

laws in your designated Territory. You should consider both their effect on your business and the cost of compliance. You should thoroughly investigate all of these laws and requirements before purchasing a Grand Welcome franchise.

ITEM 2: BUSINESS EXPERIENCE

Chief Executive Officer: Patrick Stewart

Employer	Start Date - End Date	Titles	City, State
Grand Welcome Franchising, LLC	10/2024-present	CEO	Incline Village, Nevada
Country Visions, Inc	08/2017-12/2023	CEO	Fairfield, California

Chief Operating Officer/Chief Technology Officer: Bo Erland Odd

Employer	Start Date - End Date	Titles	City, State
Grand Welcome Franchising, LLC	04/2024-present	COO/CTO	Incline Village, Nevada
Grand Welcome Franchising, LLC	04/2023-present	CTO	Incline Village, Nevada
Castle Hospitality Group	02/2015-03/2023	Marketing Technology	Honolulu, Hawaii

Sr Director of Revenue Management: Steven Costa

Employer	Start Date - End Date	Titles	City, State
Grand Welcome Franchising, LLC	05/2016-present	Head of Revenue Management	Incline Village, Nevada

Sr Director of Client Services: Kathleen Gresh

Employer	Start Date - End Date	Titles	City, State
Grand Welcome Franchising, LLC	04/2024 - Present	Sr. Director of Client Services	Incline Village, Nevada
Grand Welcome Franchising, LLC	09/2023 – 04/2024	Director of Client Services	Incline Village, Nevada
Grand Welcome Franchising, LLC	01/2023 – 09/2023	Director of Data Management	Incline Village, Nevada
Grand Welcome Franchising, LLC	05/2021 – 01/2023	Data Manager	Incline Village, Nevada
Tiffany & Co.	10/2017 – 04/2021	Sr. Systems Specialist	Parsippany, New Jersey

Director of Franchise Development: Joe Luck

Employer	Start Date - End Date	Titles	City, State
Grand Welcome Franchising, LLC	02/17/2025 - Present	Director of Franchise Development	Incline Village, Nevada
ABLE Asset Solutions (Harper Hotel Group)	01/01/2021 – 01/31/2025	Chief Development Officer	Austin, Texas
Hospitality Management Corporation	07/01/2019 – 01/31/2022	Senior Vice President Business Development	Lewisville, Texas

Director of Business Development: Reid Van Noate

Employer	Start Date - End Date	Titles	City, State
Grand Welcome Franchising, LLC	12/01/2022 - Present	Director of Business Development	Incline Village, Nevada
Vacasa	08/01/2021 - 08/01/2022	Regional Sales Manager	Portland, OR
Vacasa	04/01/2021 – 07/31/2022	Sr. Sales Executive	Portland, OR
Vacasa	09/01/2016 – 03/31/2021	Sales Executive	Portland, OR

ITEM 3: LITIGATION

Pending Actions:

Ramsey et al. v. Grand Welcome Franchising LLC, et al. (Case No. A-24-894804-B, Clark County, NV): On June 6, 2024, a former franchisee filed suit against us, alleging breach of contract and other causes of action, following the franchisee’s sale of its franchise to a third-party. The complaint seeks unspecified damages in excess of \$15,000. No trial date has been scheduled.

Prior Actions:

Grand Welcome Franchising, LLC v. Kevin Allen, et al. (Case No. 2:24-cv-01462, U.S. District Court, District of Nevada); and *Arkansas Vacation Rental Property Management, Inc. et al. v. Grand Welcome Franchising, LLC et al.* (4:24-cv-01107-KGB, U.S. District Court, Eastern District of Arkansas): In these two related actions on August 8, 2024, we filed a lawsuit in Nevada against a former franchisee and related individuals, Kevin Allen, Nicole Allen, Jeff Lutz, Anneliese Lutz, KJAL, LLC, and Arkansas Vacation Rental Property Management, Inc. (collectively, the “Franchisee Parties”) alleging breach of contract, trademark infringement, and other causes of action, alleging that they were using our intellectual property to operate a competing business outside of the franchisee’s territory and outside of our system, in violation of the franchise agreement. In response, some of the defendants in our lawsuit filed a lawsuit in Arkansas alleging breach of contract, fraud, and other causes of action. The parties reached a settlement on February 28, 2025. This settlement agreement that includes the following: (i) Franchisee Parties must cease and desist operations of their Franchised Business and any similar business that violates the non-competition provisions of their franchise agreement; (ii) termination of the

relevant franchise agreements; (iii) compliance with the post-termination obligations contained in the franchise agreement; (iv) Franchisee Parties to pay Franchisor a settlement payment of \$5,000; (v) a mutual release of claims; and (vi) dismissal of all pending litigation.

