We will continuously solicit new Franchisors to join the Transworld lead referral program, enter into agreements with them and provide their promotional literature and other sales tools to you. (See the Franchise Agreement Sections 5.B and C)
4. We will send you a copy of our corporate newsletter from time to time. The corporate newsletter contains useful and pertinent information relating to the ongoing operation of your Transworld business. (See the Franchise Agreement Section 5.E)
5. From time to time we will send you bulletins on sales methods, marketing development and techniques, and business and operating procedures. (See the Franchise Agreement Section 5.F)
6. We will offer you continual advice and support for your operations by telephone, e-mail and the Internet. (See the Franchise Agreement Section 5.G)
7. We will enter or post your listings on third party businesses for sale listings websites to provide you with broader marketing exposure. (See the Franchise Agreement Section 5.H)

ADVERTISING

You are required to pay a monthly marketing fee of \$150 to Transworld Business Advisors Advertising Fund, Inc. which is a Florida non-profit corporation (the "Fund"). This fee will be remitted to the Fund at the same time and in the same manner as royalty payments are made. This monthly fee can be increased in the future. (See Section 10.C of the Franchise Agreement) If we were to open any company-owned agencies, such agencies would pay the same marketing fee as a new franchisee at that time. You also will pay an initial membership fee to the Fund of \$500 upon execution of your Franchise Agreement.

The Fund is organized on a membership basis with each Transworld franchisee being a member and having voting rights. The Board of Directors of the Fund currently consists of three voting members and one non-voting representative of the Company. The officers of the Fund must be incumbent members of the Board of Directors and are elected annually by the Board of Directors. The Board of Directors is responsible for the general supervision of the Fund and approves all marketing plans for the Fund. The By-laws of the Fund provide that the Board of Directors may hire an executive administrator to manage the financial and administrative functions of the Fund and an advertising agency to advise the Fund with regard to marketing campaigns, ~~to~~ assist in the

development of advertising materials and to buy media time or space. It is presently contemplated that the marketing department of the Company will perform these functions for the Fund until such time as the Fund has grown to a size to justify the hiring of such personnel. We will be reimbursed by the Fund for performing these functions in an amount to be negotiated with the Board of Directors of the Fund. We will also be reimbursed at cost by the Fund for any monies advanced by us to purchase materials or outside services for advertising or promotional programs of the Fund.

The Fund shall use the marketing fees paid by franchisees for national advertising, Internet advertising and web hosting and development. There is no obligation to spend any amount in your Designated Marketing Area. Assets of the Fund cannot be used to solicit new franchisees for the Company. You are encouraged to but are not required to participate in local and regional advertising cooperatives with other franchisees.

During 2014⁵, expenditures by the Fund by category on a percentage basis were as follows: advertising-79%, public relations-12% and administration-9%. If marketing fees are not spent in any fiscal year, the excess will be carried over for future use. Upon request, the Fund will provide you with an un-audited financial report showing receipts and disbursements of the marketing fees.

In addition to the marketing fees paid to the fund, you are encouraged to expend at least an amount equal to 5% of your gross billings on approved direct or local marketing. "Direct or local marketing" includes sales personnel costs, promotional seminars, advertising and promotions on television and radio, in newspapers and through other media, periodicals and public relations. We must approve your marketing materials prior to their use. We will not unreasonably withhold approval of any marketing materials that you propose to use, if your materials are factually accurate and current, conform to the highest standards of ethical marketing and all applicable laws and regulations, and are in good condition and accurately depict the Transworld trademarks. Our review and approval of your marketing materials is not a warranty of any kind. You are responsible for ensuring that your materials are factually accurate and current, and all materials and activities conform to the highest standards of ethical marketing and applicable laws and regulations.

Although we do not currently do so, we also reserve the right to require regional marketing cooperatives to be formed, changed, dissolved or merged.

COMPUTER HARDWARE AND SOFTWARE SYSTEMS

You are required to use a desktop computer system and a tablet computer including non-proprietary hardware and software and related accessory equipment. The hardware and software currently consists of the following:

Hardware:
Dell Inspiron 3000 Desktop Computer
-I5 Intel Core Processor
8 GB RAM
Wireless Card / Bluetooth
DVD
Memory Card Reader
HDMI/USB Ports
Tablet Computer
Software

Windows 8.1 Pre-loaded
Adobe Acrobat Pro
MS Office H&B 2013
Quickbooks Pro Desktop 2015
Transworld CRM Software

You will need to acquire all of the computer hardware and software listed above except for the Tablet Computer, QuickBooks and the Transworld CRM software which are included in the Software and Supplies Package. The estimated cost of acquiring the required hardware and software is \$1,500. The computer hardware and software will be used to communicate with us, your clients and prospective clients, vendors, store data regarding clients and maintain the accounting records for your Agency. In addition to the computer and hardware software listed above, you will need: multiple phone lines with broad band for the Internet and a cell phone. We will have unlimited independent access to all of the information that is stored in the data bases maintained on your computers through servers or the Transworld CRM software. This information will include listings of and information regarding businesses for sale, potential buyers and sellers of businesses and pending transactions. If you subscribe to a third party business listings website, we require you to provide us with independent access to your account.

You may have to upgrade your computer system and software from time to time, the cost of which cannot be determined at this time. You cannot be required to upgrade the computer system and hardware more frequently than once every three years; however, there is no limitation on the cost of any required upgrade. Starting with the fourth month of operation of your business, you are required to pay a monthly ~~Technology License Agent~~ Fee of \$150. This fee is for Internet website, email account and Transworld CRM software hosting and maintenance. The fee for each additional ~~user license agent~~ is \$75 per month. These fees are subject to increase. You are responsible for all maintenance, repairs or upgrades to your computer system and hardware. There is no other requirement to pay for any support contracts.

We require that during the term of the Franchise Agreement you use and maintain the Internet web page, domain name and email address(es) supplied by us as part of the Software and Supplies Package described in Schedule A to the Franchise Agreement. (Section 6.T of the Franchise Agreement) Your agents and employees are also required to use email addresses we supply.

We retain the right to control the content of this web page. You, your agents and employees are not permitted~~cannot~~ to use any other web page, email address or domain name in connection with the operation of your Transworld Agency, only those we supply or designate for your use without our consent. If you obtain or use another website, email address or domain name without our consent, the unapproved domain name, email address or website must be immediately transferred and assigned to us. During the term of the franchise, we may change or reassign the domain name we designate for your use. (Section 6.V of the Franchise Agreement)

TRAINING PROGRAM

Prior to opening your Transworld Agency, you must attend and complete to our satisfaction our extensive initial training program held at our corporate headquarters in West Palm Beach, Florida and at TBB's Transworld Agency in Fort Lauderdale, Florida. Your training fees are covered in your initial franchise fee. We will provide your transportation to and from West Palm Beach, your hotel accommodations and one daily meal. You may bring additional persons to the initial

training at a cost to you of \$295 or the then current fee per person and you will be responsible for their travel, hotel and meal expenses.

It is expected that our training program will be offered 12 times during 2015~~6~~. The instructional materials for the classes will be part of the Operating Manual. Although it is not required, you may attend a refresher-training program or send your representatives to be trained at any time in the future. All you have to do is pay your travel, lodging, meals and a training fee of \$295 (or the then current training fee) per person. For a complete list of your rights and obligations under your Franchise Agreement in regard to training, please consult the Franchise Agreement Sections 7 and 8.

Andrew Cagnetta, our Chief Executive Officer, teaches classes on the operation of a business brokerage and business sales. Glenn Haddad, our Director of Training, will also teach classes. He has been a business broker, an owner of several brokerage businesses, and an industry trainer since 1986. Some hours of on the job training take place in your Designated Marketing Area. This training -will be taught by our corporate office personnel.

Below is a complete list of the subject matter, number of classroom hours, and number of on the job training hours for each of the subjects taught in our training program.

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
Business Planning and Goal Setting	2	0	West Palm Beach, FL & Fort Lauderdale, FL
Operations/ Administration/ Personnel	5	2	West Palm Beach, FL & Designated Marketing Area
Marketing	4	0	West Palm Beach, FL
Management Software	2	0	West Palm Beach, FL
Business Valuation	3.75	2	West Palm Beach, FL
Listings	4	20	West Palm Beach, FL & Designated Marketing Area
Advertising/ Networking	2	2	West Palm Beach, FL & Designated Marketing Area
Due Diligence and Showing the Business	3	0	West Palm Beach, FL & Fort Lauderdale, FL
Working with Buyers	4	4	West Pam Beach, FL & Fort Lauderdale, FL

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
Negotiation and Closing	4	0	West Palm Beach, FL & Fort Lauderdale, FL
Franchise Referrals/ Consulting/ Development	8	2	West Palm Beach, FL
Quickbooks and Financial Management	2	1	West Palm Beach, FL
Time Management	1	0	West Palm Beach, FL
Legal/Compliance/ Ethics	1	0	West Palm Beach, FL
Introduction to Mergers & Acquisitions	1.5	0	West Palm Beach, FL & Fort Lauderdale, FL
Total Hours	47.5	33	

Classroom training is conducted in West Palm Beach and Fort Lauderdale, Florida. The on-the-job training is primarily conducted with you in your Designated Marketing Area following completion of the classroom training.

We also conduct a five day training program in West Palm Beach, Florida for your salespersons. All new salespersons that you hire must attend. The fee to attend is \$295 or the then current fee per person and you will be responsible for their travel, hotel and meal expenses. Prior to attending salesperson's training, you may purchase our online training course for salespersons. The online training course fee is \$295 or the then current fee per person. If you pay the online training course fee for a salesperson, you do not pay a training fee for that salesperson to attend at our five day training program in West Palm Beach.

Our initial and continuing training programs disclosed above are provided so that you and your representatives receive the benefit of our accumulated experience and knowledge relating to the Transworld business and to ensure a uniform image and uniform quality of services in all Transworld Agencies. You are solely responsible for training your representatives and salespersons. We are not an employer, co-employer or joint employer with you of your employees. You are solely responsible for all employment matters, decisions and relationships.

OPERATING MANUAL

A copy of the table of contents of our Operating Manual is attached to this Disclosure Document as Exhibit C. The manual contains a total of 508 pages.

SITE SELECTION

We do not assist in the selection of nor approve the office location for your Transworld business; however, the site must be within your Designated Marketing Area.

You are required to select your location and execute the lease for the location prior to execution of the Franchise Agreement and attending our franchisee training school. The typical franchisee goes straight from training to their location. The typical franchisee has approximately a two week period to prepare for their opening after training. The total time from the signing of the Franchise Agreement to the opening of your location is typically two to four weeks. This time can be longer if you will be required to complete licensing requirements in the state where your business will be located.

ITEM 12

TERRITORY

You are granted the right to operate a Transworld Agency within a Designated Marketing Area. Your Agency must be located in your Designated Marketing Area which will be a geographic area defined and named by us ~~and will be the greater of: (1) a three mile radius from your Agency location or (2) an area surrounding your Agency location~~ which contains 10,000 or more businesses. While you are not restricted from accepting clients from outside your Designated Marketing Area, you must restrict your marketing activities and the activities of your agents to individuals and businesses located within your Designated Marketing Area and shall not actively market areas outside of your Designated Marketing Area using the Internet, telemarketing or other forms of direct marketing and cannot indicate in any media, print or electronic, that you have a location or provide services in any area outside of your Designated Marketing Area. You are permitted to actively market your business listings to potential buyers outside of your Designated Marketing Area. Your Designated Marketing Area is exclusive and we will not locate company-owned agencies and/or grant additional franchisees the right to locate a business brokerage within your Designated Marketing Area. The continuation of your exclusive area is ~~not specifically dependent upon your closing or completing one sales transaction during each 12 months of operation of your agency, after the first 12 months of operation~~ the penetration of the potential market or any sales performance target. If you fail to complete the minimum required sales, you may lose your Designated Marketing Area. If you meet the minimum, then ~~your~~ your Designated Marketing Area can only be altered or modified with your written consent.

We have the right and, through the Transworld Business Advisors Advertising Fund, may promote the services offered by Transworld Agencies in your Designated Marketing Area using the Trademarks through the Internet, telemarketing and direct marketing. Any potential clients received through such promotional efforts will be forwarded to the franchisee located in the Designated Marketing Area in which the potential client resides or operates a business. No compensation will be paid to franchisees as the franchisor will not realize revenues from these promotional activities and the referrals resulting from this marketing will be passed to the affected franchisee.

You have no options, right of first refusal or similar rights to acquire an additional franchise within any particular territory, although you may ask us at any time to purchase additional franchises. You will be granted an additional franchise based on the following:

1. Whether or not you are currently in default or have been in default of any part of your Franchise Agreement;

2. Your financial history and the financial stability of your existing business; and your experience managing your existing business.

You can move the location of your business within your Designated Marketing Area with our written consent which shall not be unreasonably withheld. The relocation of your business will not change your Designated Marketing Area.

ITEM 13

TRADEMARKS

The Franchise Agreement licenses you to use our proprietary trademarks, service marks, trade names, trade dress and commercial symbols (collectively, the “Marks”). You may not use any of the Marks as part of your corporate or business entity name. We also claim common law trademark rights for all the Marks you will use in the operation of your Transworld agency.

The Mark listed below is owned by our affiliate, TBB. TBB has granted us a license to use this Mark in connection with franchising and to sublicense the use of this Mark to our franchisees to use in their Transworld business.

Trademark, Service Mark or Design	U.S. Reg. No. or Application No.	Principal/ Supplemental Register	Date of Registration or Application	Comment
Transworld	39337272	Principal	March 29, 2011	

The license granted to us by TBB is perpetual and can only be terminated if we misuse the Mark or willfully allow our franchisees to misuse the Mark. Other than the license agreement with TBB, there are no agreements that limit our right to use or license the use of the Mark

We will notify you in writing (through the Operating Manual or otherwise) which Marks you are licensed to use. Your use of the Marks and any related goodwill is to our exclusive benefit and you retain no rights in the Marks. You retain no rights in the Marks upon termination of the Franchise Agreement. You are not permitted to make any changes or substitutions of any kind in or to the use of the Marks unless we direct in writing. Domain and email addresses that include one or more of the Marks must be approved in advance by us and, if approved, we will own the addresses and authorize you to use them in the operation of your Agency.

There are no currently effective determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving the principal Marks. There are no superior prior rights in the Marks or infringing uses actually known to us that could materially affect your use of the Marks.

We are not required to protect you against infringement or unfair competition claims arising out of your use of the Marks, or to participate in your defense and/or indemnify you. We reserve the right to control any trademark litigation and will be the sole judge as to whether suit will be brought or settled in any instance when any person or entity infringes the Marks. You must notify us promptly of any infringement or unauthorized use of the Marks that you become aware of and to cooperate with any action that we undertake. If any party claims that its rights to use

any of the Marks are superior and if we determine that the claim is valid, you must, at your expense, immediately make the changes and use the substitutions to the Marks as we require.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights in or to any patents that are material to the franchised business, nor do we have patent applications pending which are material to the franchised business. We do not grant you the right to use any item covered by a patent, but we do communicate to you, and permit you to use without any additional charge many trade secrets and other confidential information that are included in our Operating Manual. Although we have not filed an application for copyright registration for these materials, they are proprietary and we do claim a copyright to them and other similar materials you will use in your business and deem them to be material to the franchised business. You can only use this information in conjunction with your Transworld Agency. We do not permit any other use. You must comply with all changes to the Operating Manual. You must notify us immediately if you learn about any unauthorized use of our trade secrets or other confidential information. We will determine the appropriate response as to any unauthorized use of the trade secrets or other confidential information.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you are an individual, you must directly supervise and manage your Transworld Agency. If you are a corporation, partnership or other business entity, a principal, general partner or your fully trained manager must devote full-time and best efforts to the management and operation of the Transworld Agency. The Transworld Agency must at all times be under the direct supervision of someone who has completed our training program. You must also maintain a competent, conscientious, neat and trained staff.

We do not place any limits on who you may hire as a manager or sales agents, although they must satisfactorily complete our training program. Neither your manager nor your sales agents are required to have an equity interest in your business. Your manager and sales agents must sign a confidentiality agreement maintaining confidentiality of our trade secrets and other proprietary information described in Item 14 and abide by the non-compete covenants described in Item 17, which are valid for two years after the termination of their employment. You are required to send sales agents for training under the terms of your Franchise Agreement and as outlined in Item 11 of this Disclosure Document.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to offer and sell only services and goods that we have approved but there is no obligation to provide all of the services and goods authorized by the Franchisor. There are no limits on our right to make modifications to the approved services and goods from time to time in the Operating Manual or otherwise in writing.

You are not limited in the persons to whom you may sell services and goods in your Designated Marketing Area. We encourage you to respect the clientele of other Transworld franchisees and

you must direct your marketing activities to individuals and businesses located in your Designated Marketing Area.

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ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the Franchise Agreement and related Agreements. You should read these provisions and the Agreements attached to this Disclosure Document.

THE FRANCHISE RELATIONSHIP

	Provision	Section in franchise or other agreement	Summary
a.	Length of franchise term	Section 2.A of Franchise Agreement	35 Years
b.	Renewal or extension of the term	Section 2.B of Franchise Agreement	35 Years
c.	Requirements for franchisee to Renew or Extend	Sections 2.C, 2.D and 2.E of Franchise Agreement	<u>Provide notice of intent to renew, be in compliance with the Franchise Agreement, Sign new agreement which may contain materially different terms and conditions, pay \$1,500 renewal fee, and sign releases.</u>
d.	Termination by franchisee	None	None
e.	Termination by franchisor without cause	None	None
f.	Termination by franchisor with cause	Section 16 of Franchise Agreement	We can terminate only if you default.
g.	“Cause” defined- curable defaults	Section 16 of Franchise Agreement	All defaults not specified in Section 16.A of the Franchise Agreement.

	Provision	Section in franchise or other agreement	Summary
h.	"Cause" defined- non-curable defaults	Section 16 of Franchise Agreement	Non-curable defaults: failure to commence business within 180 days from date of Franchise Agreement, failure to keep open, falsification of franchise application, insolvency and bankruptcy, commencement of dissolution proceedings, unsatisfied or unbonded judgment, falsification of books, records or reports, 2 or more prior defaults in 12 consecutive months, unauthorized assignment, <u>hiring an employee or former employee of the franchisor without consent</u> and communication of proprietary information to competitor.
i.	Franchisee's obligations on termination/non-renewal	Section 17 of Franchise Agreement	Obligations include payment of all amounts due; return Operating Manual and business sale forms provided by us; discontinue use of and turn over all items identifying our marks or name, <u>a customer list, all listing and marketing agreements, address card files, business cards and copies of all past invoices</u> ; transfer or assign all telephone numbers, including any cell phone numbers, domain names, email addresses not previously assigned to us; <u>assign all listing and marketing agreements with customers to us</u> ; assign your interest in your lease if your A agency is not located in your residence; cease to operate the A agency and refrain from competitive activities for 2 years in your Designated Marketing Area or in another agency's designated marketing area; and refrain from soliciting business for 8 months from your A agency's customers.
j.	Assignment of contract by franchisor	Section 15.I of Franchise Agreement	No restriction on our right to assign.
k.	"Transfer" by franchisee – defined	Section 15.G of Franchise Agreement	Includes transfer of beneficial interest in <u>franchisee (if a business entity) or the Franchise Agreement or a sale of the business.</u>

	Provision	Section in franchise or other agreement	Summary
l.	Franchisor approval of transfer by franchisee	Section 15.A of Franchise Agreement	We retain the right to approve all transfers but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Section 15.C of Franchise Agreement	Prior to consent, not in default of the Franchise Agreement, -written bona fide arms-length offer, qualified transferee signs new Franchise a Agreement, transferee pays the then current transfer/training fee(s) and completes training, full compliance and all payments current to us, vendors and suppliers, execution of M mutual R leases.
n.	Franchisor's -right of first refusal to acquire franchisee's business	Sections 15.E and 15.F of Franchise Agreement	We can match any offer.
o.	Franchisor's option to purchase franchisee's business	Section 15.F 17.G of Franchise Agreement	Upon expiration or termination, we can buy certain assets at a price equal to your cost or fair market value, whichever is less.
p.	Death or disability of franchisee	Section 15.H of Franchise Agreement	The Franchise Agreement is transferable without additional fee or penalty, subject to Company approval, which shall not be unreasonably withheld.
q.	Non-competition covenants during the term of the franchise	Section 6. RP of Franchise Agreement	No involvement in any other competitive business, except with prior written consent of Company. Cannot sell franchises for any other franchisor.
r.	Non-competition covenants after the franchise is terminated or expires	Section 17.F of Franchise Agreement	No competing business for 2 years within your Designated Marketing Area or the area of any other Transworld Agency. Cannot for 2 years in the United States sell franchises for business brokerages or lead referral services.
s.	Modification of the Agreement	Section 18 of Franchise Agreement	No modifications generally but Operating Manual subject to change.

