



# CORPORATE CONNECTIONS®

## FRANCHISE DISCLOSURE DOCUMENT

Corporate Connections Franchising, LLC  
A Delaware Limited Liability Company  
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Charlotte, North Carolina 28277  
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You will open and operate a CorporateConnections® master franchised business, which will recruit, offer, sell and provide ongoing support and assistance to CorporateConnections businesses located inside a designated territory. CorporateConnections businesses offer business leadership training, structured peer performance teams and referral networking services and assistance to referral groups or “Chapters.” Each of the Chapters will have members who are senior level business professionals, executives, and entrepreneurs and the subfranchised CorporateConnections business will train and instruct as to how to grow each business professional’s own business through qualified referrals using the structure and format provided by us.

The total investment necessary to begin the operation of a CorporateConnections master franchise is between \$4,600,592 and \$4,840,592. This amount includes between \$4,512,500 to \$4,635,000 that must be paid to the franchisor or its affiliate(s).

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

The terms of your contract will govern your franchise relationship. Do not 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 an accountant.

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

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

Issuance Date: July 23, 2024

## How to Use This Franchise Disclosure Document

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

<b>QUESTION</b>	<b>WHERE TO FIND INFORMATION</b>
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits and losses. You should also try to obtain this information from others, like current and former franchisees. You can also find their names and contact information in Item 20 or Exhibit [F].
<b>How much will I need to invest?</b>	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit [A] includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only CC business in my area?</b>	Item 12 and “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be a CC master franchisee?</b>	Item 20 or Exhibit [F] list current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

## What You Need To Know About Franchising *Generally*

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

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

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

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

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

**Renewal.** Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

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

### Some States Require Registration

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

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

## Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with us first by mediation and then by arbitration only in the State of North Carolina. Out-of-state mediation or arbitration may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate or arbitrate with us in North Carolina than in your home state.
2. The master franchise agreement states that North Carolina law governs the agreement and this law may not provide the same protection and benefits as local law of your home state. You may want to compare these laws.

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

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**ADDENDUM TO CORPORATE CONNECTIONS FRANCHISING, LLC  
FRANCHISE DISCLOSURE DOCUMENT**

**FOR THE STATE OF MICHIGAN**

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

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISION OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISE BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS; AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

(i) THE FAILURE OF THE PROPOSED TRANSFEREE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR 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.

ADDRESS FOR NOTICES TO THE MICHIGAN ATTORNEY GENERAL: DEPARTMENT OF THE ATTORNEY GENERAL

CONSUMER PROTECTION DIVISION FRANCHISE SECTION

G. MENNEN WILLIAMS BUILDING, 1ST FLOOR 525 W. OTTAWA STREET, LANSING, MI 48909

517-373-7117

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**Item 1.**  
**The Franchisor and any Parents, Predecessors, and Affiliates**

**The Franchisor**

To simplify the language in this Disclosure Document, “We”, “Us” or “Our” refers to Corporate Connections Franchising, LLC, the franchisor. “You” or “Your” means the individual or entity who signs the master franchise agreement as the master franchisee. If you are a corporation, limited liability company, partnership or other business entity, then “You” also applies to your owners.

We are a Delaware limited liability company that was organized on May 16, 2017. We maintain our principal place of business at 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277. We do business under our corporate name and under the name of “CorporateConnections”. We do not engage in any other business activity. Our agents for service of process are listed on Exhibit J.

We grant master franchises for the right to recruit, offer, sell and provide ongoing support and assistance to CorporateConnections businesses located inside a designated territory and unit franchises for the right to operate a CorporateConnections® franchise, a member-based business and opportunity networking organization for Business Owners, Partners or C-Level Executives of organizations that generate \$5 million (USD) or more in GAAP revenue.