Breitlow v. Grand Welcome Franchising, LLC et al. (Case No. 4:24-cv-01107-KGB, Orange County, Florida): On February 15, 2024, a franchisee filed a lawsuit against us alleging breach of contract, fraud, and other causes of action, seeking monetary damages and a declaratory judgment that the franchisee could operate independent of the franchise agreement. The court ordered the action dismissed on February 14, 2025.

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

ITEM 4: BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

ITEM 5: INITIAL FEES

We will charge you an initial franchise fee (“Initial Franchise Fee”) when you sign the Franchise Agreement. The Initial Franchise Fee is between Forty Nine Thousand Dollars (\$49,000.00) and One Hundred Nine Thousand Dollars (\$109,000.00), depending on the potential territory revenue (“PTR”) expected in the Territory, as specified below:

Total Annual PTR	Initial Fee
Tier 2: \$20,000,000 - \$60,000,000	\$49,000
Tier 3: \$60,000,001 - \$100,000,000	\$79,000
Tier 4: \$100,000,001 - \$140,000,000	\$109,000

We use industry-recognized, third-party short-term rental data and analytics to determine the PTR. The PTR will be the potential revenue in a territory for a continuous twelve (12)-month period based on last issued data. The PTR will equal the total number of currently available vacation home rental units in the Territory, multiplied by the average total number of rented nights per unit, and multiplied by the average daily rental rate in the Territory. The Initial Franchise Fee is fully earned by us and due in lump sum when you sign the Franchise Agreement. The Initial Franchise Fee is not refundable under any circumstance.

From time to time, we may offer special incentive programs as part of our franchise development activities. We reserve the right to offer, modify or withdraw any incentive program without notice to you. We currently offer an incentive whereby we offer a 25% discount on the then-current initial franchise fee for a second territory.

We also currently offer a 15% discount on the Initial Franchise Fee to first responders and to veterans of the U.S. armed forces who have been honorably discharged from the military and who otherwise meet our requirements.

ITEM 6: OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Interim Management Fee	Our then-current fee, which is currently \$1,500 per day, during the term of interim management, plus all travel related and other expenses.	As incurred.	We may impose this fee (in addition to all regularly occurring fees such as the Royalty Fee and Brand Fund Contributions), payable to us, if we provide interim management of your Franchised Business due to lack of manager, default, death or disability.
Initial Training	No charge for initial training of up to two (2) people. The fee for additional trainees who attend the same training session as you, is \$500 per person. You pay all travel and other related expenses incurred by all trainees.	As incurred.	Initial training is a two week virtual training program. Following completion of the virtual training program, Franchisor in their discretion, may require you to attend a two-day in person training with a designated brand ambassador. You must pay the incidental costs of attendance, which include but are not limited to, airfare, transportation, hotel and food costs. Incidental costs are payable to third-party suppliers. In our discretion, we will arrange and pay for your lodging during training. Fees for additional trainees are payable to us.
Additional Training	A reasonable fee not to exceed \$500 per attendee per program for all System training programs. You pay all travel and other related expenses incurred by you and your personnel to attend training.	As incurred.	See footnote 5.
Remedial Training Fee	Our then-current trainer per diem rate plus expenses. Our current per diem rate is \$750 per day, plus travel and other expenses.	As incurred.	We may impose this fee, payable to us, if you request additional training in your territory from time-to-time, or if you are operating below our standards and we require you to have additional training. You must also pay all costs of our trainer, which include but

(9) Branding and Promotional Materials. This estimate includes branded and promotional materials such as business cards, letterhead, envelopes, flyers, brochures, and embroidered shirts.

(10) Professional Fees. You may incur professional fees depending on the scope of work performed, which may include legal and accounting fees to review franchise documents and costs of forming a separate legal entity. This list is not exhaustive. This amount will vary greatly depending on your specific needs and location. We strongly recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this disclosure document and the Franchise Agreement. It is also advisable to consult these professionals to review any other contracts that you will enter into as part of starting your Franchised Business.