	Provision	Section in franchise or other agreement	Summary
t.	Integration/merger clause	Section 18 and 26.H of Franchise Agreement	Only terms of the franchise agreement are binding (subject to <u>applicable</u> state law). Any other promises may not be enforceable. Nothing in Section 18 and 26.H. is intended to disclaim the representations made in this Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Section 25 of Franchise Agreement	Either party may request mediation in your home state initially. If mediation is unsuccessful, then disputes must be resolved by arbitration in Palm Beach County, Florida.
v.	Choice of forum	Section 26.D of Franchise Agreement	Your home state for mediation or Palm Beach County, Florida for arbitration <u>and Palm Beach County, Florida or the Southern District of Florida for litigation (subject to applicable state law).</u>
w.	Choice of law	Section 26.E of Franchise Agreement	Florida L aw <u>(subject to applicable state law).</u>

ITEM 18

PUBLIC FIGURES

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

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual financial performance of its franchises and/or franchisor-owned units, 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 provide in this Item 19, for example, by providing information about possible performance at a particular location of 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 Jill K. Klein, General Counsel, 2121 Vista Parkway, West Palm Beach, FL 33411, telephone: 561-640-5570, the Federal Trade Commission, and the appropriate State Agencies.

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ITEM 20

OUTLETS AND FRANCHISEE INFORMATION TRANSWORLD FRANCHISES

Table 1
System-Wide Outlet Summary
For Years ~~2013~~ to ~~2015~~

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2013 2012	8646	130 86	+44 +40
	2014 2013	130 86	157 130	+27 +44
	2015 2014	157 130	171 157	+14 +27
Company- Owned	2013 2	0	0	0
	2014 3	0	0	0
	2015 4	0	0	0
Total Outlets	2013 2012	8646	130 86	+44 + 40
	2014 2013	130 86	157 130	+27 +44
	2015 2014	157 130	171 157	+14 +27

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Table 2
Transfers of Outlets From Franchisees to New Owners (Other Than the
Franchisor)
For Years 2013~~2~~ to 2015~~4~~

State	Year	Number of Transfers
Arkansas	2013 2012	<u>10</u>
	2014 2013	<u>01</u>
	2015 2014	<u>00</u>
<u>Colorado</u>	2013	<u>0</u>
	2014	<u>0</u>
	2015	<u>1</u>
Georgia	2013 2012	<u>00</u>
	2014 2013	<u>10</u>
	2015 2014	<u>01</u>
New Jersey	2013 2012	<u>01</u>
	2014 2013	<u>00</u>
	2015 2014	<u>00</u>
New York	2013 2012	<u>03</u>
	2014 2013	<u>20</u>
	2015 2014	<u>02</u>
Tennessee	2013 2012	<u>02</u>
	2014 2013	<u>00</u>
	2015 2014	<u>00</u>
Texas	2013 2012	<u>00</u>
	2014 2013	<u>10</u>
	2015 2014	<u>01</u>
U.S.A.	2013 2012	<u>06</u>
	2014 2013	<u>40</u>
	2015 2014	<u>04</u>
Total Transfers	2013 2012	<u>16</u>
	2014 2013	<u>41</u>
	2015 2014	<u>14</u>

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Table 3

**Status of Franchised Outlets
For Years 2012 to 2014**

State		Year	Outlets at Start of Year	Outlets Opened	Termina -tions	Non- Renewals	Reacquired by Franchisor	Ceased Operations -Other Reasons	Outlets at End of the Year
	Alabama	2013 2012	<u>70</u>	<u>06</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>77</u>
		2014 2013	<u>77</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>77</u>
		2015 2014	<u>77</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>77</u>
	Arizona	2013 2012	<u>14</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>14</u>
		2014 2013	<u>14</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>14</u>
		2015 2014	<u>41</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>14</u>
	Arkansas	2013 2012	<u>10</u>	<u>24</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>34</u>
		2014 2013	<u>34</u>	<u>02</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>33</u>
		2015 2014	<u>33</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>33</u>
	California	2013 2012	<u>64</u>	<u>32</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>96</u>
		2014 2013	<u>96</u>	<u>33</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>119</u>
		2015 2014	<u>911</u>	<u>13</u>	<u>04</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>1244</u>
	Colorado	2013 2012	<u>33</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>43</u>
		2014 2013	<u>43</u>	<u>14</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>54</u>
		2015 2014	<u>45</u>	<u>04</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>20</u>	<u>35</u>
	Connecticut	2013 2012	<u>14</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>14</u>
		2014 2013	<u>14</u>	<u>30</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>44</u>
		2015 2014	<u>44</u>	<u>13</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>54</u>
	Florida	2013 2012	<u>14</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>14</u>
		2014 2013	<u>14</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>	<u>04</u>
		2015 2014	<u>40</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>04</u>	<u>00</u>
	Georgia	2013 2012	<u>43</u>	<u>04</u>	<u>20</u>	<u>00</u>	<u>00</u>	<u>10</u>	<u>14</u>
		2014 2013	<u>14</u>	<u>10</u>	<u>02</u>	<u>00</u>	<u>00</u>	<u>04</u>	<u>21</u>
		2015 2014	<u>42</u>	<u>04</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>22</u>
	Illinois	2013 2012	<u>42</u>	<u>22</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>64</u>
		2014 2013	<u>64</u>	<u>02</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>66</u>
		2015 2014	<u>66</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>20</u>	<u>46</u>
	Indiana	2013 2012	<u>10</u>	<u>04</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>14</u>
		2014 2013	<u>14</u>	<u>110</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>124</u>
		2015 2014	<u>412</u>	<u>044</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>1242</u>
	Iowa	2013 2012	<u>10</u>	<u>04</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>14</u>
		2014 2013	<u>14</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>14</u>
		2015 2014	<u>41</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>14</u>

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
Kansas		2013 2012	<u>21</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>22</u>
		2014 2013	<u>22</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>	<u>12</u>
		2015 2014	<u>21</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>	<u>11</u>
Kentucky		2013 2012	<u>11</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>21</u>
		2014 2013	<u>21</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>22</u>
		2015 2014	<u>22</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>32</u>
Louisiana		2013 2012	<u>10</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
		2014 2013	<u>11</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
		2015 2014	<u>11</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>	<u>01</u>
Maryland		2013 2012	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
		2014 2013	<u>00</u>	<u>20</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>20</u>
		2015 2014	<u>02</u>	<u>02</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>22</u>
Massachusetts		2013 2012	<u>10</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
		2014 2013	<u>11</u>	<u>00</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>
		2015 2014	<u>10</u>	<u>20</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>20</u>
Michigan		2013 2012	<u>00</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>
		2014 2013	<u>10</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
		2015 2014	<u>11</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
Minnesota		2013	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
		2014	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
		2015	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Missouri		2013 2012	<u>00</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>
		2014 2013	<u>10</u>	<u>11</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
		2015 2014	<u>11</u>	<u>21</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>31</u>
Nebraska		2013 2012	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
		2014 2013	<u>00</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>
		2015 2014	<u>01</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
Nevada		2013 2012	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
		2014 2013	<u>00</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>
		2015 2014	<u>01</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
New Jersey		2013 2012	<u>32</u>	<u>12</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>	<u>43</u>
		2014 2013	<u>43</u>	<u>31</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>74</u>
		2015 2014	<u>47</u>	<u>13</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>87</u>
New York		2013 2012	<u>196</u>	<u>214</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>	<u>2119</u>
		2014 2013	<u>2119</u>	<u>12</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>	<u>2121</u>
		2015 2014	<u>2121</u>	<u>21</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>	<u>2321</u>
N. Carolina		2013 2012	<u>33</u>	<u>20</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>53</u>
		2014 2013	<u>53</u>	<u>12</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>55</u>
		2015 2014	<u>55</u>	<u>11</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>65</u>
North Dakota		2013 2012	<u>00</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>
		2014 2013	<u>10</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
		2015 2014	<u>11</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
Ohio		2013 2012	<u>12</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>	<u>11</u>
		2014 2013	<u>11</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>

		<u>2015</u> 2014	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
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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
Oklahoma	2013 2012	<u>20</u>	<u>02</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>22</u>
	2014 2013	<u>22</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>22</u>
	2015 2014	<u>22</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>22</u>
Pennsylvania	2013 2012	<u>40</u>	<u>04</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>44</u>
	2014 2013	<u>44</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>44</u>
	2015 2014	<u>44</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>44</u>
S. Carolina	2013 2012	<u>22</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>	<u>22</u>
	2014 2013	<u>22</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>32</u>
	2015 2014	<u>23</u>	<u>11</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>33</u>
Tennessee	2013 2012	<u>127</u>	<u>15</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>	<u>1212</u>
	2014 2013	<u>1212</u>	<u>01</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>11</u>	<u>1012</u>
	2015 2014	<u>1210</u>	<u>00</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>01</u>	<u>1010</u>
Texas	2013 2012	<u>12</u>	<u>240</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>	<u>241</u>
	2014 2013	<u>241</u>	<u>424</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>	<u>2824</u>
	2015 2014	<u>2428</u>	<u>24</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>3028</u>
Utah	2013 2012	<u>44</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>44</u>
	2014 2013	<u>44</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>44</u>
	2015 2014	<u>44</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>44</u>
Virginia	2013 2012	<u>00</u>	<u>20</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>20</u>
	2014 2013	<u>20</u>	<u>22</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>42</u>
	2015 2014	<u>24</u>	<u>42</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>84</u>
Wisconsin	2013 2012	<u>00</u>	<u>50</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>50</u>
	2014 2013	<u>50</u>	<u>05</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>55</u>
	2015 2014	<u>55</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>65</u>
TOTAL	2013 2012	<u>8646</u>	<u>4945</u>	<u>20</u>	<u>00</u>	<u>00</u>	<u>35</u>	<u>13086</u>
	2014 2013	<u>13086</u>	<u>3649</u>	<u>52</u>	<u>00</u>	<u>00</u>	<u>43</u>	<u>157130</u>
	2015 2014	<u>130157</u>	<u>2136</u>	<u>15</u>	<u>00</u>	<u>00</u>	<u>64</u>	<u>171157</u>

Table No. 4
Status of Company-Owned Outlets
For Years 20132 - 20154

Col.1 State	Col.2 Year	Col.3 Outlets at Start of Year	Col.4 Outlets Opened	Col.5 Outlets Reacquired From Franchisees	Col.6 Outlets Closed	Col.7 Outlets Sold to Franchisees	Col.8 Outlets at End of the Year
Total USA	20132	0	0	0	0	0	0
	20143	0	0	0	0	0	0
	20154	0	0	0	0	0	0
TOTAL	20132	0	0	0	0	0	0
	20143	0	0	0	0	0	0
	20154	0	0	0	0	0	0

Table No. 5

PROJECTED OPENINGS AS OF DECEMBER 31, 2015⁴

State	Franchise Agreements Signed But Outlet 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-
Alaska	-0-	1	-0-
Arizona	-0-	2	-0-
Arkansas	-0-	1	-0-
California	-20-	4	-0-
Colorado	-0-	1	-0-
Connecticut	-0-	1	-0-
Delaware	-0-	1	-0-
DC	-0-	1	-0-
Florida	-0-	2	-0-
Georgia	-0-	2	-0-
Hawaii	-0-	1	-0-
Idaho	-0-	1	-0-
Illinois	-0-	3	-0-
Indiana	-0-	1	-0-
Iowa	-0-	1	-0-
Kansas	-0-	1	-0-
Kentucky	-0-	2	-0-
Louisiana	-0-	1	-0-
Maryland	-0-	1	-0-
Massachusetts	-0-	2	-0-
Michigan	-0-	2	-0-
Minnesota	-0-	2	-0-
Mississippi	-0-	1	-0-
Missouri	-0-	2	-0-
Montana	-0-	1	-0-
Nebraska	-0-	1	-0-
Nevada	-0-	1	-0-
N. Hampshire	-0-	1	-0-
New Jersey	-0-	2	-0-
New Mexico	-0-	1	-0-
New York	-0-	2	-0-
N. Carolina	-0-	2	-0-
N. Dakota	-0-	1	-0-
Ohio	-0-	2	-0-
Oklahoma	-0-	1	-0-
Oregon	-0-	1	-0-
Pennsylvania	-0-	1	-0-
Rhode Island	-0-	1	-0-
S. Carolina	-0-	1	-0-

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company Owned Outlets In the Next Fiscal Year
S. Dakota	-0-	1	-0-
Tennessee	-0-	1	-0-
Texas	-0-	2	-0-
Utah	-0-	1	-0-
Vermont	-0-	1	-0-
Virginia	-0-	2	-0-
Washington	-0-	1	-0-
W. Virginia	-0-	1	-0-
Wisconsin	-0-	1	-0-
Wyoming	-0-	1	-0-
Total	-20-	-69-	-0-

The names, addresses and telephone numbers of our franchisees and their agencies are listed in Exhibit DF.

The name and last known address and telephone number of every Franchisee who has had an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the fiscal year ending December 31, 20154 or who has not communicated with us within the 10 weeks preceding the issuance date of this Disclosure Document are listed and attached as Exhibit G. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you. During the three year period ended December 31, 20154, one former franchisee signed such a confidentiality clause~~we did not enter into confidentiality agreements with franchisees which would restrict their ability to communicate with you.~~

As described in Item 11 of this Disclosure Document, there is an organization incorporated under the name Transworld Business Advisors Advertising Fund, Inc. which is a not for profit corporation and whose members are Transworld Franchisees. This corporation was organized with our assistance and is endorsed by us. This corporation can be contacted through our corporate office at 2121 Vista Parkway, West Palm Beach, FL 33411, (561) 640-5570.

ITEM 21

FINANCIAL STATEMENTS

Our audited financial statements prepared in accordance with generally accepted accounting principles for the periods ended December 31, 20132, December 31, 20143 and December 31, 20154 are attached to this Disclosure Document as Exhibit B.

ITEM 22

CONTRACTS

The following contracts are included in this Disclosure Document as follows:

1. Exhibit A - Franchise Agreement
2. Exhibit E - General Release Agreement
3. Exhibit H - Deposit Receipt
4. Exhibit K - Disclosure Document Receipt

As a prospective franchisee, you should obtain independent legal and financial advice before making any commitment.

ITEM 23

RECEIPT OF DISCLOSURE DOCUMENT

COPIES OF AN ACKNOWLEDGMENT OF YOUR RECEIPT OF THIS DISCLOSURE DOCUMENT APPEAR AS EXHIBIT K. PLEASE SIGN AND DATE TWO COPIES AND RETURN ONE EXECUTED RECEIPT TO US. YOU MAY RETAIN THE SECOND EXECUTED RECEIPT FOR YOUR RECORDS.

EXHIBIT A

**FRANCHISE AGREEMENT
with Applicable Addenda**

DATED _____, 201~~6~~5

Transworld Business Advisors, LLC

And

FRANCHISE AGREEMENT

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FRANCHISE AGREEMENT

Between:

Transworld Business Advisors, LLC, a Florida limited liability company whose principal office is at 2121 Vista Parkway, West Palm Beach, Florida 33411, (hereinafter referred to as “Franchisor”) and _____ whose home address is _____, Franchisee (hereinafter referred to as “You” or “Your”).

INTRODUCTION

- A. Franchisor has expended time, effort, and money developing knowledge about the franchise development business, franchise lead generation and franchise consulting for prospective new franchisors and the business brokerage industry and the listing, promotion, and purchase and sale of businesses (the “Services”).
- B. Franchisor holds an exclusive license to use and license others to use the **Transworld** Trademarks and will be the owner and/or exclusive licensee of other Trademarks developed during the term of this Agreement which have or will become associated with the Services (“the Trademarks”), and Franchisor has agreed to You using the Trademarks and the system upon the terms and conditions hereinafter appearing.
- C. The methods and know-how of selling and providing the Services under the Trademarks (“the **System**”) are confidential and are the exclusive property of Franchisor.
- D. The Trademarks are associated with uniformly high standards of service and quality of services.
- E. Franchisor may from time to time grant franchises in the United States and its territories and protectorates permitting the operation of the business under the Trademarks to sell the Services (the “Network”).
- F. You desire the benefits of Franchisor’s knowledge, skill, and experience and the right to sell and provide the Services under the Trademarks hereinafter described (an “Agency”).

NOW IT IS AGREED as follows:

One: RIGHTS GRANTED

- A. Subject to and in accordance with the terms hereof, Franchisor grants to You the non-exclusive right to use in the Business (as defined below):
 - i. the **System**;
 - ii. the Trademarks and the symbols owned by Franchisor together with Franchisor’s accumulated experience and knowledge relating to the **Transworld** businesses; and

- iii. the Services.
- B. In this Agreement the expression “the Business” shall mean the business carried on by You in exercise of the above rights and pursuant to this Agreement.
- C. The Business shall only be conducted by You from a location within _____ (“the Designated Marketing Area”). In addition, as long as: (i) after the first 12 months of operations you close or complete a minimum of 1 sales transaction in each successive 12 month period during the Term of this Agreement; and (ii) You are not in default under this Agreement, Franchisor shall not establish and operate for its own account (or through an affiliate) or franchise others to operate an agency from any physical premises located in the Designated Marketing Area. The Designated Marketing Area granted under this Agreement does not in any way grant or imply any other area, market, development, or territorial rights to You, except as expressly provided above in this Section. You and other **Transworld** franchisees may represent buyers and sellers of businesses and persons looking to acquire a franchise who are located outside of their area; however, You cannot actively market to businesses located outside Your Designated Marketing Area. See Section Six K herein.
- D. The rights and privileges granted to You under this Agreement are personal in nature. Without Franchisor’s prior written consent, You will not relocate the Agency outside the Designated Marketing Area and You will not open any other **Transworld** agencies in the Designated Marketing Area. You will not have the right to subfranchise or sublicense any of Your rights under this Agreement.
- E. In this Agreement the word “Goodwill” includes
- i. the goodwill and all rights associated with Franchisor’s copyright material, the **System**, the Trademarks and any other intellectual property rights of Franchisor, and
- ii. any additional goodwill generated from their use in the Business.
- F. The Goodwill shall, at all times, belong to and be vested in Franchisor and You only have the right to benefit from the Goodwill to the extent provided by this Agreement.
- G. For purposes of this Agreement, Your Business shall be deemed to be open and have commenced operating on the first day of the month following the month in which You complete the initial training provided under Section Seven A. of this Agreement

Two: TERM

- A. **Initial Term.** This Agreement shall be for a term of 35 years from the date of this Agreement (the “Term”), unless sooner terminated as hereinafter provided.
- B. **Additional Term.** You shall have the right to require Franchisor to enter into a new agreement (the “New Agreement”) to take effect immediately following the end of the initial Term subject to the conditions and terms which follow.