Corporate Connections has had no predecessors in interest at any time. Our affiliates BNI Global, LLC and BNI Worldwide Development, Ltd. began developing the concept of the CorporateConnections Chapters with existing BNI franchisees in Toronto, Canada in 2002. Since then, the CorporateConnections program has been tested and further refined in Toronto, Edmonton and Montreal Canada, Atlanta, Georgia and New Orleans, Louisiana. We began franchising unit franchises in 2018 and master franchises in June 2024. Accordingly, as of the date of this Disclosure Document, there is one (1) Corporate Connections unit franchise operating in the United States. CorporateConnections has Master Franchise Agreements in 28 countries around the world. We are not engaged in any other businesses and have never offered franchises in any other lines of business.

We opened our first Corporate Connection Chapter in 2006, which is company owned. We offered our first Corporate Connections unit franchise in December 2018.

**CorporateConnections Business**

Our parents and affiliates have invested considerable time, effort and resources to develop a System (as defined below) and method of operating a CorporateConnections Business. CorporateConnections Businesses develop and operate “Chapters,” groups made up of non-competing Business Owners, Partners or C-Level Executives of organizations that generate \$5 million (USD) or more in GAAP revenue (“members”) who will receive an established model that connects leaders around the world and empowers them to create opportunities and meaningful change in their organizations, communities, and lives. Chapter members meet approximately 20 times per year to engage in structured meetings and offer each other support and exchange opportunities utilizing our System (the “System”). The CorporateConnections System consists of a specific method of operating a chapter-based business that connects leaders around the world and empowers them to create opportunities and meaningful change in their organizations, communities and lives. In addition to structured meetings, members have access to Forum peer groups, world class speakers and events, our proprietary technology platform, and distinctive

methods and techniques for providing high quality services, methods of operation, software, copyrights. All of which we consider our proprietary and confidential information.

### **The Master Franchise Rights Offered**

We offer to qualified persons the opportunity to enter into a master franchise agreement in the form attached as Exhibit A to this Disclosure Document (the “Master Franchise Agreement”), which grants the right and obligation to recruit Subfranchisees for the System, to enter into subfranchise agreements directly with Subfranchisees in the form we designate (each, a “Subfranchise Agreement”), and provide ongoing support and assistance to CorporateConnections Businesses in a specified geographic area (the “Territory”) granted to you. Under the terms of the Master Franchise Agreement, you must: (i) develop and operate at least one CorporateConnections Business through an affiliate or subsidiary inside the Territory (a “Company-Owned Business”), pursuant to a Subfranchise Agreement; (ii) solicit and grant to third parties the right to establish and operate a CorporateConnections Business within the Territory (each, a “Franchised Business”), pursuant to one or more Subfranchise Agreements; (iii) provide initial and ongoing training, assistance and other support to all CorporateConnections Businesses (whether Company-Owned Businesses or Franchised Businesses (collectively, the “Subfranchisees”) located within the Territory; and (iv) otherwise develop the Marks within the Territory, including ensuring that all Subfranchisees comply with the terms of the Subfranchise Agreements

The Master Franchise Agreement requires a master to grant such a minimum number of Subfranchised Businesses in the Territory as necessary to ensure that the minimum number of Members as outlined in the development schedule (attached to the Master Franchise Agreement as Schedule 1.3) (the “Development Schedule”) is satisfied during each development period (each, a “Development Period”). Further, a master is required to operate the CorporateConnections Master Franchise in accordance with certain specifications, standards and requirements that we prescribe relating to: (i) the recruitment of Subfranchisees, (ii) the terms of the Subfranchised Agreements, (iii) the establishment, development and operation of each Subfranchised Business, (iv) the offer and sale of an option arrangement to a Subfranchisee, and (v) the ongoing training, support and assistance provided to Subfranchisees. Each master is required to establish and operate at least one Company-Owned Business. A Company-Owned Business is a Subfranchised Business that is owned by an entity affiliated with the master, and operates pursuant to a Subfranchise Agreement to which the master and the master’s affiliate are parties.