(11) Insurance. Before you open for business, you must purchase and maintain at your sole cost and expense the insurance coverage that we specify. Insurance costs and requirements may vary widely in different localities. The estimate is for an initial down payment including in total up to 3 months of insurance monthly premiums. We reserve the right to require additional types of insurance and coverage as provided in the Franchise Agreement.

(12) Additional Funds – 3 months. This is an estimate of the amount of additional operating capital that you may need to operate your Franchised Business during the first three (3) months after commencing operations. We relied upon the experience of our operating affiliates to compile these estimates. This estimate includes such items as initial payroll, taxes, bank charges, miscellaneous supplies and equipment, initial staff recruiting expenses, additional marketing costs and other miscellaneous items.

We estimate that a franchisee can expect to put additional cash into the business during at least the first three to six months, and sometimes longer.

We do not offer direct or indirect financing to franchisees for any items included in this section.

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We have identified various suppliers, distributors and manufacturers of equipment, supplies and services that your Franchised Business must use or provide which meet our standards and requirements. You must purchase all equipment, supplies and services, including billing and tax remittance services, from our designated suppliers and contractors or in accordance with our specifications. We maintain written lists of approved items of equipment, supplies and services (by brand name and/or by standards and specifications) and a list of designated suppliers and contractors for those items. We will update these lists periodically and issue the updated lists to all franchisees. We will provide you notice in the Manual or otherwise in writing (such as via email) of any changes in our standards and/or specifications.

From time to time, we or our affiliates may offer programs and services to you to assist with developing your market or signing unit listings. At your option, you may choose to participate in our programs and services. We reserve the right to offer, modify or withdraw any program or service at any time without notice to you. We will derive revenue from these programs and services.

Other than our programs and services, none of our officers own an interest in any approved suppliers of required goods or services that you are required to purchase for the operation of your Franchised Business.

	Provision	Section in Franchise Agreement	Summary
			Agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Sections 20.1, 20.2, 20.3	At our option, claims that are not resolved internally may be submitted to non-binding mediation at our headquarters, subject to state law. Claims not resolved by non-binding mediation shall be resolved through arbitration.
v.	Choice of forum	Section 20.5	Litigation takes place in Nevada, subject to applicable state law.
w.	Choice of law	Section 20.5	Nevada law applies, subject to applicable state law.

ITEM 18: PUBLIC FIGURES

We do not currently use any public figures to promote our franchise.

ITEM 19: FINANCIAL PERFORMANCE REPRESENTATIONS

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

This Item contains a historic financial performance representation of our existing affiliate-owned territories in 2024. As of December 31, 2024, we had 62 total franchised territories in operation and 2 corporate territories in operation. 8 franchised territories were excluded as they did not operate for a full year and 7 franchised territories were excluded as they were combined with other outlets.

The following table¹ shows Key Performance Indicators (KPI’s), Net Revenues and Total Charges information for our 47 franchised territories, which continuously operated during the entire 2024 calendar year. The Franchises territories are grouped based on Total Charges.

Franchisee	Average Daily Rate High/Mean/Median/Low	Occupancy \$ High/Mean/Median/Low	Properties High/Average/Median/Low
Upper Tier (16)	\$484 / \$252 / \$112	66% / 39% / 31%	309 / 73 / 35
Middle Tier (16)	\$462 / \$208 / \$137	48% / 32% / 23%	39 / 25 / 9
Developing Tier (15)	\$375 / \$184 / \$107	47% / 37% / 19%	14 / 6 / 1

Franchisee	Total Charges High/Mean/Median/Low	Net Revenue High/Mean/Median/Low
Upper Tier (16)	\$8,420,274 / \$2,320,394 / \$1,293,735	\$2,990,257 / \$773,786 / \$310,654
Middle Tier (16)	\$1,134,076 / \$668,968 / \$383,573	\$321,589 / \$219,811 / \$118,586
Developing Tier (15)	\$366,688 / \$236,266 / \$11,265	\$123,551 / \$78,721 / \$3,841

The following table¹ shows Key Performance Indicators (KPI's), Total Charges and Costs information for our Operating Affiliates' 2 territories, which continuously operated during the entire 2024 calendar year. Our affiliate's operation in Hawaii and Tahoe each consist of 2 territories; however, financial information is provided to us in a single, consolidated report.