- C. Subject to the following condition precedent, You shall exercise Your right by giving written notice to Franchisor so that it is received 9 months before the Term ends. The condition precedent is that You shall not have any outstanding breach of the terms of this Agreement at the time of Your notice and at the time the New Agreement becomes effective.
- D. The terms of the New Agreement shall be that You and Franchisor shall enter into the New Agreement for a period at least equal to the Term and upon the terms contained in Franchisor's then current form of franchise agreement provided however:
- i. You shall not pay any sum expressed to be by way of initial fee but shall pay a renewal fee in the sum of \$1,500.00 to cover the costs of closing and processing paperwork upon renewal, and
 - ii. Franchisor shall not be obliged to provide any of the initial or other obligations contained in such agreement that are appropriate to the establishment of a new franchise.
- E. You shall, upon the execution of the New Agreement, be deemed to have released and discharged Franchisor from and against all claims and demands not at issue in mediation, arbitration and/or litigation proceedings at the time of renewal, whether or not contingent, which You may have against Franchisor arising from this Agreement or in any way out of the relationship between Franchisor and You.

Three: THE PREMISES

The location of the office from which You conduct Your Business will be determined by You in Your sole discretion provided that the premises must be within the Designated Marketing Area. You may relocate Your business to another premises within the Designated Marketing Area with the written consent of the Franchisor which consent shall not be unreasonably withheld provided that such relocation shall not change Your Designated Marketing Area.

Four: FRANCHISOR'S INITIAL OBLIGATIONS

To assist You in opening for business, Franchisor will (in addition to the training to be provided at Franchisor's headquarters pursuant to the provisions that follow in Section Seven below) provide for or make available to You the following services and/or goods:

- A. advice in regard to establishing the Agency including assistance with establishing a marketing program;
- B. provide within 180 days from the date of this Agreement for a period of 3 days a corporate representative to provide on-site training and advice. Franchisor shall pay the travel and other costs of its representative for the purpose of an initial on-site training;
- C. sell to You the Software and Supplies Package listed in Schedule A to this Agreement;
- D. provide a list of required computer and office equipment, computer software and office supplies in addition to those provided in Schedule A needed to operate Your Agency which You must acquire and install prior to opening Your Agency;

- E. recommend to You a suggested bookkeeping system;
- F. provide You, on loan, with an Operating Manual, which includes statements of policies and procedures, together with instruction and advice in the operation of Your Agency; and
- G. provide You with other relevant manuals and other written material which, in its discretion, Franchisor deems necessary provided that any agreement or disclosure forms supplied to You will be based on the requirements of Florida law and should be reviewed by local counsel in Your state.

Franchisor may delegate the performance of any or all of its obligations hereunder to such third parties as it deems advisable.

Five: FRANCHISOR'S CONTINUING OBLIGATIONS

Franchisor shall at all times during the term of this Agreement:

- A. provide You with details of any alterations and/or improvements in or to the **System** to enable You to keep the Operating Manual up to date. In the event of any dispute, the authentic text of the Operating Manual shall be the copy kept as such by Franchisor at its principal Corporate Office. The Operating Manual shall at all times remain the property of Franchisor. You acknowledge that the copyright in the Operating Manual is vested in Franchisor;
- B. continuously solicit and enter into lead referral agreements with franchisors who have entered into lead referral agreements with the Franchisor at such referral rates and other fees as Franchisor shall determine in its sole discretion; Any referral fees to be paid to You under this Section Five B may be remitted in whole or part to Franchisor to satisfy any amounts You owe the Franchisor; Further, You acknowledge that in the event an affiliate of the Franchisor owes You any monies, such payment to You by the affiliate shall be less any royalties or other monies you owe to the Franchisor.
- C. provide Franchisee with information regarding the franchisors which have signed lead referral agreements with the Franchisor that can be displayed or viewed at Your office and distributed to prospects;
- D. conduct periodic conventions of franchisees to which Franchisor will invite vendors, suppliers and outside contractors and conduct seminars on topics relating to the operation and promotion of Your Agency;
- E. provide You from time to time with copies of Franchisor's corporate newsletter;
- F. offer to You from time to time, free of charge, bulletins on sales and service methods, marketing development and techniques, and business and operating procedures; and
- G. use reasonable efforts to offer advice and assistance with regard to the operation and promotion of Your Business by telephone and via the Internet;

H. Franchisor may enter or post Your listings on third party websites based on proof sheets supplied by You and in such event shall not be responsible or liable for any errors contained in such listings.

Six: FRANCHISEE'S OBLIGATIONS

In order to maintain the common identity and reputation of the **Transworld** Network, to maintain the uniformly high standards among franchisees carrying on business under the Trademarks in accordance with the **System**, and to protect Franchisor, You, the **Transworld** Network, the Goodwill and the demand for the Services sold, supplied or provided in the Business under the Trademarks, You shall:

- A. have one person, comprised of either Yourself or Your Manager, at Your sole cost and expense except as provided in Section Seven B. herein, undertake and complete to Franchisor's satisfaction such training, at such times, and at Franchisor's training facilities, as Franchisor may reasonably require;
- B. devote an adequate amount of Your time and attention to the Business as is necessary to perform the administrative, marketing, promotional and accounting functions required in operating the **System**. You shall diligently carry on the Business and use Your best efforts to promote the Business;
- C. operate the **System** and Your Business properly and in strict accord with the required provisions of the Operating Manual, provided that such provisions do not conflict with applicable laws or regulations. In the case of a conflict, You shall request a variance and the Franchisor shall grant You an automatic variance for the purpose of compliance with applicable laws or regulations. You acknowledge that the required provisions are intended to protect the goodwill associated with the Trademarks and not to exercise any control over the day to day operations of the Business, which remains Your sole responsibility. You shall not make use of or disclose the Operating Manual to any other person or for any purpose other than for the conduct of the Business, nor shall You make any copies of the Operating Manual or any part thereof. You shall further ensure that Your copy of the Operating Manual is kept up to date at all times. You acknowledge the Operating Manual to be the exclusive property of Franchisor. You agree to use Your best efforts to promptly comply (but no later than 30 days from delivery) with all revisions to the Operating Manual that may be made from time to time;
- D. if You are a corporation, limited liability company or similar entity, then no part of the Trademarks shall form part of Your legal name;
- E. operate the Business only under the name or names specified by Franchisor without any accompanying words or symbols of any nature (save as required by the provisions of this Agreement) unless first approved in writing by Franchisor. You shall not do anything that may adversely affect Franchisor's rights in the Trademarks;
- F. comply with all laws, ordinances, regulations and requirements of local, state and federal governmental authorities, acquire such licenses as may be required to conduct the Business and pay any and all city, county, state and/or federal sales and/or use taxes, excise taxes, occupation taxes, license fees and other taxes, assessments and levies arising out of or in connection with all or any part of this Agreement;

- G. indicate Your status as an independently owned and operated franchise by:
- i. displaying at Your Business location such signs as Franchisor may direct bearing the following words (or other words to similar effect as may from time to time be specified by Franchisor) “Independently Owned and Operated by” followed by “Your name”;
 - ii. placing upon all letterhead, bills, invoices, and any other documents or literature used by You in connection with the Business the following words (or other words to similar effect as may from time to time be specified by Franchisor) “Independently Owned and Operated by” followed by Your name;
- H. prominently display the Trademarks on and in Your Agency advertising materials in the nature, form, color, number, location and size and containing said material as Franchisor may direct in writing and shall not display the Trademarks in any advertisement to which Franchisor objects or has not pre-approved in writing;
- I. answer the telephone at the Business initially reciting the full name “**Transworld**”. You shall not answer the telephone under any other name without the prior written consent of Franchisor;
- J. continuously (during regular business hours and days) operate the Agency unless prohibited from so doing by an act of God, a religious holiday, or conditions beyond Your control (“Non-controllable Events”). You further agree to exercise Your best efforts, skills, and diligence in the conduct of the Business. In this connection, You agree to supervise Your employees and agents to ensure compliance with the **System**;
- K. shall not sell anything or provide any service which does not conform to the standards associated with the Trademarks or of which Franchisor does not approve thereof which consent shall not be unreasonably withheld. You shall comply with all instructions given to You by Franchisor with regard to the standards or quality of the **System** and the Services. You shall comply with any requirements that Franchisor establishes from time to time for national accounts or customers. You and Your agents shall not actively market to businesses and individuals located outside Your Designated Marketing Area and cannot indicate in any media, print or electronic, that You have a location or provide services in any area outside of Your Designated Marketing Area. Nothing within this Section Six K prohibits You from actively marketing Your business listings to potential buyers outside Your Designated Marketing Area. You acknowledge that You have no remedy against the Franchisor for any marketing and promotion conducted by other franchisees that occurs within the Designated Marketing Area. In the event of a customer complaint, You shall follow the procedures outlined in the Operating Manual and provide to Franchisor such information as Franchisor may require to enable Franchisor to monitor the performance of the Business and to offer guidance to You;
- L. use Your best efforts to maintain the highest standards in all matters connected with the Business and increase the revenues of the Business;
- M. only employ as a manager of the Business a person who has
- i. successfully passed Franchisor’s training course; and

- ii. been previously approved in writing by Franchisor thereof which consent shall not be unreasonably withheld.
- N. procure from any manager and from such other staff, as Franchisor shall require, an agreement to be supplied by Franchisor not to use or disclose to any third party any information or knowledge concerning Franchisor's business, the Business, or the **System** and to comply with the non-compete requirements set forth in Section Seventeen F of this Agreement for two years following termination of his or her employment with You;
- O. not do anything which may bring the **System** into disrepute or which may damage the interests of Franchisor or the Network;
- P. not own, manage or be associated in any capacity with any business other than the Business which is similar to or competitive with Your Business or any other **Transworld** agency, except with the prior written consent of Franchisor;
- Q. maintain the **System** and other information relating to the conduct of the Business in strict confidence and secret and shall only use them for the purpose of conducting the Business during the term of this Agreement. You shall not use, disclose, publish or otherwise make this confidential information available to any third party during or at any time after the term of this Agreement, but this provision shall not apply to the **System** if it has become generally known or easily accessible other than through a breach of this Agreement or other default of Yours;
- R. not hire any employee of Franchisor (nor any person who was employed by Franchisor within 90 days prior to the date of hiring by You), except with the prior written consent of Franchisor;
- S. indemnify and hold Franchisor harmless against all claims, demands, damages, cost or expenses which may be incurred or received by Franchisor resulting from any breach of this Agreement on Your part, the negligence of any party (other than Franchisor), or arising directly or indirectly out of the management or operation of the Business, which indemnification obligation survives the expiration or termination of this Agreement. It is the intention of the parties to this Agreement that Franchisor shall not be deemed a joint employer with You for any reason; however, if Franchisor incurs any cost, liability, loss or damage as a result of any actions or omissions of You or Your employees or agents, including any that relate to any party making a finding of any joint employer status, You will fully indemnify Franchisor for any such cost, liability, loss and damage;
- T. have Internet access and an e-mail address. You must use the Internet website, domain name and email address(es) provided by Franchisor from time to time and pay to Franchisor and/or its designated vendors the initial start-up fee, annual hosting and maintenance fees for the website, domain name and fees for the email address(es). You cannot use any other website or domain name to promote Your business brokerage business without the written permission of Franchisor. You cannot use any other email address and related mail server than the one provided by Franchisor to conduct Transworld related business activities. The exception is bulk email which must be sent through an approved email service (bulk email is any email sent to more than 100 recipients). If Franchisor discovers You have obtained or are using another website,

domain name or email address for or in connection with Your Business without Franchisor's written permission, Franchisor shall notify You and upon notice, You shall immediately transfer and assign the same to Franchisor. Franchisor will, at its discretion, determine the content and use of a website and will establish the rules under which franchisees may operate such website (including advertising the Franchisor's website address on Your Agency front window and in printed literature) or separately use the Internet or other on-line communications in the operation of the Business. Franchisor will retain all rights relating to its website and may alter or terminate the website upon 30 days' notice to You. Your general conduct on the website or other on-line communications and specifically Your use of the Trademarks or any advertising on the website or other on-line communications (including the domain name and any other Trademarks Franchisor may develop as a result of use of the website or other on-line communications) will be subject to the provisions of this Agreement. Any custom enhancements to Your Internet website shall be at your expense and must be performed by a vendor approved by Franchisor. You acknowledge and agree that Franchisor may, in its sole discretion, modify, substitute, or reassign any websites, webpages, domain names or email addresses which Franchisor designates for Your use in the Business during the term of the Franchise Agreement. Your right to use Your website, webpage, domain name and/or email address or otherwise use the Trademarks or **System** on the Internet or other on-line communications will terminate when this Agreement expires or terminates. You further acknowledge and agree that the terms and conditions set forth within this Section Six T apply with respect to websites, domain names and email addresses used by any employee or agent of Yours in connection with the conduct of Transworld related business activities;

- U. purchase from the Franchisor the Software and Supplies Package as listed in Schedule A to this Agreement and acquire at Your sole expense from such suppliers as You choose and utilize in Your Agency such computers and office equipment, computer software and office supplies designated by Franchisor pursuant to Section Four D of this Agreement and effect such modernization, refurbishing and/or replacement of computers, equipment and computer software as Franchisor deems reasonably necessary, no more than once every three years, to permit the Agency to conform to the standards then prescribed by Franchisor for similarly situated new agencies;
- V. use in the operation of Your Agency the Transworld Customer Relations Management Program (currently called Sydney) and within ~~seven~~five (5) calendar days of receiving any business listing, You shall input the listing and other customer information into said program. You further agree to input all of Your listings and other customer information into that program and maintain records on Sydney of all listings and customers for a minimum of seven years. If You subscribe to and/or post any listings on any third party website, You will grant Franchisor access to Your subscription accounts and listings, which grant of access may include furnishing Franchisor with Your account log in information including, but not limited to Your username and password. Franchisor shall not disclose any third party website account log in information furnished by You pursuant to this Section, to any third party. All listings must be input, posted and advertised with Franchisor's approved listing numbers. You acknowledge and agree that Franchisor shall have unlimited access to all of the information that is stored in databases maintained on Your computer system, servers or the Transworld Customer Relations Management Program.

Seven: INITIAL TRAINING

- A. Franchisor will train You or Your initial manager in the operation of the **System** at its Training Center in Florida for six days.
- B. The initial franchise fee paid by You pursuant to Section Ten A. shall cover the charge for such training for one person (including transportation, accommodations and one daily meal). Franchisor shall not compensate You for any services performed during this initial (or any) training period. If You bring additional persons to the training program, You will pay a training fee of \$295 per person attending or the then current fee and be responsible for their travel, meals and hotel expenses.
- C. Franchisor may at any time during training, by notice in writing, inform You that any person submitted for training is not suitable due to blatant criminal activities, disreputable behavior, poor attendance and/or disturbing fellow trainees. In this event, Franchisor's obligations in respect to the first trainee shall be regarded as discharged and any further training for any replacement for the first trainee shall be provided at Your expense.
- D. Franchisor shall have the right to require You to attend further training courses at any time during the Term of this Agreement if:
 - i. Franchisor considers attendance at such courses to be advisable;
 - ii. Franchisor wishes to train You in new and improved techniques that have been devised and which You will be required to put into effect in operating the **System**; or
 - iii. a regularly scheduled training program is scheduled or in session.

There will be no training fee or charge for these additional training classes; however, all costs of attendance shall be at Your sole expense.

Eight: CONTINUING TRAINING

- A. Each new employee or agent who is compensated in whole or in part based upon commissions paid to Your Agency in connection with lead referrals and business sales must complete a five day training program at the Franchisor's Training Center. The employee or agent must attend the training program within sixty (60) days of the date of his or her hiring by Your Agency. You will be responsible for all expenses, including but not limited to transportation, accommodations and meals incurred in connection with attendance at such training and a \$295 training fee or the then current training fee per person. Your employees and agents may also complete Franchisor's online training course at Your option. If they do, You will pay an online training fee of \$295 or the then current fee per employee or agent. The online training course is an option which is in addition to and not in lieu of an employee's or agent's completion of the five day training program at the Franchisor's Training Center. If You pay the online training course fee for an employee or agent, You will not pay a training fee for him or her to attend the five day training program at the Franchisor's training center.
- B. Franchisor will train any subsequent manager, replacement staff, or any trainee of Yours

in any place Franchisor may require, and at Your expense.

- C. You shall establish and maintain a training program for Your staff in accordance with the requirements contained in the Operating Manual.
- D. The training provided by Franchisor as described in Section Seven and this Section Eight is provided so that You, Your manager and staff receive the benefit of Franchisor's accumulated experience and knowledge relating to the Business and to ensure a uniform image and uniform quality of services in all Transworld Agencies. You acknowledge that You shall be solely responsible for training Your staff and manager. The Franchisor is not an employer, co-employer or joint employer with You of Your employees. You shall be solely responsible for all employment matters, decisions and relationships.

Nine: IMPROVEMENTS

Franchisor shall endeavor to create and develop new and improved methods of conducting a business in accordance with the **System**.

- A. Franchisor agrees to make these improvements, additions, modifications or innovations available to You at the earliest possible opportunity. You in turn will notify Franchisor of any improvements, additions, modifications or innovations in Your method of operation which You believe would assist in the development of the **System**.
- B. In order that You, Franchisor, and its other franchisees may all benefit from the free interchange of ideas, You shall permit Franchisor to introduce into the **System** and/or the Operating Manual any improvements, additions, modifications, or innovations which may have been notified by You to Franchisor without any payment being made to You.

Ten: FEES

In consideration of the grant of the franchise herein, You shall pay Franchisor the following:

- A. **Franchise Establishment Fee.** Upon the execution hereof, You shall pay Franchisor a franchise establishment fee of ~~Thirty Nine~~Forty Four Thousand Five Hundred Dollars (\$~~39~~44,500), receipt of which Franchisor acknowledges. Your deposit of Five Thousand Five Hundred Dollars (\$5,500.00), if submitted, shall be credited against the franchise establishment fee. The franchise establishment fee shall be deemed fully earned and non-refundable upon the execution of this Agreement.
- B. **Royalty Fees.** Beginning in the 4th month of operation, You will pay to Franchisor a monthly Royalty Fee equal to the greater of 8% of Your Gross Revenue for the month, or a proportionate part, for any trading period of less than a month or the dollar amount* listed below:
 - i. Months 4-12 of operation -- \$300.00 per month
 - ii. Months 13-24 of operation -- \$500.00 per month
 - iii. After 24 months of operation -- \$750.00 per month

*The dollar amounts listed above are per Designated Marketing Area. For example, if You acquire and are granted two (2) Designated Marketing Areas under this Agreement,

then Your Royalty Fee during months 4-12 of operation shall be equal to the greater of 8% of Your Gross Revenue for the month or \$600 per month.

You shall not be required to pay the minimum monthly Royalty Fee listed above and shall only pay a monthly Royalty Fee equal to 8% of Gross Revenue for each remaining month in a period listed below if the total amount of Royalty Fees paid in prior months during a period equal or exceed the amount* listed for that period:

- i. Months 4-12 of operation -- \$3,600
- ii. Months 13-24 of operation -- \$6,000
- iii. Each 12 month period -- \$9,000**
following the 24th month of operation

*The amounts listed above are per Designated Marketing Area. For example, if You acquire and are granted two (2) Designated Marketing Areas under this Agreement, then You pay a Royalty Fee equal to the greater of 8% of Your Gross Revenue during months 4-12 of operation or \$600 per month unless the total amount of Royalty Fees paid in prior months during months 4-12 exceed \$7,200, then, once exceeded You only pay 8% for the remaining months in the period.