If you enter into an option agreement (an “Option”) with a Subfranchisee, the Subfranchisee will have the right to purchase a subfranchise region within the Territory if the Subfranchisee attains a net growth of 18 active members on the operating management system (each an “Active Member”) within a period of 12 months (the “Option Period”). If Subfranchisee does not obtain 18 Active Members during the Option Period, then the Option may be terminated

Membership in a CorporateConnections franchise is highly selective.

### **Our Parents and Affiliates**

Corporate Connections Global, LLC (“Corporate Connections Global”), a Delaware limited liability company, formed on May 16, 2017, is our parent. The principal address of Corporate Connections Global is 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277. Corporate Connections Global does not and has never offered any franchises in any lines of business in the

United States. Corporate Connections Global does not operate any businesses similar to the CorporateConnections franchise.

BNI Global Holdings, LLC, a Delaware limited liability company formed on June 21, 2018, is the parent of Corporate Connections Global. The principal address of BNI Global Holdings, LLC is 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277. BNI Global Holdings, LLC does enter into financing arrangements pursuant to which its affiliates' assets are cross-collateralized and such financings vary from time to time. BNI Global Holdings, LLC does not and has never offered any franchises in any lines of business in the United States. BNI Global Holdings, LLC does not operate any businesses similar to CorporateConnections in the United States.

BNI Holdings, LLC, a Delaware limited liability company formed on November 6, 2014, is our affiliate and a wholly owned subsidiary of BNI Intermediate Holdings, LLC. The principal address of BNI Holdings, LLC is 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277. BNI Holdings, LLC does enter into financing arrangements pursuant to which its affiliates' assets are cross-collateralized and such financings vary from time to time. BNI Holdings, LLC does not and has never offered any franchises in any lines of business in the United States. BNI Holdings, LLC does not operate any businesses similar to CorporateConnections in the United States.

BNI International Holdings CTB, LLC, a Delaware limited liability company formed on April 23, 2019, is our affiliate and a wholly-owned subsidiary of BNI Intermediate Holdings, LLC. The principal address of BNI International Holdings CTB, LLC is 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277. BNI International Holdings CTB, LLC does not and has never offered any franchises in any lines of business in the United States. BNI International Holdings CTB, LLC does not operate any businesses similar to CorporateConnections in the United States.

BNI Intermediate Holdings, LLC, a Delaware limited liability company formed on April 23, 2019, is our affiliate and a wholly-owned subsidiary of Prosperity Brands, LLC, Our ultimate parent. The principal address of BNI Intermediate Holdings, LLC is 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277. BNI Intermediate Holdings, LLC does not and has never offered any franchises in any lines of business in the United States. BNI Intermediate Holdings LLC does not operate any businesses similar to CorporateConnections in the United States.

Prosperity Brands, LLC, a Delaware limited liability company formed on March 25, 2019, is our ultimate parent. The principal address of Prosperity Brands, LLC is 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277. Prosperity Brands, LLC does not and has never offered any franchises in any lines of business in the United States. Prosperity Brands, LLC does not operate any businesses similar to the CorporateConnections franchises.

Corporate Connections Worldwide Development Ltd. ("Corporate Connections Worldwide"), an Irish limited liability company formed on May 4, 2017, is our affiliate. The principal address of Corporate Connections Worldwide is KOG Building, Ballinrobe Road, Castlebar, Co Mayo, Ireland, F23 FT28. Corporate Connections Worldwide does not and has never offered any franchises in any lines of business in the United States. Corporate Connections Worldwide does not operate any businesses similar to the CorporateConnections franchises in the United States.