Locations	Average Daily Rate	Occupancy %	Property Listings	Total Charges ¹	Net Revenue ²
Hawaii ³	\$ 265	56%	95	\$ 9,174,979.00	\$ 2,429,868.00
Tahoe ³	\$ 294	42%	168	\$ 10,012,399.00	\$ 1,814,136.00

¹ "Total Charges" is defined as all rental income received from guest stays and other guest payments, including cleaning fee, damage waiver, reservation fees, sundry other fees, and taxes.

² "Net Revenue" is defined as Gross Revenue less the following amounts: (i) OTA commissions and other charges, (ii) merchant and/or credit card payment processing fees, (iii) the Guest Targeted Marketing Fee, and (iv) the Unit Owner's share of Gross Revenue.

"Gross Revenue" means (1) Guest payments for Unit rentals (less any chargebacks), including all revenue received or receivable from Guests, whether directly or indirectly through OTA websites, including daily rental and all charges associated with the reservation ("Rental Payments") plus (2) all charges Franchisee imposes on Guests to arrange for, or to provide, optional services and items plus (3) any other revenues and income from any source derived or received by Franchisee from, through, by or on account of the operation of the Franchised Business or made pursuant to the rights granted hereunder, including but not limited to, any and all other revenues received using Franchisor's trademarks, methods, operations and/or trade secrets whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise, plus (4) favorably resolved chargebacks, plus (5) all proceeds from any business interruption insurance less (6) transient occupancy taxes, sales taxes and other taxes separately stated that Franchisee pays on behalf of Unit Owners or Guests to taxing authorities.

³ Our affiliate-owned Grand Welcome[®] outlets operate in substantially the same manner as franchise outlets; however, our Operating Affiliates are not subject to the same fees that a franchisee will experience. Our affiliate outlets operate without territorial restrictions. Item 6 of this disclosure document outlines the fees to which a franchisee will be subject. Specifically, a franchisee who achieved the same sales results that our Operating Affiliates achieved would incur Local Marketing Fees, Brand Fund Contributions, Technology Fees, and Royalty Fees, as reflected in the above table.

Written substantiation of the data used in preparing these figures will be made available to you upon reasonable request. The information presented above has not been audited.

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

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

**WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY, THE STATE OF WASHINGTON FRANCHISE
AGREEMENT, AND ALL RELATED AGREEMENTS**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

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

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

Rights. RCW 19.100.180 may supersede provisions in the franchise agreement in or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions ~~which may~~that supersede the franchise agreement ~~in or related agreements concerning your relationship with the franchisor including the areas of termination and renewal of your franchise.~~

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

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

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

~~Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000~~

AMENDMENT TO THE GRAND WELCOME FRANCHISE AGREEMENT REQUIRED BY THE STATE OF WASHINGTON

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

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

- 3. Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, ~~a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.~~ franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
- 4. General Release.** A release or waiver of rights ~~executed by a franchisee may not include rights~~ in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. ~~Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).~~
- 5. Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
- 6. Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
- 7. Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. Certain Buy-Back Provisions. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. Fair and Reasonable Pricing. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. Indemnification. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. Attorneys' Fees. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any ~~provisions~~provision contained in the franchise agreement or elsewhere that ~~conflict~~conflicts with these limitations are ~~is~~ void and unenforceable in Washington.

15. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. Nonsolicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or

prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

~~Section 15.7 of the Franchise Agreement to state that : "Franchisees have no obligation to indemnify or hold harmless an indemnified party for losses to the extent that they are determined to have been caused solely and directly by the indemnified party's negligence, willful misconduct, strict liability, or fraud.~~

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

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

~~The parties hereto have duly executed this Washington Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.~~

FRANCHISOR:
GRAND WELCOME FRANCHISING, LLC

By: _____
Name: Patrick Stewart

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____, 20____.

Signature of Franchisor Representative _____ Signature of Franchisee Representative _____

Title: GEO

FRANCHISEE (Entity):

By: _____
Name: _____

_____ of Franchisor Representative _____ Title: _____ of Franchisee Representative

FRANCHISEE (Principal):

Name: _____

FRANCHISEE (Principal):

Name: _____