**This amount will be increased upon an increase in the minimum monthly Royalty Fee as provided in the paragraph below.

After 24 months of operation Your minimum monthly Royalty Fee may be raised in Franchisor's sole discretion by 10% provided that any such increase (a) shall be done no more frequently than once every three (3) years and (b) shall be applicable to all **Transworld** agencies.

C. **Marketing Fees.** Upon the execution of this Agreement, You will pay to the **Transworld** Advertising Fund (the "Fund") an initial membership fee of Five Hundred Dollars (\$500.00). Commencing with the fourth month of operation of the Business, You will pay to the Fund a monthly Marketing Fee of One Hundred and Fifty Dollars (\$150.00). Such monthly fee maybe raised in Franchisor's sole discretion by 10% provided that any such increase: (a) shall be done no more frequently than once every three (3) years; and (b) shall be applicable to all **Transworld** agencies.

D. **Technology LicenseAgent Fee.** Commencing with the fourth month of Your operation of the Business and for the balance of the term of this Agreement, You will pay to Franchisor a monthly ~~TechnologyAgent~~ Fee of One Hundred and Fifty Dollars (\$150.00) or the then current fee. This ~~license-fee~~ entitles You to access for one useragent to an email account, the Transworld Customer Relations Management Software, and is for hosting and maintenance of an email account, the Transworld Customer Relations Management Software and an Internet website with one landing page per agent. The Agent Fee is One Hundred Fifty Dollars (\$150) per month or the then current fee for the first agent and A monthly fee of Seventy Five Dollars (\$75.00) per month or the then current fee for is required for each additional useragent.

E. **Franchise Resale Program.** The Franchisor may establish or has established a referral program under which it refers You to franchised business owners who are interested in selling their business. In the event You receive such a referral from the Franchisor which results in a sale and Your earning a commission, You will pay the Franchisor a referral fee equal to ten percent (10%) of Your commission. Your payment of the referral fee must be paid within five (5) days of Your receipt of funds. Any Royalty Fees to be paid to the Franchisor shall be calculated after Your payment of the referral fee to the Franchisor.

EF. As used in this Agreement, “Gross Revenue” means the entire amount of all of Your revenue arising out of the operations of the Business including, but not limited to, referral fees, commissions from franchise lead referrals, real estate and business sales, real property and business valuations, loan brokerage and financing transactions and other services of any type provided by Your Agency. You shall report without exception to Franchisor Your Gross Revenue by the tenth (10th) day of the month by submitting electronically, or in such other form as Franchisor may designate from time to time, a monthly Royalty Fee Statement and a monthly Marketing Fee Statement. There are no exceptions to the requirements set forth in this Section Ten E and You must submit such reports and statements by the tenth (10th) day of each month regardless of Your sales and Gross Revenue.

EG. Payment of each of the fees required under this Section Ten (other than the Franchise Establishment Fee) will be through electronic transfer and shall be done on the 10th day of the month following the month to which these fees apply (unless such day is a holiday in which case the transfer will be done on the next business day). Franchisor reserves the right to change the method of payment from electronic transfer to such other manner of payment that Franchisor deems appropriate.

EH. Upon execution of this Agreement and/or at any other time thereafter at Franchisor’s request, You shall sign an authorization substantially in the form attached to this Agreement as Schedule C and all other documents necessary to permit Franchisor to withdraw funds from Your designated bank account by electronic funds transfer in the amount of the Royalty Fee, the Marketing Fee and all other fees and amounts described in this Agreement. Any fee calculated by reference to Gross Revenues shall be based on the information in the applicable fee statement submitted pursuant to Section Ten E. above or, if the statement has not been submitted on a timely basis, Franchisor may process an electronic transfer for the subject month based on the most recent fee statement provided by You to Franchisor plus a late report fee of One Hundred Dollars (\$100.00). If the fee statement(s) for the subject month is subsequently received and reflects (i) that the actual amount of the fee(s) due Franchisor or the Fund was greater than the amount withdrawn, then Franchisor shall be entitled to withdraw additional funds from Your bank account for the difference; or (ii) that the actual amount of the fee due was less than the amount of the withdrawal, then Franchisor shall credit the excess amount to the payment of Franchisee’s future obligations or other amounts due to Franchisor or the Fund. Should any electronic funds transfer not be honored by Your Bank for any reason, You agree that You shall be responsible for that payment plus any service charge applied by Franchisor or its bank. If any payments due Franchisor under this Agreement, whether to be paid by electronic funds transfer or otherwise, are not

received when due, interest on the amount past due will be charged by Franchisor at the rate of 18% per annum or the maximum rate of interest permitted by law, whichever is less. You acknowledge and agree that You have no right to withhold payment of the fees due under this Section Ten by right of Your dissatisfaction with Franchisor's performance of its obligations under this Agreement and that if You are so dissatisfied, You will pursue other remedies at law which may be available.

Eleven: ACCOUNTING AND REPORTING

A. You shall:

- i. install and use a computerized bookkeeping system. You shall accurately record all transactions through this system and shall ensure that Franchisor shall have access to Your bookkeeping system at all times for the purpose of obtaining information relating to the Business. In the event of any failure of the bookkeeping system during the operation of the Business, You shall manually keep accurate records which shall be entered into the bookkeeping system as soon as may be practicable following rectification of the cause of the breakdown;
- ii. maintain in Your office in a form approved by Franchisor (and preserve the same for at least six years after the end of the financial year to which they relate and thereafter for so long as any dispute shall remain outstanding between the parties) full and accurate balance sheets and profit and loss statements and all underlying or supporting records and vouchers (including the cash register rolls, bank statements and deposit slips) relating to the Business. You shall permit Franchisor (or any person, firm or company nominated by Franchisor) during business hours to inspect and take copies of Your books of account and records. If, on any such inspection, a discrepancy greater than 2% of Gross Revenue is found between the sums reported as Gross Revenue and the actual Gross Revenue for any reporting period, then You shall, without prejudice to any other rights which Franchisor may have, reimburse Franchisor for all costs incurred in conducting such inspection including travel, hotel, subsistence, salaries, and fees;
- iii. provide with Your monthly report submitted pursuant to Section Ten E., copies of closing statements and purchase agreements from the prior month and such other transaction, operation, listing documents related to the Business as Franchisor may request from time to time;
- iv. for each of Your accounting years supply to Franchisor financial statements (including a balance sheet and profit and loss statement) for Your full accounting year prepared by Your accountant which shall be certified by You to Franchisor as correct. Such certificate and financial statements shall be delivered to Franchisor within 90 days from the end of the said accounting year.
- v. for each of Your tax years supply to Franchisor IRS Form 4506-T (or any successor form designated by the IRS), executed by You and authorizing the IRS to send Franchisor a copy of Your Tax Return Transcript; and

- B. Franchisor shall have the right to verify all of Your transactions directly with Your customers.

Twelve: ADVERTISING/MARKETING

- A. You shall pay the Fund an initial membership fee and a monthly Marketing Fee as specified in Section Nine C. The Fund shall have the right to use these fees in its absolute judgment and apply it to national, regional, and/or local marketing programs and promotional campaigns, as well as Internet advertising and web hosting and development. The methods of marketing and promoting, media employed and contents, terms and conditions of marketing campaigns and promotional programs will be within the sole discretion of the Fund. Franchisor will not be required to pay Marketing Fees and membership fees in its role as Franchisor; however, all **Transworld agencies** that are owned and operated by Franchisor (or an affiliate of Franchisor) will be required to pay Marketing Fees and membership fees in the same manner as **Transworld** franchisees.
- B. You shall be responsible for all Your own direct marketing and local advertising of Your Business. In addition to the Marketing Fee paid to the Fund, You are expected to expend at least an amount equal to 5% of Your Gross Revenues on direct marketing or local advertising (including public relations) in each year. Franchisor also believes in and encourages You to participate in cooperative advertising where available. For the purposes of this Paragraph, the term "direct marketing or local marketing" shall mean all marketing and public relations, sales personnel costs, advertising and promotions effected through the medium of the Internet, mobile marketing, email and other digital communications media, advertising and promotions effected through the medium of local radio or television broadcasts, newspapers, periodicals, billboard advertising, and public relations.
- C. You alone at all times shall be responsible for ensuring Your marketing materials and activities conform to applicable laws and regulations, do not infringe the intellectual property rights of any third party, including the intellectual property rights of third parties whose trademarks, trade names or logos may be used in connection with listing and/or marketing for the sale of a business, and conform to any applicable guidelines, directions or permissions provided by any third party business seller in relation to the marketing, promotion or sale of their business as to the use of any trademark, trade name or logo associated with that business. In addition, You shall comply with the criteria and/or guidelines that Franchisor will establish from time to time for marketing and advertising (including public relations) activities. Franchisor may, from time to time, provide samples of certain marketing materials that You may duplicate and use, subject to You ensuring Your compliance with all applicable laws and regulations. In addition, Franchisor may provide sample copies advertising or reproduction proofs of newspaper advertising from time to time, which, if observed, will not require any consent from Franchisor. All other marketing campaigns or promotional activities (including public relations) conducted by You shall be subject to the prior written approval of Franchisor whose decision will not be unreasonably delayed. Our review and approval of Your marketing campaigns or promotional activities is not a warranty of any kind and does not modify Your obligations as outlined above, which remain Your obligations alone.~~You shall be responsible for ensuring Your materials and activities conform to applicable laws and regulations.~~

- D. You shall, upon being requested to do so, provide Franchisor with details of Your proposed marketing, advertising and promotional activities. You acknowledge that Franchisor has explained the importance of the creation and maintenance of a full-time marketing program. You further acknowledge that a vital factor to the success of any **Transworld** agency lies in the creation and maintenance of a full-time marketing program. You agree to create and continuously conduct, during the Term a full-time and ongoing marketing program, and devote a minimum of three (3) hours per day, either personally or through an employee, to conducting such a marketing program. You further agree to create a marketing file and record all marketing activities therein. This file shall remain at Your Business location and be available to Franchisor to review upon reasonable notice.
- E. You acknowledge that nothing in this Agreement imposes upon Franchisor or the Fund the duty or the obligation to provide direct or indirect marketing or promotion in relation to the **Transworld** agency. Neither Franchisor nor the Fund can ensure that its marketing or promotional activities will benefit You directly or be proportionate or equivalent to the Marketing Fees or membership fee that You pay to the Fund.

Thirteen: INSURANCE

- A. You are required to obtain and maintain at Your cost and expense such policies of insurance in such amounts and from such carriers as may reasonably be required by Franchisor from time to time throughout the Term. You shall periodically provide Franchisor with such proof as Franchisor may require from time to time that You have obtained and are maintaining the insurance coverage required hereunder. Such insurance shall include, without limitation:
- i. comprehensive general liability policy with a minimum combined single limit covering bodily injury and property damage with respect to the Premises and Services, and completed operations of One Million Dollars (\$1,000,000); and
 - ii. all insurance required by applicable law, including workers compensation and disability (limits may vary according to geographical location).
- B. You shall name Franchisor as an additional named insured on all insurance policies required hereunder which policies shall be considered as primary in the event of loss or claim.
- C. You shall not terminate any insurance policy required to be obtained and maintained hereunder, nor modify or amend the terms thereof, without Franchisor's prior written consent, which consent shall not be unreasonably withheld, and each policy must provide that it shall not be canceled, modified or subjected to non-renewal, without at least 10 days prior written notice to Franchisor.
- D. This Section 13 references minimum requirements. You should consult Your local insurance agent and legal counsel to ensure Your Agency is adequately insured, You have all insurance required by law or by the terms of any agreement to which You are a party.

Fourteen: TRADEMARKS

- A. You shall only use the Trademarks in connection with the operation of the Business and only in a form and manner approved by Franchisor. As set forth in Section Six T hereof, all domain names and email addresses used in Your Business must be approved in writing by Franchisor and will be owned by Franchisor.
- B. In no circumstances shall You apply for registration with respect to any of the Trademarks or which would conflict with the Trademarks, nor shall You take any action or refuse or decline to take any action which may result in harm to the Trademarks or put any registrations or applications to register at risk.
- C. You shall comply with Franchisor's instructions in filing and maintaining the requisite fictitious, trade or assumed name registrations for the Trademarks.
- D. You shall, in all representations of the Trademarks on the Services, attach in a manner approved by Franchisor such inscription as is usual or proper for indicating that such Trademarks are registered.
- E. You acknowledge that the use of the Trademarks outside the scope of this Agreement, without Franchisor's prior written consent, is an infringement of Franchisor's rights in the Trademarks, and You expressly covenant that during the Term, and after the expiration or sooner termination of this Agreement, You shall not, directly or indirectly, commit an act of infringement or contest, or aid in contesting the validity or right of Franchisor to the Trademarks, or take any other action in derogation of such rights.
- F. In the event of any claim of infringement, unfair competition or other challenge to Your right to use the Trademarks, or in the event You become aware of any use of or claims to the Trademarks by persons other than Franchisor or its franchisees, You shall promptly (but in no event more than 15 days later) notify Franchisor in writing. You shall not communicate with anyone except Franchisor and its counsel in connection with any such infringement, challenge, or claim except pursuant to judicial process. Franchisor shall have sole discretion as to whether it takes any action in connection with any such infringement, challenge or claim, and the sole right to control exclusively any litigation or other proceeding arising out of any infringement, challenge or claim relating to the Trademarks. You must sign all instruments and documents, render any assistance, and do any acts that Franchisor's attorneys deem necessary or advisable in order to protect and maintain Franchisor's interest in any litigation or proceeding related to the Trademarks or otherwise to protect and maintain Franchisor's interests in the Trademarks.
- G. If it becomes advisable at any time, in Franchisor's sole discretion, to modify or discontinue the use of any of the Trademarks and/or use one or more additional or substitute names or marks, for reasons including, but not limited to, the rejection of any pending registration or revocation of any existing registration of any of the Trademarks, or the superior rights of senior users thereof, You will immediately, upon written notice from Franchisor and at Your expense, make all changes or modifications to the Trademarks as specified by Franchisor.

Fifteen: ASSIGNMENT & RESALE (SALE OF BUSINESS)

- A. You shall have the right to assign the Franchise and to sell the Business with the prior written consent of Franchisor, which consent shall not be unreasonably withheld and subject to the conditions listed in Section C below.
- B. Franchisor will grant to a purchaser of the Business who is acceptable to it a franchise for a period equal to the term then being granted by Franchisor to new franchisees (commencing the date of the sale of the Business) and upon similar terms and conditions to Franchisor's then current form of franchise agreement, excluding the payment of an initial fee.
- C. Subject to Sections D through F below, the conditions required to obtain the written consent of Franchisor to the sale of the Business by You shall be that:
 - i. any prospective purchaser shall submit his offer in writing, shall be bona fide and at arms length, and shall meet Franchisor's standards with respect to the selection of new franchisees;
 - ii. the prospective purchaser or its management team must agree to successfully complete Franchisor's initial training program prior to assuming the daily duties of the Business;
 - iii. the prospective purchaser must enter into a new franchise agreement as may be required by Franchisor prior to attending such training program;
 - iv. You or the prospective purchaser shall pay to Franchisor a transfer fee of the greater of \$1924,500 or the then current transfer fee charged under the then current agreement per each Designated Marketing Area to be transferred;
 - v. You must not, at the time of Your application for consent, be in breach of any of Your obligations to Franchisor under the terms of this Agreement; and
 - vi. payment is made by You of all costs and all obligations by or of You to Franchisor and any suppliers are discharged without any right of deduction or set-off.
- D. You shall, as soon as possible, submit to Franchisor a copy of each written offer or full details of any other offer which You receive from any prospective purchaser to purchase Your Business from You, together with the following information:
 - i. a financial statement and the business history of the prospective purchaser; and
 - ii. details of all terms that may have been agreed or proposed between You and the prospective purchaser.
- E. Franchisor shall, in addition to its other rights under this Agreement, have an option to purchase the Business for the same amount and upon the same terms as the prospective purchaser has offered. In the event of (i) a transfer or assignment of stock, share capital or similar ownership interest or (ii) Your insolvency or bankruptcy, the offer shall be for

Your interest in this Agreement, and the equipment, inventory, fixtures and leasehold interest used in the operation of the Business. An amount and terms of purchase under these conditions shall be established by a qualified appraiser selected by the parties.

- F. Franchisor shall have a period of 10 days after receipt of written notice and the information referred to in Section D above, to exercise its option to purchase by notice in writing to You. The sale and purchase shall be completed within 15 days following the service of Franchisor's Notice, or if any landlord's consent is required, 10 days after such consent shall have been obtained.
- G. For the purpose of this Section, any change in Your beneficial ownership of the issued share capital or of Your true control shall be deemed to be an assignment of this Agreement.
- H. In the event of Your death or incapacity, where You are an individual, or in the case that You are a corporation, then in the event of the death or incapacity of the Franchisee, this Agreement will be transferable to the estate of the Franchisee or a member of his or her immediate family without additional fee or penalty, provided that the transferee meets Franchisor's approval, as noted above in this Section Fifteen, which shall not be unreasonably withheld. Any subsequent sale by the estate or family member shall require the payment of the transfer fee.
- I. Franchisor reserves the right to sell or assign, in whole or in part, its interest in this Agreement. Any sale or assignment shall inure to the benefit of any assignee or other legal successor.

Sixteen: TERMINATION

- A. Franchisor may terminate this Agreement by written notice to You without any opportunity to cure if:
 - i. You fail to commence the Business within the period of 180 days from the date of this Agreement;
 - ii. You fail to keep the Your Agency open for business for a consecutive period of 10 days unless this is because of major refurbishment or repair or because of the effects of explosion, flood, fire, personal medical emergency or for a reason to which Franchisor has given its prior written consent;
 - iii. in Your franchise application or supporting details You have provided Franchisor with information which contains any false or misleading statements or omits any material fact which may make any statement misleading;
 - iv. You become insolvent, adjudicated a bankrupt, have a voluntary or involuntary petition in bankruptcy or any other arrangement under the bankruptcy laws filed by or against You, make an assignment for the benefit of creditors, or if a receiver or trustee in bankruptcy is appointed to take charge of Your affairs or property;
 - v. You commence dissolution proceedings or have such proceedings commenced against You;

- vi. You permit a judgment against You to remain unsatisfied or un-bonded of record for 30 days;
 - vii. You knowingly maintain false, inaccurate, or incomplete books or records, or knowingly submit false report to Franchisor;
 - viii. You receive 2 or more prior notices of default hereunder from Franchisor during any twelve 12 consecutive-month period, notwithstanding that such defaults were cured;
 - ix. there shall be a purported or deemed assignment of this Agreement or of the Business other than a sale of the Business under and in accordance with the provisions of Section Fifteen;
 - x. the Franchisee hires an employee or former employee of Franchisor in violation of Section Five U; or
 - xi. Franchisor suspects, on reasonable grounds, that any material proprietary information concerning Franchisor's business, the **System**, or particulars of any agreement or communication, including this Agreement, between Franchisor and You is being or has been communicated in any way to any competitor of Franchisor by You or at Your direction, by any of Your employees (or the Principal or any of Your shareholders) or any other person associated with Your employees, the Principal, or any shareholder.
- B. In addition to the immediate termination rights set forth in Section Sixteen A, Franchisor may terminate this Agreement by written notice to You if You neglect or fail to perform any of Your other obligations under this Agreement including failure to pay any amounts due to Franchisor under this Agreement or any of Your other obligation to Franchisor or submit reports, or You fail to provide the Services to the standards required by Franchisor as set out in the Operating Manual, and You fail to remedy such default, neglect or failure to Franchisor's satisfaction within (i) 15 days after written notice from Franchisor in the event of a failure to pay amounts due Franchisor under this Agreement or any other obligation of Yours to Franchisor or submit reports or, (ii) in the case of any other default, neglect or failure, within 30 days after written notice from Franchisor.
- C. All Your rights under this Agreement shall cease if Franchisor terminates this Agreement under the provisions of this Section Sixteen.
- D. **THIS LICENSE AGREEMENT MAY BE TERMINATED ONLY BY FRANCHISOR AND NO PROVISION IS MADE IN THIS AGREEMENT FOR THE UNILATERAL TERMINATION OF THIS AGREEMENT BY YOU.**

Seventeen: CONSEQUENCES OF TERMINATION

Upon the expiration or sooner termination of this Agreement:

- A. You will immediately discontinue the use of the Trademarks, signs, cards, notices and other display or advertising matter indicative of Franchisor, or of any association with Franchisor or of the Business or Services of Franchisor, and will make or cause to be

made such changes in signs, cards, notices and other display or advertising matter, buildings and structures as Franchisor shall direct so as effectively to distinguish the business from its former public image and marketing image as a **Transworld** agency including but not by way of limitation a change in the colors used. If within 30 days of such direction You fail or omit to make or cause to be made any change, then Franchisor shall have the power (without incurring any liability to You), without Your consent, save this consent that You give irrevocably, to enter upon the Premises (provided it is not Your personal residence) and to make or cause to be made any such change, at Your expense, which expense You shall pay on demand. In addition, all items that may have been loaned to You by Franchisor, including the Operating Manual, shall be returned immediately to Franchisor at Your expense. You shall also forthwith pay to Franchisor (without any deduction or right of set-off) all sums of money which may be payable or owing (whether or not then due for payment) from You to Franchisor or the Fund.

B. You also must:

- i. provide Franchisor with a list (including names addresses and telephone numbers) of all customers, all listing and marketing agreements, address card-file entries, business cards and ~~and copies of all past invoices, address card file entries, and business cards;~~
- ii. assign to Franchisor in such form as Franchisor shall require all listing and marketing agreements with customers;
- iii. join with Franchisor in canceling any permitted user of the Trademarks;
- iv. cease the use of all material of whatever nature of which the copyright is vested in Franchisor or where its continued use would in any way infringe Franchisor's copyright; and
- v. maintain the **System** and other information relating to the conduct of the Business in strict confidence and secret, and not use, disclose, publish, or otherwise make it available to any third party.
- vi. execute the Franchisor's form of General Release then in effect which shall release You from all future monetary obligations under Section Ten of this Agreement provided that You comply with all of Your other obligations under this Section Seventeen.

C. You shall change and, if requested, assign to Franchisor, any listed telephone numbers, including cell phone numbers, fax numbers, and domain names and e-mail addresses relating to the Agency and also execute any and all documentation necessary to assign any such telephone and fax numbers, domain names and e-mail addresses to Franchisor. You hereby authorize and irrevocably constitute and appoint Franchisor as Your attorney-in-fact for such limited purpose as to take such actions and to make, execute, and deliver such documents for and on Your behalf as may be required to assign to Franchisor the right to use and own such telephone and fax numbers, domain names and e-mail addresses, the foregoing power being a power coupled with an interest, and hereby direct the appropriate telephone company, domain name registry and internet service provider to so transfer the ownership of said numbers, domain names and e-mail

addresses as may be directed by Franchisor, in accordance with the Assignment of Telephone Numbers, Domain Names and E-Mail Addresses signed herewith, a copy of which form is attached as Schedule B.

- D. You shall not maintain call forwarding telephone number referral with respect to any telephone numbers formerly used in connection with the Agency.
- E. In the event Your Business location is leased from a third party and is not Your residence, You shall, at Franchisor's option, assign to Franchisor Your interest in the Lease. You shall be and remain liable for all of its obligations accruing up to the effective date of any lease assignment. In conjunction with the foregoing, You shall execute and deliver to Franchisor an Assignment of Lease in such form as may be requested by Franchisor.
- F. Non-compete Covenant:
 - i. Upon the expiration or termination of this Agreement and for a period of two years thereafter, You shall not, within Your Designated Marketing Area or the Designated Marketing Area of any other Transworld franchisee, be engaged, concerned, or interested in any capacity whatsoever in a business which competes with the Business (except as the holder of not more than 5% of the shares in any company whose shares are listed or dealt in any Stock Exchange or other recognized public market).
 - ii. You shall not, for a period of eight months after the expiration or termination of this Agreement, solicit for business from any person who was, during the period of two years prior to such expiration or termination, a customer of the Business or a person with whom You had a listing agreement within in the twelve months preceding the date of termination of this Agreement.
 - iii. You acknowledge and confirm that the length of the term and geographical restrictions contained in this Section are fair and reasonable and not the result of overreaching, duress, or coercion of any kind. You further acknowledge and confirm that Your full, uninhibited, and faithful observance of each of the covenants contained in this Paragraph will not cause You any undue hardship, financial or otherwise, and that enforcement of each of the covenants contained in this Section will not impair Your ability to obtain employment commensurate with Your abilities and on terms fully acceptable to You, or otherwise to obtain income required for the comfortable support of Your family, and Your satisfaction of the needs of Your creditors. You acknowledge and confirm that Your special knowledge of the business of an **Transworld** agency (and anyone acquiring such knowledge through You) is such as would cause Franchisor and its franchisees serious injury and loss if You (or anyone acquiring such knowledge through You) were to use such knowledge to the benefit of a competitor or were to compete with Franchisor or any of its franchisees.
 - iv. In the event any court shall finally hold that the time or territory or any other provision stated in this Section constitutes an unreasonable restriction upon You, You agree that the provisions of this Agreement shall not be rendered void, but

shall apply as to time and territory or to such other extent as such court may judicially determine or indicate constitutes a reasonable restriction under the circumstances involved.

- G. Franchisor shall have the option (but not the obligation) to be exercised by providing written notice of intent to do so, within 30 days after the expiration or sooner termination of this Agreement, to purchase any items bearing the Trademarks or other assets owned by You, including, without limitation, any or all signs, advertising materials, supplies, inventory, equipment, furnishings, fixtures, or other items at a price equal to Your cost or fair market value, whichever is less. If the parties cannot agree on fair market value within a reasonable time, an independent appraiser shall be designated by Franchisor whose costs shall be borne equally by the parties, and his or her determination shall be final and binding. The fair market value of tangible assets shall be determined without reference to good will, going concern value, or other intangible assets. If Franchisor elects to exercise its option to purchase, it shall have the right to set off all amounts due from You under this Agreement, and the cost of the appraisal, if any, against any payment to You. Should You fail or refuse to execute and deliver the necessary documents to transfer good title to Your assets to Franchisor, or its nominee, Franchisor shall be entitled to apply to any court of competent jurisdiction for a mandatory injunction to compel You to comply with the rights granted in this Agreement. All costs and expenses relating to such litigation, including Franchisor's reasonable attorneys' fees and costs, shall be payable by You to Franchisor, upon demand, and may be credited by Franchisor to the agreed purchase price.

Eighteen: ENTIRE AGREEMENT; FAILURE TO EXERCISE RIGHTS NOT TO BE A WAIVER

A. You acknowledge:

- i. that You have been told that if there are any pre-contractual statements which You consider have been made to You which have induced You to enter into this Agreement, You are obliged to submit the particulars thereof to Franchisor so that any misconceptions or misunderstandings can be resolved. In such case, an agreed form of pre-contractual statements upon which You relied on may be annexed to and made part of this Agreement;
- ii. You have been given the opportunity to provide Franchisor particulars of any pre-contractual statements which You consider have been made to You which have induced You to enter into this Agreement; and
- iii. this Agreement therefore contains the entire agreement between the parties and accordingly no pre-contractual statements shall add to or vary this Agreement or be of any force or effect unless such pre-contractual statements are either contained in this Agreement or in an annex to it, and You waive any right You may have to sue for damages and/or rescind this Agreement for any pre-contractual statements not contained in this Agreement or an annex to it. Nothing in this Agreement or in any related agreement, however, is intended to disclaim the representations Franchisor has made in the Disclosure Document furnished to You. Nothing in this Agreement shall be considered a waiver of reliance by You

on the representations made in the Disclosure Document or its exhibits or amendments.

- B. In this Section, the expression “pre-contractual statements” includes written or oral pre-contractual statements or agreements, financial statements, profit projections, representations, warranties, inducements or promises whether or not made innocently or negligently.
- C. Your waiver contained in this Section shall be irrevocable and unconditional, but it is expressly provided that such waiver shall not exclude any liability of Franchisor for pre-contractual statements made by it fraudulently.
- D. No failure of Franchisor to exercise any power given to it under this Agreement or to insist upon strict compliance by You with any obligation and no custom or practice of the parties at variance with the terms of this Agreement shall constitute any waiver of any of Franchisor’s rights under this Agreement.
- E. Waiver by Franchisor of any particular default by You shall not affect or impair Franchisor’s rights in respect to any subsequent default of any kind by You nor shall any delay or omission of Franchisor to exercise any rights arising from any of Your defaults affect or impair Franchisor’s right in respect to said default or any other default of any kind.

Nineteen: INDEPENDENT CONTRACTOR

- A. This Agreement does not create a fiduciary relationship or the relationship of principal and agent between You and Franchisor. Franchisor is an independent contractor and, except as expressly permitted under this Agreement for certain rights of Franchisor, neither You nor Franchisor will under any circumstances, act or hold itself out as an agent or representative of the other nor incur any liability or create any obligation whatsoever in the name of the other.
- B. You agree to take such affirmative action as may be requested by Franchisor to indicate that You are an independent contractor, including placing and maintaining a plaque in a conspicuous place within the Premises and a notice on all stationery, business cards, sales literature, contracts, and similar documents which states that the **Transworld** Agency is independently owned and operated by You. The content of such plaque and notice is subject to the prior written approval of Franchisor.
- C. You agree to take affirmative action to ensure that Your manager and staff are conspicuously aware of the proper identity of their employer which is You and not Franchisor and also aware that notwithstanding any advice, guidance, standards and specifications provided by Franchisor to Your Business, Franchisor is not an employer, co-employer or joint employer with You of Your employees.

Twenty: ACKNOWLEDGEMENTS AS TO ADVICE GIVEN AND OTHER MATTERS

- A. You hereby acknowledge the exclusive right of Franchisor in and to the **System** as presently developed or as it may be improved and expanded during the term of this Agreement, including practices, know-how, trade secrets, designs, marks, logos, window

graphics, agency decoration, signs, and slogans presently in use and to be used hereafter.

- B. You understand and acknowledge the importance of Franchisor's high standards of quality and service and the necessity of operating the business franchised hereunder in strict conformity with Franchisor's standards and specifications.
- C. You acknowledge that Franchisor, in giving advice to and assisting You in establishing the Business (including but without prejudice to the generality of the foregoing recommending materials, and the assessment of Your suitability) bases its advice and recommendations on experience actually obtained in practice and is not making or giving any representations, guarantees or warranties except that its advice is based upon such previous experience as it has and the degree of success or lack of success in its dealings on its own account and with its franchisees. You acknowledge that You have been advised by Franchisor to discuss Your intention to enter into this Agreement with other franchisees of Franchisor and Your business advisors and that You must decide on the basis of Your own judgment of what You have been told by Franchisor or such other franchisees whether or not to enter into this Agreement. You further acknowledge that You recognize that the business venture contemplated by this Agreement involves business risks and that Your success will be affected by Your ability and commitment as an independent businessperson.
- D. Except where the context otherwise requires, each of the restrictions contained in this Agreement and in each Section and Paragraph shall be construed as independent of every other restriction and of every other provision of this Agreement, and the existence of any claim or course of action by You against Franchisor whatsoever shall not constitute a defense to the enforcement by Franchisor of said restrictions or of any of them.
- E. It is expressly agreed between the parties hereto that having regard to the recitals and other provisions of this Agreement, each of the restrictive covenants contained in this Agreement and in each Section and Paragraph is reasonably necessary for the protection of Franchisor, Franchisor's intellectual property rights and the other franchisees of Franchisor and does not unreasonably interfere with the freedom of action by You. You acknowledge that You have been advised by Franchisor to obtain independent legal advice before executing this Agreement, and that You are fully aware of its provisions and accept that they are fair and reasonable in all the circumstances known to or in the contemplation of Franchisor and You as of the date of this Agreement. In particular, You acknowledge that the provisions of this Agreement relating to the limits on Your right to make deductions or set offs (to which You may claim to be entitled) against payment of Royalties are fair and reasonable. You recognize that Your failure or refusal to make payments of such fees or contributions because of Your dissatisfaction with Franchisor's performance may result in Your continued involvement in the Network being subsidized by other franchisees that make payment of such fees and contributions. You also recognize that Your failure to pay such fees and contributions may adversely and materially affect the provision of services to franchisees who are members of the Network. You accept that the remedies available to You are not affected by the set-off or deduction provisions of this Agreement and the remedies are sufficient for Your purposes including as they do a right to sue for damages.

- F. You warrant that, except pursuant to any agreement with Franchisor entered into prior to the execution of this Agreement, You had no direct knowledge of the **Transworld** business or how to operate a business similar to the **Transworld** business or how to conduct the **Transworld** Business or of Franchisor's trade secrets, know-how methods or the **System**.
- G. YOU SPECIFICALLY ACKNOWLEDGE THAT THERE IS NO **TRANSWORLD** AGENCY THAT MAY BE CONSIDERED TO BE A "TYPICAL" OR "AVERAGE" CENTER. FRANCHISOR MAKES NO REPRESENTATIONS OR GUARANTEES AS TO NET/GROSS SALES, REVENUES, PROFITS, COSTS OR EARNINGS YOU CAN EXPECT. YOU ARE NOT ENTITLED TO ANY COMPENSATION OR REIMBURSEMENT FOR LOSS OF PROSPECTIVE PROFITS, ANTICIPATED SALES, OR OTHER LOSSES OCCASIONED BY CANCELLATION OR TERMINATION. NO PERSON IS AUTHORIZED TO GIVE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN OR INCORPORATED IN THIS FRANCHISE AGREEMENT AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED.
- H. You acknowledge that You have received from Franchisor a Franchise Disclosure Document with all exhibits and supplements thereto, at least 14 days prior to: (i) the execution of this Agreement and every other agreement imposing a binding obligation on You in connection with the sale of a franchise; and (ii) any payment by You of any consideration in connection with the sale, or proposed sale, of a franchise.

Twenty One: NO WARRANTIES WITHOUT AUTHORITY

You shall make no statements, representations, or claims and shall give no warranties of any kind to any customer or prospective customer in respect to the Services sold by You or the **System** except for those warranties which are implied by law or whichas may have been specifically authorized in writing by Franchisor.

Twenty Two: ACTIONS AGAINST FRANCHISEE

In the event any claim, demand, action, or proceeding is brought against You, or if You are notified of any violation of an applicable rule or statute, You will immediately (but in no event later than five days of such notification) notify Franchisor thereof, giving full particulars, and will diligently and expeditiously defend, compromise, cure, or satisfy such claim, action, demand, proceeding, or violation.

Twenty Three: ADDITIONAL REMEDIES OF FRANCHISOR

- A. You recognize that the business franchised hereunder is intended to be one of a large number of businesses identified by the Trademarks in selling to the public the Services associated with the Trademarks, and hence the failure on the part of a single franchisee to comply with the terms of its franchise agreement is likely to cause irreparable damage to Franchisor, and damages at law would be an inadequate remedy. Therefore, notwithstanding any other provision of this Agreement, You agree that in the event of a breach or threatened breach of any of the terms of the Agreement by You, Franchisor shall be entitled to seek an injunction restraining such breach and/or decree of specific

performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and costs incurred in obtaining said equitable relief. The foregoing equitable remedy shall be in addition to all remedies or rights that Franchisor may otherwise have by virtue of any breach of this Agreement by You. Franchisor shall be entitled to seek such relief without the posting of any bond or security, and if a bond shall nevertheless be required by a court of competent jurisdiction, the parties agree that the sum of \$100 shall be a sufficient bond.

- B. Franchisor shall also be able to seek injunctive relief to prohibit any act or omission by You or Your employees that constitutes a violation of any applicable law, is dishonest or misleading to Your customers of other businesses, or constitutes a danger to Your employees or customers or to the public or which may impair the goodwill associated with the Trademarks.
- C. You expressly consent and agree that Franchisor may, in addition to any other available remedies, obtain an injunction to terminate or prevent the continuance of any existing default or violation, and/or to prevent the occurrence of any threatened default by You of this Agreement.

Twenty Four: NOTICES

- A. All notices that Franchisor is required or may desire to give to You under this Agreement may be delivered personally or may be sent by certified mail or registered mail, postage prepaid, addressed to You at either the Premises address, or home address as noted in this agreement. All notices which You may be required or desire to give to Franchisor shall be sent by certified mail or registered mail, postage prepaid, addressed to: Transworld Business Advisors, LLC, 2121 Vista Parkway, West Palm Beach, FL 33411. The addresses herein given for notices may be changed at any time by either party by written notice given to the other party as herein provided. Notices shall be deemed given upon personal delivery or 2 business days after deposit in the U.S. Mail.
- B. You must provide Franchisor with immediate written notice of any breach of this Agreement, or any other agreement between You and any of the following parties, that You believe to have been committed or suffered by Franchisor, its affiliates, or their respective owners, officers, directors, employees, or representatives. Notice of such breaches extends, without limitation, to breaches arising out of, or related to, the negotiation or performance of this Agreement by Franchisor or concerning misrepresentations or any acts of misfeasance or nonfeasance. If You fail to give Franchisor written notice within one year from the date of any such breach, then such breach shall be deemed to have been waived by You and, thereupon, You shall be permanently barred from commencing any action relating to such believed breach.

Twenty Five: MEDIATION AND ARBITRATION; EQUITABLE RELIEF

- A. Except as stated in Section Twenty-Two~~Three~~, any controversy or claim arising out of or relating to this Agreement, the business franchised hereunder or the relationship between the parties, including any claim that this Agreement, or any part thereof, is invalid, illegal, or otherwise void, shall be submitted to arbitration before the CPR Institute or the American Arbitration Association in accordance with its commercial arbitration rules, or

any other mutually agreeable arbitration association. However, prior to any arbitration proceeding taking place, either party may, at its option, submit the controversy or claim to non-binding mediation before the CPR Institute in accordance with its National Franchise Mediation Program or the American Arbitration Association, if the CPR Institute or other mutually agreeable mediator, is unable to conduct the mediation, in which event both parties shall execute a confidentiality agreement reasonably satisfactory to Franchisor. Upon submission, the obligation to attend mediation shall be binding on both parties. Each party will bear its own costs with respect to the mediation, except the fee for the mediator will be split equally. If the controversy or claim is submitted to arbitration, the reasonable attorney fees and costs of the prevailing party in the arbitration shall be paid by the non-prevailing party. The fee of the arbitrator(s) shall be split equally by the parties.

- B. The provisions of this Section Twenty-Five shall be construed as independent of any other covenant or provision of this Agreement; provided that if a court of competent jurisdiction determines that any such provisions are unlawful in any way, such court shall modify or interpret such provisions to the minimum extent necessary to have them comply with the law. Notwithstanding any provision of this Agreement relating to the state laws under which this Agreement shall be governed by and construed under, all issues relating to its appropriateness for arbitration or the enforcement of the agreement to arbitrate contained in this Agreement shall be governed by the United States Arbitration Act (9 U.S.C. § 1 et seq.).
- C. Judgment upon an arbitration award may be entered in any court having competent jurisdiction and shall be binding, final, and cannot be appealed. Franchisor and You (and their respective owners) waive to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained by it.
- D. Prior to any arbitration proceeding taking place, Franchisor or You may, at its respective option, elect to have the arbitrator conduct, in a separate proceeding prior to the actual arbitration, a preliminary hearing, at which hearing testimony and other evidence may be presented and briefs may be submitted, including a brief setting forth the then applicable statutory or common law methods of measuring damages in respect of the controversy or claim being arbitrated.
- E. This Section shall be deemed to be self-executing and shall remain in full force and effect after the expiration or sooner termination of this Agreement. In the event either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such party by default or otherwise notwithstanding such failure to appear.
- F. Mediation shall take place in Your home state. Arbitration shall take place in the city and state of Franchisor's national headquarters.
- G. You acknowledge and agree that it is the intent of the parties that mediation or arbitration between Franchisor and You shall be of Franchisor's and Your individual claims, and that none of Your claims shall be mediated or arbitrated on a class-wide basis or on a joined or consolidated claim basis.

Twenty Six: MISCELLANEOUS PROVISIONS

- A. This Agreement shall be binding upon the parties hereto, their heirs, successors, and permitted assigns. All persons signing as You shall be jointly and severally liable for its obligations to Franchisor under this and any other agreements between the parties.
- B. As to any provision in this Agreement wherein approval is required, or modification desired, such approval or modification must be in writing and signed by the party to be charged.
- C. If any portion of this Agreement is declared to be invalid by any court, such determination shall not affect the balance of this Agreement and the same will remain in full force and effect.
- D. The parties acknowledge that a substantial portion of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Palm Beach County, Florida, and that, therefore, each of the parties irrevocably and unconditionally: (a) agrees that any suit, action or legal proceeding arising out of or relating to the offer, negotiation, performance, validity or interpretation of this Agreement, where a Court of competent jurisdiction shall permit a suit to arise rather than compelling arbitration as called for under Section Twenty-Five of this Agreement, shall be brought only in the courts of record of the State of Florida in Palm Beach County or the District Court of the United States, Southern District of Florida; (b) consents to the jurisdiction of each such court in any suit, action or proceeding; (c) waives any objection which he, she or it may have to the laying of venue of any such suit, action or proceeding in any of such courts; and (d) agrees that service of any court paper may be effected on such party by mail, as provided in this Agreement, or in such other manner as may be provided under applicable laws or court rules in the State of Florida. Notwithstanding the foregoing, if Franchisor deems it necessary to commence an action in Your jurisdiction to more fully or expeditiously determine, interpret or protect its rights, it may do so.
- E. Except to the extent governed by the United States Trademarks Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and any other agreement relating to this Agreement and all transactions contemplated by this Agreement and any other agreement relating to this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Florida without regard to principles of conflicts of laws.
- F. The captions herein are inserted for convenience only, and will not be deemed or construed to be a part of this Agreement or to define or limit the contents of the paragraph thereof.
- G. You acknowledge that State and Federal law may require the Franchisor to disclose Your home address in particular circumstances. You agree and give Your consent to use the same.

H. THIS AGREEMENT AND THE SCHEDULES ATTACHED HERETO AND MADE A PART HEREOF CONTAIN THE ENTIRE AGREEMENT OF THE PARTIES. NO OTHER AGREEMENTS, WRITTEN OR ORAL, SHALL BE DEEMED TO EXIST, AND ALL PRIOR AGREEMENTS AND UNDERSTANDINGS HEREBY. THIS AGREEMENT SHALL NOT BE BINDING UPON FRANCHISOR. UNTIL EXECUTED BY AN AUTHORIZED OFFICER THEREOF. THIS AGREEMENT CANNOT BE MODIFIED OR CHANGED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY ALL OF THE PARTIES HERETO. NOTHING IN THIS AGREEMENT OR ANY RELATED AGREEMENT IS INTENDED TO DISCLAIM THE REPRESENTATIONS MADE BY THE FRANCHISOR IN THE FRANCHISE DISCLOSURE DOCUMENT.

~~[REST OF PAGE INTENTIONALLY LEFT BLANK]~~

THE PARTIES HERETO acknowledge that they have read and fully understand all of the above and foregoing. By signing below, each party agrees to abide by all of the terms and conditions contained in this Agreement.

Transworld Business Advisors, LLC

By: _____
Print Name/Title:

Date: _____

Franchisee:

Signature: _____
Print Name:

Date: _____

Signature: _____
Print Name:

Date: _____

Corporate Name (If Applicable):

By: _____

Print Name/Title Corporate Official:

Date: _____

STATE OF MINNESOTA

ADDENDUM TO FRANCHISE AGREEMENT

1. Section Two E of the Franchise Agreement is amended by adding the following language:

“The general release that is required as a condition of a renewal, sale, or transfer of the franchise shall not apply to liability of the Franchisor under the Minnesota Franchisor Act, MINN STAT §80C.01-22.”

2. Section Thirteen F of the Franchise Agreement is amended by adding the following language:

“To the extent required by the Minnesota Franchises Act, we will protect your rights to use the Trademarks, service marks, trade names, logo types, or other commercial symbols related to the Trademarks or indemnify you from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the Trademarks.”

3. Section Sixteen B of the Franchise Agreement is amended by adding the following language:

“Minnesota Law provides franchises with certain termination and non-renewal rights. Minn. Stat. Sec. 80C. 14, Subd. 3, 4, and 5 require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement.”

4. Section Twenty D of the Franchise Agreement is amended by adding the following language:

“Minn. Stat. 80C21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document or this Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights as provided for by the laws of the jurisdiction.”

Date: _____

Transworld Business Advisors, LLC

By _____

Franchisee

Franchisee

STATE OF NORTH DAKOTA
ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to the Franchise Agreement is agreed to this ____ day of _____, 20__, between TRANSWORLD BUSINESS ADVISORS, LLC and Franchisee herein, to amend and revise said agreement as follows:

1. Section Two. E of the Franchise Agreement is amended by the following:

The Commissioner has determined that franchise agreements which require the franchisee to sign a general release upon renewal of the franchise agreement is unfair, unjust, and inequitable with the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

2. Section Sixteen F of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

Covenants not to compete upon termination or expiration of a franchise agreement are generally considered unenforceable in the State of North Dakota.

3. Section Twenty-Four C of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

Any provision that provides that the parties waive their right to claim punitive, exemplary, incidental, indirect, special, or consequential damages is not enforceable under North Dakota Law.

4. Section Twenty-Four F of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

The Commissioner has determined that franchise agreements which provide that parties agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

5. Section Twenty-Five D of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

Section 51-19-09 of the North Dakota Franchise Investment Law provides that any provision in a franchise agreement requires that jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

6. Section Twenty-Five E. of the Franchise Agreement is amended by substituting State of North Dakota for State of Florida as the applicable law.

TRANSWORLD BUSINESS ADVISORS, LLC

Franchisee:

BY: _____

STATE OF RHODE ISLAND

ADDENDUM TO FRANCHISE AGREEMENT

“A provision in the Franchise Agreement restricting jurisdiction or venue to a forum outside of the State of Rhode Island, or requiring the application of the laws of another state, is void with respect to a claim otherwise enforceable under this Act.” (Section 19-28.1-14 of the Rhode Island Franchise Investment Act)

Date: _____

Transworld Business Advisors, LLC

By _____

Franchisee

Franchisee

STATE OF WISCONSIN

ADDENDUM TO FRANCHISE AGREEMENT

THE WISCONSIN FAIR DEALERSHIP LAW SUPERSEDES ANY PROVISIONS OF THE FRANCHISE AGREEMENT INCONSISTENT WITH SAID LAW. WISCONSIN FAIR DEALERSHIP LAW, CHAPTER 135, 1973.

Section Sixteen – Termination: In accordance with the State of Wisconsin Fair Dealership Laws, the Franchisor, directly or through any officer, agent, or employee, may terminate, cancel, fail to renew, or substantially change the competitive circumstances of the franchise agreement with good cause. The burden of proving good cause shall be on the grantor.

The Franchisor shall provide Franchisee at least 90 days prior written notice of termination, cancellation, non-renewal, or substantial change in competitive circumstances, and Franchisee shall have 60 days in which to rectify any claimed deficiency. If the deficiency is rectified within 60 days, the notice shall be deemed void.

The above notice provision shall not apply if the reason for termination, cancellation, or non-renewal is insolvency, the occurrence of any assignment for the benefit of creditors, or bankruptcy. If the reason for termination, cancellation, non-renewal, or substantial change in competitive circumstances is nonpayment of sums due under the license, the Franchisee shall be entitled to written notice of such default and shall have 10 days to remedy such default from the date of delivery or posting of such notice.

Section Seventeen – Consequences of Termination: In the event the Franchise granted herein is terminated by the Franchisor, as provided for above, then at the option of the Franchisee, the Franchisor shall repurchase all inventory sold by it to the Franchisee for resale under this Agreement at the fair, wholesale market value of such items. Such repurchase shall be only for merchandise that has affixed or printed on it a name, Trademarks, label, or other mark which identifies the Franchisor.

Transworld Business Advisors, LLC

BY: _____
Franchisor

Franchisee

Franchisee

|

SCHEDULE A - 2016~~5~~
Transworld Office Locations
SOFTWARE and SUPPLIES PACKAGE
United States

TABLET COMPUTER

A brand new Wi-Fi capable tablet computer comes loaded with the latest versions of Transworld training modules, forms, presentations, and charts of accounts. The tablet is a convenient way to utilize Sydney, present to potential clients, and access the internet.

SYDNEY (POWERED BY SALESFORCE)

Sydney is a multi-faceted software that serves as a CRM to keep track of all of your contacts and schedule appointments, follow-up on calls, and keep important notes on all of your activities. This software will house your business listings and franchisors' listings and function as a full MLS and powering the business search on your websites. Includes Premier+ Salesforce support that includes 24/7 toll free phone support and online training. Set up and maintenance is included for one user for the first three months and subsequent months are included in your technology fee.

CUSTOM WEBSITES

Two customizable, independent, and expandable Transworld websites, one for your office and one for yourself are included. Both will showcase your contact information and business listings. It will provide all the information a person would need to buy or sell a business. Your business will be prominently displayed on an attractive website that you can update or change all within the Sydney platform. Your website, domain name, and hosting fees are included in your technology fee.

TRANSWORLD EMAIL ACCOUNT

Two tworld.com email addresses and storage space to communicate with your customers using the yourname@tworld.com format. Email can be configured in multiple email clients or can be accessed via a web portal.

WEBSITE ADVERTISING START UP PACKAGE

Advertising your businesses for sale is an integral part of the business sale process. Transworld's website advertising start up package includes subscriptions to the top business listing advertising website portals for a period six months. After the six month period you will continue service directly with the websites with special discounted pricing only available to Transworld Franchisees.

BUSINESS VALUATION REFERENCE GUIDE

The Business Reference Guide is the essential guide to valuing businesses with up-to-date "rules of thumb" and pricing information for over 600 types of businesses. It includes tips from industry experts and benchmark information that provides comparison data about many different businesses and industries. You will use this for researching an industry before a listing appointment and assist buyers and sellers in the decision making process. One year subscription is included plus one copy of book version.

PORTABLE IDENTITY PACKAGE

Two portable banners with stands and a PVC sign will showcase your services in your office or conference room. Because they are collapsible and portable, they make great additions at tradeshow and networking events.

DIRECT MAIL CAMPAIGN

A six month targeted direct mail campaign advertising will reach local businesses within your territory to increase your exposure and help build your brand in local community.

DROP LETTER CAMPAIGN

A supply of preprinted drop letters and envelopes are provided to complete your initial canvassing campaign.

PRINT SUPPLY PACKAGE

A collection of stationery and envelopes and single-sided business cards are provided to help you start your business.

APPAREL PACKAGE

This includes an initial supply of two high quality designer embroidered Transworld shirts.

BUSINESS SOFTWARE

The accounting software can be used to record monthly sales & expenses, handle payroll, and generate business reports.

SHIPPING AND DELIVERY

Shipping, delivery, and installation are included in the package.

Total \$9,877*

* Because we are constantly improving our products and equipment, we reserve the right to revise, change and/or substitute product features, dimensions, specifications and designs without notice to improve capabilities and quality. Prices are subject to change without notice.

SCHEDULE B

ASSIGNMENT OF TELEPHONE NUMBERS, DOMAIN NAMES AND EMAIL ADDRESSES

This Assignment shall be effective as of the date of termination of the Franchise Agreement entered into between Transworld Business Advisors, LLC and _____ (“Franchisee”). Franchisee hereby irrevocably assigns to Transworld Business Advisors, LLC or its designee the telephone number or numbers (including any cell phone numbers or fax numbers), and listings, domain names and email addresses issued to Franchisee with respect to each and all of Franchisee’s Transworld business. Franchisee agrees to pay all amounts, whether due and payable or not, that any domain name registry (“Registry”) or internet service provider (“ISP”) may require in connection with such transfer. This assignment is for collateral purposes only and Transworld Business Advisors, LLC shall have no liability or obligation of any kind whatsoever arising from this assignment, unless Transworld Business Advisors, LLC desires to take possession and control over the telephone numbers, domain names and email addresses.

Transworld Business Advisors, LLC is hereby authorized and empowered upon termination of the Franchise Agreement that, and without any further notice to Franchisee, to notify the telephone company, as well as any other company that publishes telephone directories (“telephone companies”), the Registry and the ISP to transfer the telephone numbers, domain names and email addresses to Transworld Business Advisors, LLC or such other person or firm as is designated by Transworld Business Advisors, LLC. In furtherance thereof, Franchisee hereby grants an irrevocable power of attorney to Transworld Business Advisors, LLC and appoints it as its attorney-in-fact to take any necessary actions to assign the telephone numbers, domain names and email addresses including but not limited to, executing any forms that the telephone companies, the Registry or the ISP may require to effectuate the assignment. This assignment is also for the benefit of the telephone companies, the Registry and the ISP and the telephone companies, the Registry and the ISP may accept this assignment and Transworld Business Advisors, LLC’s instructions as conclusive evidence of Transworld Business Advisors, LLC’s rights in the telephone numbers, domain names and email addresses and Transworld Business Advisors, LLC’s authority to direct the amendment, termination or transfer of the telephone numbers, domain names and email addresses as if they had originally been issued to Transworld Business Advisors, LLC. In addition, Franchisee agrees to hold the telephone companies, the Registry and the ISP harmless from any and all claims against them arising out of any actions or instructions by Transworld Business Advisors, LLC regarding the telephone numbers, domain names and email addresses.

Franchisee

Transworld Business Advisor, LLC

Signature: _____

By: _____

Print Name:

Print Name/Title:

Signature: _____

Date: _____

Print Name:

SCHEDULE C

ELECTRONIC FUNDS TRANSFER AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO **Transworld Business Advisors, LLC ("PAYEE")**

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, and electronic debits (collectively, "debits") drawn on such account which are payable to the above named Payee. It is agreed that Depository's rights with respect to each such debit shall be the same as if it were a check drawn and signed by Depositor. It is further agreed that if any such debt is not honored, whether with or without cause and whether intentionally or inadvertently, Depository shall be under no liability whatsoever. This authorization shall continue in force until Depository and Payee have received at least thirty (30) days written notification from Depositor of its termination.

The Depositor agrees with respect to any action taken pursuant to the above authorization:

(1) To indemnify the Depository and hold it harmless from any loss it may suffer resulting from or in connection with any debit, including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Depository in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection therewith.

(2) To indemnify Payee and the Depository for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

(3) To defend at Depositor's own cost and expense any action which might be brought by a depositor or any other persons because of any actions taken by the Depository or Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or Payee's participation therein.

Name of Depository: _____

Name of Depositor: _____

Designated Bank Acct.: _____
(Please attach one voided check for the above account)

Agency Location: _____

Agency#: _____

Address: _____

Phone #: _____ Fax #: _____

Name of Franchisee/Depositor (please print)

By: _____
Signature and Title of Authorized Representative

Date: _____

FRANCHISEE'S RATIFICATION

In consideration of the execution of the foregoing License Agreement with Transworld Business Advisors, LLC, the Franchisee hereby acknowledges that:

I have read and understand the foregoing License Agreement and understand that if I do not understand any terms of the License Agreement, or if I do not understand any terms of this Acknowledgement of Receipt, I have the right to have my own attorney explain any terms of this Agreement to me.

TRANSWORLD BUSINESS ADVISORS, LLC ENCOURAGES YOU TO SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING THE FRANCHISE AGREEMENT.

I understand that although Transworld Business Advisors, LLC will provide assistance and advice, as outlined in the License Agreement, Transworld cannot guarantee my success as a Transworld Franchisee, and my earnings as a Transworld Franchisee will be primarily dependent upon MY INDIVIDUAL EFFORTS in operating my Transworld business.

I acknowledge that neither Transworld Business Advisors, LLC, nor any of its members, managers, officers, agents, or employees have made any claims or representations whatsoever regarding potential revenues, earnings or profits, that a Franchisee will achieve as the owner of a Transworld business. I represent that I have entered into the License Agreement without relying upon any claim or representation not contained in the Franchise Disclosure Document, and to do so would be unreasonable. I understand that the Franchisor is relying upon my representation in making its decision to grant the Franchise.

While TRANSWORLD BUSINESS ADVISORS, LLC has offered assistance, I UNDERSTAND THAT I AM ASSUMING FULL RESPONSIBILITY FOR, AND HAVE HAD THE FINAL ULTIMATE APPROVAL OF, THE SITE SELECTED AND THE LEASE EXECUTED FOR THAT SITE. I further understand that I have the right to have my own attorney review the Lease and explain to me any provisions of the Lease.

Executed this ____ day of _____, 2015.

Franchisee -

Franchisee -

Corporate Name (if applicable)

By: _____
Name & Title

*A corporation organized under the Laws of the
State of _____.*

EXHIBIT B

FINANCIAL STATEMENTS

Transworld Business Advisors, LLC

Audited Consolidated Financial Statements

December 31, 2015, December 31, 2014, and December 31, 2013

TRANSWORLD BUSINESS ADVISORS, LLC

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MILBERY & KESSELMAN, CPA's, LLC

Certified Public Accountants

To the Board of Directors
Transworld Business Advisors, LLC
West Palm Beach, Florida

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Transworld Business Advisors, LLC which comprises the consolidated balance sheet as of December 31, 2015, December 31, 2014, and December 31, 2013, and the related consolidated statements of income and member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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Member of the Florida Institute of C.P.A.'s

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Transworld Business Advisors, LLC as of December 31, 2015, December 31, 2014, and December 31, 2013, and the results of its consolidated operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Milbery & Kesselman, CPAs". The signature is written in a cursive, flowing style.

Milbery & Kesselman, CPAs, LLC
March 22, 2016

TRANSWORLD BUSINESS ADVISORS, LLC

Consolidated Balance Sheet

As of December 31, 2015, December 31, 2014, and December 31, 2013

	<u>2015</u>	<u>2014</u>	<u>2013</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 353,669	\$ 227,870	\$ 181,695
Accounts Receivable (net of Allowance for Doubtful Accounts)	436,061	103,340	250,284
Loans Receivable - Related Companies	21,519	1,673	41,044
Prepaid Expenses	2,050	1,475	89,629
Promissory Notes - Current Portion	<u>39,145</u>	<u>-</u>	<u>-</u>
Total Current Assets	<u>852,444</u>	<u>334,358</u>	<u>562,652</u>
 Property and Equipment (net of accumulated depreciation)	 -	 -	 -
 Other Assets			
Promissory Notes (net of Allowance for Credit Losses)	-	101,437	-
Software Development	<u>30,240</u>	<u>68,345</u>	<u>-</u>
Total Other Assets	<u>30,240</u>	<u>169,782</u>	<u>-</u>
 TOTAL ASSETS	 <u>\$ 882,684</u>	 <u>\$ 504,140</u>	 <u>\$ 562,652</u>
LIABILITIES AND MEMBERS' EQUITY			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 399,750	\$ 144,216	\$ 346,984
Accrued Expenses	55,414	-	-
Franchisee Deposits	<u>72,500</u>	<u>68,500</u>	<u>16,500</u>
Total Current Liabilities	<u>527,664</u>	<u>212,716</u>	<u>363,484</u>
 Long Term Liabilities	 -	 -	 -
 TOTAL LIABILITIES	 <u>527,664</u>	 <u>212,716</u>	 <u>363,484</u>
 MEMBERS' EQUITY	 355,020	 291,424	 199,168
 TOTAL LIABILITIES AND MEMBERS' EQUITY	 <u>\$ 882,684</u>	 <u>\$ 504,140</u>	 <u>\$ 562,652</u>

See accompanying independent auditor's report and notes to financial statements

TRANSWORLD BUSINESS ADVISORS, LLC
Consolidated Statement of Income and Members' Equity
For the years ended December 31, 2015, December 31, 2014, and December 31, 2013

	2015	2014	2013
Income			
Franchise Fees	\$ 2,059,085	\$ 1,164,381	\$ 1,768,901
Product	272,983	186,713	230,223
Commissions	-	2,198	3,199
Royalties	898,351	488,442	339,241
Other Income	872	2,174	4,985
Total Income	3,231,291	1,843,908	2,346,549
Cost of Goods Sold	121,262	104,124	131,037
Gross Profit	\$ 3,110,029	\$ 1,739,784	\$ 2,215,512
Expenses			
Advertising	347,836	194,493	113,822
Automobile	33,521	36,818	65,695
Bad Debt	76,874	-	119,390
Bank Service Charges	8,198	5,858	5,157
Commissions	459,814	196,737	338,967
Contributions	2,743	2,110	1,350
Depreciation	-	-	24,539
Insurance	8,343	6,298	6,252
Internet and Computer	254,548	182,354	136,920
Licensing and Registrations	4,894	3,384	3,625
Meals and Entertainment	20,822	20,606	26,236
Office	38,761	26,799	40,769
Payroll	1,361,931	707,407	963,687
Postage	7,124	5,116	4,967
Professional Fees	167,451	46,875	22,800
Telephone	13,305	13,966	14,722
Travel	184,582	206,317	222,096
Total Expense	2,990,747	1,655,138	2,110,994
Net Income before Other Income/(Expense)	\$ 119,282	\$ 84,646	\$ 104,518
Other Income/(Expense)			
Interest Income	3,434	7,610	-
Gain/(Loss) on Foreign Currency Exchange	(11,111)	-	-
Income Tax	(1,500)	-	-
Total Other Income/(Expense)	(9,177)	7,610	-
Net Income	\$ 110,105	\$ 92,256	\$ 104,518
Members' Equity, Beginning	291,424	199,168	94,650
Members' Withdrawals	(46,509)	-	-
Members' Equity, Ending	\$ 355,020	\$ 291,424	\$ 199,168

See accompanying independent auditor's report and notes to financial statements

TRANSWORLD BUSINESS ADVISORS, LLC
Consolidated Statement of Cash Flows
For the years ended December 31, 2015, December 31, 2014, and December 31, 2013

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Cash Flows from Operating Activities			
Net Income	\$ 110,105	\$ 92,256	\$ 104,518
Adjustments to reconcile net income to net cash provided/(used) by Operations			
Depreciation	-	-	24,539
(Increase)/Decrease in Accounts Receivable	(332,721)	146,944	(112,284)
(Increase)/Decrease in Loans Receivable - Related Companies	(19,846)	39,371	(41,044)
(Increase)/Decrease in Prepaid Expenses	(575)	88,154	(41,621)
Increase/(Decrease) in Accounts Payable and Accrued Expenses	310,948	(202,768)	54,156
Increase/(Decrease) in Franchisee Deposits	4,000	52,000	(11,000)
Cash provided/(used) by Operating Activities	<u>71,911</u>	<u>215,957</u>	<u>(22,736)</u>
Cash Flows from Investing Activities			
Acquisition of Fixed Assets	-	-	-
Software Development	38,105	(68,345)	-
Cash provided/(used) by Investing Activities	<u>38,105</u>	<u>(68,345)</u>	<u>-</u>
Cash Flows from Financing Activities			
Promissory Notes	62,292	(101,437)	-
Members' Withdrawals	(46,509)	-	-
Cash provided/(used) by Financing Activities	<u>15,783</u>	<u>(101,437)</u>	<u>-</u>
 Increase/(Decrease) in cash	 <u>125,799</u>	 <u>46,175</u>	 <u>(22,736)</u>
Beginning balance	<u>227,870</u>	<u>181,695</u>	<u>204,431</u>
Ending balance	<u><u>\$ 353,669</u></u>	<u><u>\$ 227,870</u></u>	<u><u>\$ 181,695</u></u>

See accompanying independent auditor's report and notes to financial statements

Transworld Business Advisors, LLC
(A Limited Liability Company)

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies

Nature of business - Transworld Business Advisors, LLC (the "Company"), a Florida limited liability company was formed on October 4, 2010 and is headquartered in West Palm Beach, Florida. The Company sells franchises that allow the purchaser to operate a Transworld Agency, which provides business brokerage and franchise lead referral services.

The Company has elected a year end of December 31.

Principles of Consolidation – The financial statements include the operations of Transworld Business Advisors, LLC, and its wholly owned subsidiary Transworld Business Advisors PTY LTD. All significant intercompany transactions have been eliminated in consolidation.

All foreign operations are translated to U.S. dollars at the exchange rate in effect at year-end. Income and expense items and cash flows are translated at the average exchange rate for each year.

A summary of the Company's significant accounting policies follows:

Accounting estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition - Initial franchise fees are recognized as revenue when services required under the franchise agreement have been performed by the Company. Franchise royalty revenues are based on franchisees' sales and are recognized as earned. Product and equipment revenue is recorded when legal title is transferred to the franchisee, generally when the product is shipped.

Cash concentration - The Company maintains its cash in two banks which, at times, may exceed the federally-insured limits. The Company has not experienced any loss in such accounts. The Company believes it is not exposed to any significant credit risk on such accounts.

Accounts receivable - Trade receivables are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis; thus trade receivables do not bear interest, although a finance charge may be applied to such receivables that are more than 30 days past due.

Credit risk - The Company performs on-going credit evaluations of each franchisee's financial condition. Accounts receivable are principally with franchises that are secured under the franchise agreements. The franchise agreements provide the Company with certain collateral, including inventory and fixed assets. Consequently, risk of loss is considered minimal.

Transworld Business Advisors, LLC
(A Limited Liability Company)

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Property and equipment - Property and equipment is stated at cost. Depreciation is computed by the straight-line method over the following estimated useful lives:

	<u>Years</u>
Vehicles	7
Machinery and equipment	10
Computer equipment	3.5 – 7
Software	3.5
Leasehold improvements	10

Long-lived assets - Long-lived assets held for use are subject to an impairment assessment if the carrying value is no longer recoverable based upon the undiscounted future cash flows of the asset. The amount of the impairment is the difference between the carrying amount and the fair value of the asset. The Company's estimate of undiscounted cash flows indicated that such carrying amounts were expected to be recovered.

Income taxes - The Company has elected to be taxed under sections of the federal and state income tax laws that provide that, in lieu of corporate income taxes, the members separately account for their pro rata shares of the Company's items of income, deduction, losses and credits. Therefore, no provision for federal income taxes is reflected in the Company's financial statements. The provision for state income taxes for 2015, 2014, and 2013 consisted of the following:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Various State Income Taxes	\$1,500	\$0	\$0

The Company is subject to taxation in various state jurisdictions. State jurisdictions have statutes of limitations that generally range from three to five years. As of December 31, 2015, none of the Company's tax returns are under examination.

Note 2 Cash and Cash Equivalents

The Company maintains cash balances at two financial institutions. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation for up to \$250,000. At December 31, 2015, the Company had uninsured cash balances amounting to \$100,720. At December 31, 2014, the Company had uninsured cash balances amounting to \$0. At December 31, 2013, the Company had uninsured cash balances amounting to \$0.

Transworld Business Advisors, LLC
(A Limited Liability Company)

Notes to Consolidated Financial Statements

Note 3 Accounts Receivable

Accounts receivable at December 31, 2015, 2014, and 2013 consisted of the following:

	2015	2014	2013
Franchise Fees Receivable	\$ 528,536	\$ 121,290	\$ 322,682
Other	-	-	46,757
Allowance for doubtful accounts	(92,475)	(17,950)	(119,155)
	<u>\$ 436,061</u>	<u>\$ 103,340</u>	<u>\$ 250,284</u>

The bad debt deducted for the year ended 2015 was \$76,874. No bad debt was deducted for the year ended 2014. The bad debt deducted for the year ended 2013 was \$119,390.

Note 4 Property and Equipment

Property and equipment as of December 31, 2015, 2014, and 2013 consisted of the following:

	2015	2014	2013
Software	\$ -	\$ 28,629	\$ 28,269
Less accumulated depreciation	-	(28,629)	(28,269)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Depreciation as of December 31, 2015 is \$0. The depreciation of software purchased in 2012 was accelerated in 2013 because it was determined there was no remaining future value in the asset.

Note 5 Promissory Notes

The Company has promissory notes receivable with various franchisees; the notes bear interest at rates of 0% to 10% per annum, and are amortized over periods of 1 month to 4 years. On promissory notes bearing an interest rate below market, imputed interest is calculated and the note value is discounted.

Transworld Business Advisors, LLC
(A Limited Liability Company)

Notes to Consolidated Financial Statements

Note 6 Transactions with Related Parties

The Company reimburses and receives reimbursements to and from Related Parties, for certain operating expenses, including home office rent, payroll, and other administrative expenses. For the year ending December 31, 2015, related party balances included loans receivable of \$21,519, and accounts payable of \$280,460. For the year ending December 31, 2014, related party balances included loans receivable of \$1,673, and accounts payable of \$21,013. For the year ending December 31, 2013, related party balances included loans receivable of \$41,044, and accounts payable of \$39,706.

EXHIBIT C

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Transworld® Business Advisors

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EXHIBIT D

**AGENTS FOR SERVICE OF PROCESS/STATE
ADMINISTRATORS**

DIRECTORY OF AGENCIES/ AGENTS FOR SERVICE OF PROCESS

CALIFORNIA	<p>Administrator - Department of Business Oversight One Sansome Street, Suite 600 San Francisco, CA 94104 Telephone: 866-275-2677</p> <p>Agent - California Commissioner of Business Oversight One Sansome Street, Suite 600 San Francisco, CA 94104 1-866-275-2677</p>	
CONNECTICUT	<p>Banking Commissioner - Department of Banking Securities and Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299</p>	
FLORIDA	<p>Administrator - Department of Agriculture and Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800</p>	<p>Agent - Jacqueline F. Howe P.A. c/o Katz Barron Squitiero Faust 100 NE 3rd Avenue, Suite 280 Fort Lauderdale, FL 33301</p>
HAWAII	<p>Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 Telephone: 808-586-2722</p>	
ILLINOIS	<p>State of Illinois – Franchise Bureau Office of Attorney General 500 S. Second Street Springfield, IL 62706 (217) 782-4465</p>	
INDIANA	<p>Agent – Indiana Secretary of State 201 State House 200 W. Washington Street Indianapolis, IN 46204 Telephone: 317-232-6531</p>	<p>Administrator - Indiana Securities Division 302 W. Washington St., Rm. E-111 Indianapolis, IN 46204 Telephone: 317-232-6681</p>

MARYLAND	Agent – Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202	Administrator - Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202
MICHIGAN	Michigan Department of Attorney General Corporations and Securities Bureau PO Box 30054 6546 Mercantile Way Lansing, MI 48909	
MINNESOTA	Minnesota Department of Commerce 85 -7 th Place East, Suite 500 St. Paul, MN 55101-3165	
NEW YORK	Administrator - New York State Department of Law 120 Broadway, 23 rd Floor <u>Avenue</u> New York, NY 10271	Agent - New York Secretary of -State 41 State Street <u>99 Washington</u> Albany, NY 12231
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fifth Floor Department 414 Bismarck, ND 58505-0510 Phone: 701-328-4712	
RHODE ISLAND	State of Rhode Island Dept. of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex, Building 69-1 Cranston, RI 02920	
SOUTH DAKOTA	South Dakota Department of Labor and Regulation Division of Securities 124 S Euclid, Suite 104 Pierre, SD 57501	
TEXAS	Secretary of State P.O. Box 12887 Austin, TX 78711	

VIRGINIA	<u>Registered Agent:</u> Clerk of the State Corporation Commission 1300 E. Main Street, 1 st Floor Richmond, VA 23219 Telephone: 804-371-9733 <u>State Administrator:</u> State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, VA 23219 Telephone: 804- 371-9051
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507 9033 _____ of 150 Israel Rd. SW Tumwater, WA 98501
WISCONSIN	Wisconsin Securities Commission 345 W. Washington Ave., Fourth Floor Madison, WI 53703 Telephone: 608-266-1064

EXHIBIT E

GENERAL RELEASE AGREEMENT

GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT (“Agreement”) is made between **TRANSWORLD BUSINESS ADVISORS, LLC**, a Florida limited liability company (hereinafter referred to as the “Franchisor”) and _____ (hereinafter referred to as the “Franchisee”).

INTRODUCTION

The Franchisor and the Franchisee entered into a Franchise Agreement (the “original Franchise Agreement”) dated _____, pursuant to which the Franchisor granted the Franchisee a Transworld Business.

A. The parties desire to terminate the original Franchise Agreement on the terms and conditions set forth in this Agreement.

B. This Agreement has been supported by full and adequate consideration, receipt of which is hereby acknowledged by both the Franchisee and the Franchisor.

The parties agree as follows:

1. **Termination of Franchise Agreement.** The parties agree that, subject to Section 3 hereof, the original Franchise Agreement and all obligations of the Franchisee and Franchisor under or arising from the original Franchise Agreement are hereby terminated.

2. **Mutual General Releases.** Subject to Section 3 hereof, the Franchisee, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge the Franchisor and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which the Franchisee ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the original Franchise Agreement, the Franchisor’s offer, sale or negotiation of the Transworld franchise, the relationship of the parties arising therefrom, or the Franchisor’s conduct in obtaining and entering into agreements.

Subject to Section 3 hereof, the Franchisor, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge the Franchisee and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which the Franchisor ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the original Franchise Agreement.

3. **Post-Term Covenants; Special Stipulation.** The termination and release provided in this Agreement shall have no effect on those obligations of the Franchisee (and its owners and guarantors, if any) arising out of the original Franchise Agreement or any other agreement which otherwise expressly or by their nature survive the termination of the original Franchise Agreement, including, without limitation, obligations pertaining to the Franchisee’s indemnification obligations and non-disclosure of the

Initials

Franchisor's confidential information. In addition, all obligations of the parties, if any, in the original Franchise Agreement pertaining to mediation and arbitration of disputes and jurisdiction and venue for dispute resolution, shall apply with equal force to the terms and conditions of this Agreement, as if set forth herein. Such obligations shall continue in full force and effect in accordance with their terms subsequent to termination of the original Franchise Agreement and until they are satisfied or by their nature expire. The Franchisee acknowledges and agrees it has no right, title or interest in and to the trademarks associated with Franchisor's franchise system, including, without limitation, "Transworld", and any colorable imitation thereof.

4. **Confidentiality.** It is acknowledged by the Franchisee that the terms of this Agreement are in all respects confidential in nature, and that any disclosure or use of the same by the Franchisee may cause serious harm or damage to the Franchisor, and its owners and officers. Therefore, the Franchisee agrees, either directly or indirectly by agent, employee, or representative, not to disclose the termination, this Agreement or the information contained herein, either in whole or in part, to any third party, except as may be required by law.

5. **Non-Disparagement.** The parties agree that at no time will they make any derogatory statements about or otherwise disparage, defame, impugn or damage the reputation of integrity of the others, provided that nothing in this paragraph will preclude any party from providing truthful information in response to compulsory legal process. The parties further agree not to, and to use their best efforts to cause any of the parties' agents, employees or affiliates not to, disparage or otherwise speak or write negatively, directly or indirectly, of the parties' brands, systems, or any other service-marked or trademarked concept of the parties or the parties' affiliates, or which would subject such brands, systems or concepts to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of the parties or their brands, systems or service-marked or trademarked concepts.

56. **Binding Effect.** All of the terms and provisions of this Agreement, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, heirs, successors, and permitted assigns.

67. **Interpretation.** Each of the parties acknowledges that they have been or have had the opportunity to have been represented by their own counsel throughout the negotiations and at the execution of this Agreement and all of the other documents executed incidental hereto, if any, and, therefore, the parties agree that none of the provisions of this Agreement or any of the other documents should be construed against any party more strictly than against the other.

78. **Entire Agreement.** This Agreement, including any Schedules attached hereto (which are considered a part of this Agreement), represent the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersede all other negotiations, understandings and representations if any made by and between the parties.

89. **Governing Law.** Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and all transactions contemplated by this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Florida without regard to principles of conflicts of laws.

910. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Confirmation of execution by telex or by telecopy facsimile signature page shall be binding upon any party so confirming or telecopying.

110. **Effectiveness of Agreement.** This Agreement shall not be effective until it has been signed by the Franchisee and an authorized officer of the Franchisor and delivered fully executed to the Franchisee and the Franchisor.

THE UNDERSIGNED have read, fully understand, and, by executing below, agree to the terms and conditions of this Agreement.

Transworld Business Advisors, LLC

By: _____

Print Name: _____

Date: _____

The Franchisee:

Signature: _____

Print Name: _____

Date: _____

Signature: _____

Print Name: _____

Date: _____

SCHEDULE A
ADDITIONAL TERMS AND CONDITIONS
FOR TRANSFER AND ASSUMPTION OF FRANCHISE

The Franchisee desires to transfer its rights to operate its Transworld franchise operated under the original Franchise Agreement (the "Transworld Business") to a successor franchisee, _____ ("Successor Franchisee"). The Successor Franchisee desires to continue operating such Transworld Business pursuant to a Successor Franchise Agreement with Franchisor. The terms and conditions of this Schedule "A" supplement the terms and conditions of the foregoing General Release Agreement of which this Schedule forms a part.

The parties agree that the foregoing recitals are true and correct, and for good and valuable consideration, the receipt of which is acknowledged by each of the parties, the parties agree as follows:

1. **Transfer.** Effective as of the date of this Agreement, the Franchisee does hereby bargain, sell, assign, convey, and transfer all of Franchisee's rights to the Successor Franchisee to operate the Transworld Business, pursuant to the Successor Franchise Agreement and any related written agreements between the Successor Franchisee and Franchisor. Subject to the terms of such Successor Franchise Agreement and related written agreements with Franchisor, the Successor Franchisee hereby accepts and assumes the rights and obligations of the Franchisee to operate the Transworld Business. If for any reason the sale of Franchisee's business to Successor Franchisee is not completed, the General Release Agreement will be deemed null and void and Franchisee shall continue to operate the Transworld Business under the terms of the original Franchise Agreement. Unless otherwise provided in a written agreement between Franchisee and Successor Franchisee, Franchisee, during the period from the date hereof to the final closing date of the sale of the Transworld Business to the Successor Franchisee, shall operate the Transworld Business for his/her own account.

2. **Successor Agreements and Payments.** The Successor Franchisee is hereby delivering to Franchisor its duly signed Successor Franchise Agreement and any related agreements that may be required as a result of this transaction under the original Franchise Agreements. The Successor Franchise Agreement means the current standard form of Franchise Agreement required by the Franchisor, subject to any modifications consented to in writing by Franchisor. The Successor Franchisee is also hereby delivering to Franchisor a training fee in the amount of \$_____. No initial franchise fee shall be due under the Successor Franchise Agreement from the Successor Franchisee.

3. **Consents, Subordination and Acknowledgments.** The Franchisor consents to the transfer to and assumption by the Successor Franchisee in accordance with this Agreement. Such consent does not constitute approval of, or agreement with, any of the provisions of any agreement (other than this Agreement) between the Franchisee and Successor Franchisee. The Franchisee and Successor Franchisee specifically acknowledge that the Franchisor is not a party to any such agreements. The Franchisee agrees that its rights, pursuant to any agreements with the Successor Franchisee, are subject to and subordinate in all respects to Franchisor's rights under the Successor Franchise Agreement and all related agreements, if any, between the Franchisor and Successor Franchisee, including all renewals, modifications, and extensions, if any, to such agreements. The Successor Franchisee agrees that its rights concerning the Franchisor exist pursuant only to the written agreements entered between the Franchisor and Successor Franchisee, and in the event of any conflict with the terms of this Agreement, except regarding the waiver of the payment of an initial franchise fee, the terms of such other agreements shall control. The Successor Franchisee acknowledges that it has received and reviewed the General Release Agreement of which this Schedule "A" forms a part. The Successor Franchisee further acknowledges that, except as expressly provided in this Agreement, Franchisor has no liability with respect to, related to, or arising out of, any transaction between the Franchisee and Successor Franchisee, and releases, indemnifies and holds the Franchisor harmless from same.

FRANCHISOR:

TRANSWORLD BUSINESS ADVISORS, LLC:

By: _____

Print Name: _____

Date: _____

FRANCHISEE:

Signature: _____

Date: _____

Signature: _____

Date: _____

(Print Corporation Name -if one)

By: _____
Print Name/Title

Date: _____

SUCCESSOR FRANCHISEE:

Signature: _____

Date: _____

(Print Corporation Name -if one)

By: _____

Date: _____

EXHIBIT F
LIST OF FRANCHISEES

Transworld Business Advisors, LLC
List of Franchisees as of 2/29/16

Name	Address	City	State	Zip	Phone
C. Stanley Bailey (7 territories)	P.O. Box 465	Baileyton	AL	35019	205-873-9597
Jared Thompson (2 territories)	13212 Remington Road	Bentonville	AR	72712	479-268-6986
Tim Dooley (2 territories)	2500 S. Rogers Avenue, Suite 4	Fort Smith	AR	72901	479-226-8340
Jason Grindall	10971 East Cannon Drive	Scottsdale	AZ	85259	480-276-4016
Marshall Pollock (2 territories)	701 Palomar Airport Road; Suite 125	Carlsbad	CA	92011	858-775-2657
Peter Seariac	614 Park Crest Drive	Chino Hills	CA	91709	714-923-1222
Michael Ratynets	17722 Erwin Street	Encino	CA	91361	818-280-9505
Karen Christensen / Ralph Alva (2 territories)	18552 MacArthur Blvd., Suite 430	Irvine	CA	92612	949-387-1999
Tim Cunha	2225 E. Bayshore Road, Suite 200	Palo Alto	CA	94303	650-701-5836
Brett Schwartz	13075 Pacific Promenade, Apt. #304	Playa Vista	CA	90094	310-490-3060
Ken Watanabe	609 Deep Valley Drive, Suite 200	Rolling Hills (Torrance)	CA	90274	424-645-9019
Nassim Bayat (2 territories)	33741 Shamrock Lane	San Juan Capistrano	CA	92675	949-257-7151
John Sagarino	245 Kitty Hawk Lane	Tustin	CA	92782	949-679-8373
Albert Fialkovich / Jessica Fialkovich (3 territories)	240 St. Paul Street, Ste 205	Denver	CO	80206	720-357-6848
Dana S. & Marie Marsden / Aaron & Meghan Marsden	1490 Symphony Heights	Monument	CO	80132	719-502-5833
Joseph Anastasi	8 Norden Place, #19	Norwalk	CT	06851	203-216-6395
William Heist	270 Putting Green Road	Trumbull	CT	06611	203-400-8979
Sergio Morales	11340 Lakefield Drive, Suite 200	Johns Creek (Alpharetta)	GA	30097	678-862-6705
Jon Roman	1347 Fairview Trail	Lawrenceville	GA	30043	404-431-4787
Linda Thomas	10986 Cape Cod Lane	Huntley	IL	60142	847-452-4610
Elijah Bolden	4355 Camelot Circle	Naperville	IL	60564	630-780-1088
David Burchert	4 Juniper Road	Rolling Meadows	IL	60008	847-305-1888
Michael Berry (12 territories)	17374 Bigleaf Maple Blvd., #912	Westfield	IN	46074	317-442-3311
Todd Bailey	308 N. Pershing	Wichita	KS	67208	316-214-6875
Margaret Harlow / Brian Harlow	909 E. Market Street; Suite 300	Louisville	KY	40206	502-587-9999
David Pierce	10741 Hobbs Station	Louisville	KY	40223	502-553-0423
Dean Cherry	722 Fairlane Drive	Murray	KY	42071	847-962-3238
Aaron Fox (2 territories)	111 Marblehead Street	North Reading	MA	01864	978-758-8553
Erik Woodworth	3702 Leland Street	Chevy Chase	MD	20815	212-234-0554
Elan Krueger	10915 Lamplighter Lane	Potomac	MD	20854	301-646-0472
Robert Phillips	29 Belleview Drive	Severna Park	MD	21146	410-499-5740
Michael Limbers	3768 East Gran River	Howell	MI	48843	517-230-1281
Jeffrey Sak	900 Wilshire Drive, Suite 202	Troy	MI	48084	248-519-2305
Scott Hislop	15503 State Hwy 22	Mapleton	MN	56065	507-340-4219
Laura Ruether	P.O. Box 1847	Lebanon	MO	65536	417-533-2289
Jack Sluiter	11220 Elm Lane, Suite 200	Charlotte	NC	28277	704-826-7099
Thomas Caridi (2 territories)	2500 Regency Parkway	Cary	NC	27518	919-654-3007
Joseph Roybal	19701 Bethel Church Road, #103-262	Cornelius	NC	28031	704-584-9392

Transworld Business Advisors, LLC
List of Franchisees as of 2/29/16

Name	Address	City	State	Zip	Phone
Ray Canoy	4315 Amesbury Lane	Durham	NC	27707	720-357-6848
Gregory Barnes / Catherine McFadden Barnes	1020 Kings Grant Way	Matthews	NC	28104	704-533-0974
Fred Koenig	612 N. 34th Street	Bismarck	ND	58501	701-751-5829
Mary Jo Cassner	6110 S. 46th Street	Lincoln	NE	68516	402-499-8339
Alex Prazdnik	22-27 Radburn Road	Fairlawn	NJ	7410	201-259-6024
Michael Givner	34 Blackstone Drive	Livingstone	NJ	07039	973-936-2202
Stephen Bowman	402 Main Street 100-175	Meteushen	NJ	08840	908-410-7682
Michael Vacca (2 territories)	27 Monmouth Street	Monmouth County	NJ	07701	732-741-7024
Marc Lazarus	230 Derrom Avenue	Paterson	NJ	07504	201-370-9600
Paul Vento	101 Eisenhower Parkway, Suite 300	Roseland	NJ	07068	973-795-1223
Carolyn Johnson	200 Hoover Avenue #2013	Las Vegas	NV	89101	702-523-5107
Frank Dolan	41 John Street	Babylon	NY	11702	631-334-1836
Mark Lippold	3171 Fairmont Avenue	Bronx	NY	10465	718-863-6800
Mike Kelly	300 International Drive, Suite 100	Buffalo	NY	14221	716-201-0552
Debra Janusz	99 Buttonwood Drive	Dix Hills	NY	11746	631-467-6200 ext.117
Douglas DaCosta / Ryan Kelly	850 Conklin Street	Farmingdale	NY	11735	631-880-8690
Pete Sheehan	19 Namrof Lane	Holbrook	NY	11741	516-639-2465
Neil Hobart / Nuala Marley Hobart	219 N. Barry Avenue	Mamaroneck	NY	10543	914-414-7344
Richard Baylis / Kerri Baylis	1860 Route 112, Office #2	Medford	NY	11763	516-524-1534
Thomas Gesimondo	112 West 75th Street, Apt 3A	New York	NY	10023	973-903-9931
Eric Straus (12 territories)	247 West 46th Street, PH 1	New York	NY	10036	917-675-0143
Ed Thaney	2024 W. Henrietta Road; Bldg 4 B	Rochester	NY	14623	888-208-2156
Michael Abernathy, Jr.	4786 Dressler Road NW	Canton	OH	44718	330-464-0207
Jason Poot / Rebecca Poot	445 Legacy Court	Westerville	OH	43082	614-554-1026
P. Michael Veltri / Lisa Ann Veltri (2 territories)	531 East "A" Street Suite 201 B	Tulsa North	OK	74037	918-724-7432
John Hess (3 territories)	945 Locust Street	Collegeville	PA	19426	610-420-9630
Robert Talecki	1323 Old Sumneytown Pike	Harleysville	PA	19438	215-530-2800
Michael Kabiri	61 Arrow Road, Suite H	Hilton Head	SC	29928	843-671-4200
Brian Wolverton	1156 Bowen Road, Suite 200	Mount Pleasant	SC	29464	843-830-6953
Kim Romaner / Mike Romaner	415 East Shoreline Drive	North Augusta	SC	29841	305-439-9326
Richard Bishop	544 West Main, #320	Gallatin	TN	37066	615-972-6051
Michael Patterson	512 Griffin Circle	Hermitage	TN	37076	270-309-0281
Barry Chapman	9544 Fox Hill Circle North	Germantown	TN	38139	901-756-0757
Brian Truman	3232 Locust Hollow	Murfreesboro	TN	37135	615-260-2121
Donnie Pell	15902 Lakewood Drive	Sale Creeek	TN	37373	423-593-2871
Saleem Marwat	1913 Glenmere Drive	Allen	TX	75013	214-212-2250
David McCready	2409 County Road 1942	Aransas Pass	TX	78336	361-885-0318
Stephen Reesing	11701 FM 2244, Suite 200	Austin	TX	78738	512-831-3653

Transworld Business Advisors, LLC
List of Franchisees as of 2/29/16

Name	Address	City	State	Zip	Phone
Tim Watson	15455 North Dallas Parkway, Suite 600	Dallas	TX	75001	817-657-0568
Charles Bortnick (3 territories)	5110 San Felipe, Unit 127W	Houston	TX	77056	203-770-2416
Gerald Brisson (13 territories)	22136 Westheimer Parkway, Suite 605	Houston	TX	77450	832-585-3765
Lance Metcalf (3 territories)	385 W. Main	Lewisville	TX	75057	817-875-5231
Matt Owen	9901 I H 10 West, Suite 800	San Antonio	TX	78230	512-944-9975
Saul Komisar (3 territories)	2725 E. Parleys Way, Suite 110	Salt Lake City	UT	84109	801-884-3829
Rupesh Bharad (6 territories)	5300 Hickory Park Dr., suite 100	Glen Allen	VA	23059	804-545-0670
Lex Meredith (2 territories)	252 Rochelle School Lane	Rochelle	VA	22738	804-503-3123
Thomas Wankel (5 territories)	1715 Main Street	Cross Plains	WI	53528	608-852-7923
Mitchel & Lillas Cox / Stephanie Cox	506 West Silver Spring Dr, Suite 208	Glendale	WI	53217	414-269-2310

EXHIBIT G

**LIST OF TERMINATED, CANCELLED OR NOT RENEWED
FRANCHISEES**

List of Terminated, Cancelled, Not Renewed or Ceased to do Business Franchisees as of 12/31/15

Name	Address	City	State	Zip	Phone
Robert Balaban / Aaron Kagan / Matt Walles*	12201 E. Arapahoe Road; Suite B 11	Centennial	CO	80112	303-708-0777
Ata Khan	765 Alexandria Drive	Naperville	IL	60565	312-498-6829
Robert Jaekel	1901 N. Roselle Road, Suite 800	Schaumburg	IL	60195	847-794-8038
Paul Patriarco	13711 Coursey Blvd.; Suite D	Baton Rouge	LA	70817	225-751-9881
Rodd Welker / Greg Swartzentruber	711 Winkler Drive; Suite B	Akron	OH	44691	330-572-7500
Robert Curtis Harper III	1268 Woodruff Road	Greenville	SC	29607	864-477-9542
Scott Lusk	26759 Highway 72	Golden	CO	80403	303-408-6786

* This business/territory was sold to another franchisee

EXHIBIT H

DEPOSIT RECEIPT



DEPOSIT RECEIPT

By this receipt, **Transworld Business Advisors, LLC** acknowledges that it has received a fully refundable deposit of **\$5,500.00** from:

Name: _____

Address: _____

together with an application for a **TRANSWORLD** Franchise Business.

We've reviewed your application within our offices and would be pleased to move forward.

The deposit you paid will, at the time of signing your Franchise Agreement, be credited to the remainder of the franchise fee. In the event that you decide not to accept the Franchise Agreement for any reason, your deposit will be fully refunded.

Thank you for your sincere interest in purchasing a **TRANSWORLD** Franchise Business.

Sincerely,

TRANSWORLD BUSINESS ADVISORS, LLC

By: _____

TRANSWORLD CANDIDATE:

Signature

Date

Print

EXHIBIT I

COMPLIANCE CERTIFICATION

TRANSWORLD BUSINESS ADVISORS, LLC

COMPLIANCE CERTIFICATION

You are preparing to enter into a Franchise Agreement for the establishment and operation of a Transworld Franchise Business. The purpose of this Compliance Certification is to determine whether any statements or promises were made to you that Transworld Business Advisors, LLC (the "Franchisor") has not authorized and that may be untrue, inaccurate, or misleading.

A. The following dates are true and correct:

1. _____ _____ The date on which I first received the Franchisor's Franchise
 (Date) (Initials) Disclosure Document about the Transworld business.
2. _____ _____ The date of my first face-to-face meeting with a Franchise sales
 (Date) (Initials) representative of the Franchisor to discuss the possible purchase
 of a Franchise.
3. _____ _____ The date on which I signed the contracts and agreements as
 (Date) (Initials) disclosed in my Franchise Disclosure Document
4. _____ _____ The earliest date on which I delivered cash, check, or other
 (Date) (Initials) consideration to the Franchisor in connection with the purchase of
 a Transworld Franchise.

B. Please review each of the following questions carefully and provide honest and complete responses to each question:

1. Have you personally reviewed the Franchise Agreement and the Transworld Disclosure Document?

Yes ____ No ____

2. Do you understand all of the information contained in the Franchise Agreement and the Disclosure Document? Yes ____ No ____

If "No", what parts of the Franchise Agreement and/or the Disclosure Document do you not understand? (Attach additional pages, if necessary)

3. Have you discussed the benefits and risks of establishing and operating a Transworld Franchise Business with an attorney, accountant, or other professional advisor?

Yes ____ No ____

4. Do you understand that the success or failure of your Transworld Business will depend in large part upon your skills and abilities, competition from other agencies, interest rates, inflation and other economic and business factors?

Yes ____ No ____

5. Has any employee speaking on behalf of the Franchisor made any statement or promise concerning the revenues, profits, or operating costs of a Transworld Business operated by the Franchisor or its franchisees? Yes ____ No ____

Initials

6. Has any employee speaking on behalf of the Franchisor made any statement or promise regarding the total amount of revenue you might achieve or operating profit you might realize from a Transworld Business?
Yes ____ No ____
7. Has any employee speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating a Transworld Business that is contrary to or different from the information contained in the Disclosure Document? Yes ____ No ____
8. Has any employee speaking on behalf of the Franchisor made any statement, promise, or agreement concerning the advertising, marketing, training, support service, or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document?
Yes ____ No ____
9. Do you understand that your initial franchise fee is non-refundable upon entering into a Franchise Agreement? Yes ____ No ____

C. If you have answered "Yes" to any one of questions B. 5-8, or "No" to question B. 9 please provide a full explanation of each "Yes" answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below) If you have answered "No" to each of questions B. 5-8 and "Yes" to question B.9, please leave the following lines blank.

Nothing in this Certificate shall act as a release, estoppel or waiver of any liability of Transworld Business Advisors, LLC under the Maryland Franchise Registration and Disclosure Law.

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Compliance Certification, you are representing that you have responded truthfully to the above questions.

FRANCHISE APPLICANT:

APPROVED BY:

Signature _____

Analyst: **Renee Black**

Date: _____

Date: _____

(If applicable)

Corporation Name:

By: _____

Print Name/Title:

Date: _____

Initials

EXHIBIT J

ADDENDA TO DISCLOSURE DOCUMENT

EXHIBIT K

DISCLOSURE DOCUMENT RECEIPTS

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 **TRANSWORLD BUSINESS ADVISORS, LLC** offers you a **TRANSWORLD** franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale or sooner if required by applicable state law.

New York and Rhode Island Laws require that Transworld Business Advisors, LLC provide you with 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 and Oregon require that Transworld Business Advisors, LLC 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 Transworld Business Advisors, LLC does not deliver this disclosure document on time, or if it contains a false or misleading statement, or 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, or to your state agency listed in Exhibit D.

The Franchisor is Transworld Business Advisors, LLC, a Florida Limited Liability Company, located at 2121 Vista Parkway, West Palm Beach, FL 33411. Its telephone number is (888) 816-6749.

Issuance Date: ~~April 1, 2015~~ March 30, 2016

Franchise Seller: William Luce, Vice President of Sales, and/or your Sales Agent(s) listed below, Transworld Business Advisors, LLC, 2121 Vista Parkway, West Palm Beach, FL 33411, (888) 816-6749.

TRANSWORLD BUSINESS ADVISORS, LLC authorizes the respective state agencies identified in Exhibit D to receive service of process for it in the particular state. TRANSWORLD BUSINESS ADVISORS, LLC further authorizes legal process to be served to Jill K. Klein, General Counsel, 2121 Vista Parkway, West Palm Beach, FL 33411.

I received a Disclosure Document issued ~~April 1, 2015~~ March 30, 2016 (see State Applicable Effective Dates page located after the State Cover Page in this disclosure document) that included the following Exhibits:

- | | |
|---------------------------------------------|-------------------------------------------------------------|
| A. Franchise Agreement w/applicable Addenda | G. List of Terminated, Cancelled or Not Renewed Franchisees |
| B. Financial Statement | H. Deposit Receipt |
| C. Table of Contents for Operations Manual | I. Compliance Certification |
| D. Agents for Service of Process | J. Addenda to Disclosure Document |
| E. General Release Agreement | K. Disclosure Document Receipt |
| F. List of Franchisees | |

DATE: _____
(Do not leave blank)

Print Sales Agent(s) Name(s)

Prospective Franchisee **Signature**

Prospective Franchisee **Printed Name**

Prospective Franchisee **Signature**

Prospective Franchisee **Printed Name**

Corporate Name: (if applicable)

By: _____
Authorized Corporate Officer **Signature**

Printed Corporate Officer Name / _____
—Title

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 **TRANSWORLD BUSINESS ADVISORS, LLC** offers you a **TRANSWORLD** franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale or sooner if required by applicable state law.

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| E. General Release Agreement | K. Disclosure Document Receipt |
| F. List of Franchisees | |

DATE: _____
(Do not leave blank)

Print Sales Agent(s) Name(s)

Prospective Franchisee **Signature**

Prospective Franchisee **Printed Name**

Prospective Franchisee **Signature**

Prospective Franchisee **Printed Name**

Corporate Name: (if applicable)

By: _____
Authorized Corporate Officer **Signature**

Printed Corporate Officer Name / _____
—Title