BNI Franchising, LLC, a Delaware limited liability company formed on November 6, 2014, is our affiliate. The principal address of BNI Franchising, LLC is 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277. Since December 2014, BNI Franchising, LLC has been in the business of granting and providing services to franchisees consisting of the opportunity to open and operate business networking referral groups, known as Chapters, under the BNI® trade

name, trademark and system of operating procedures. The BNI® system of operating procedures differs from the CorporateConnections system described in the Franchise Agreement. Prior to that, BNI Franchising, LLC's predecessor, BNI Franchise Corp., a California corporation formed on April 17, 1991 with a principal address of 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277, offered BNI® franchises until BNI Franchising, LLC became the successor in interest in December 2014. As of the issuance date of this Disclosure Document, BNI has 85 company-operated and 102 BNI franchises in the United States. BNI Worldwide Development Ltd., an Irish limited liability company formed on November 18, 2014, is our affiliate. The principal address of BNI Worldwide Development Ltd. is KOG Building, Ballinrobe Road, Castlebar, Co Mayo, Ireland, F23 FT28. BNI Worldwide Development Ltd. does not and has never offered any franchises in any lines of business in the United States. BNI Worldwide Development Ltd. does not operate any businesses similar to CorporateConnections in the United States.

BNI Enterprise Business Network (Guangzhou) Co. Ltd., a Guangzhou limited liability company formed on February 9, 2018, is Our affiliate. The principal address of BNI Enterprise Business Network (Guangzhou) Co. Ltd. is Room A21, Tower A, Centre Plaza, 161 Linhexi Road, Tianhe District, Guangzhou. BNI Enterprise Business Network (Guangzhou) Co. Ltd. does not and has never offered any franchises in any lines of business in the United States. BNI Enterprise Business Network (Guangzhou) Co. Ltd does not operate any businesses similar to CorporateConnections in the United States.

Business Network France, a French limited liability company formed on July 7, 2004, is our affiliate. The principal address of Business Network France is 34, Boulevard des Italiens – 75009 Paris, France. Business Network France does not and has never offered any franchises in any lines of business in the United States. Business Network France does not operate any businesses in the United States similar to CorporateConnections in the United States.

BNI Lanka Enterprises Private Limited, a Sri Lanka company formed on January 23, 2018, is Our affiliate. The principal address of BNI Lanka Enterprises Private Limited is Regus, No 33, Level 12, Park Land Building, Park Street, Colombo 00200. BNI Lanka Enterprises Private Limited does not and has never offered any franchises in any lines of business in the United States. BNI Lanka Enterprises Private Limited does not operate any businesses similar to CorporateConnections in the United States.

BNI India Enterprises Private Limited, an Indian company formed on June 14, 2016, is Our affiliate. The principal address of BNI India Enterprises Private Limited is Salarpuria Landmark, #2002, 2nd Floor, 100 feet road, Indira Nagar, HAL 2nd Stage, Bangalore, Karnataka, India 560038. BNI India Enterprises Private Limited does not and has never offered any franchises in any lines of business in the United States. BNI India Enterprises Private Limited does not operate any businesses similar to CorporateConnections in the United States.

CorpConnect Enterprises India Private Limited, an India company formed on December 5, 2017, is our affiliate. The principal address of CorpConnect Enterprises India Private Limited is Salarpuria Landmark, #2002, 2nd Floor, 100 feet road, Indira Nagar, HAL 2nd Stage, Bangalore, Karnataka, India 560038. CorpConnect Enterprises India Private Limited does not and has never offered any franchises in any lines of business in the United States. BNI Canada, Inc., a corporation incorporated and organized under the laws of Quebec, Canada, is our affiliate. The principal address of BNI Canada, Inc. is 2700, Diab Street, Saint-Laurent, Quebec, H4S 1E8. BNI Canada, Inc. does not and has never offered any

franchises in any lines of business in the United States. BNI Canada, Inc. does not operate any businesses similar to the BNI franchises in the United States.

Business Network Scandinavia AB, a private limited liability company organized and existing under the laws of Sweden, with its registered address at P.O. Box 162 85, SE-103 25 Stockholm, Sweden, is our affiliate. Business Network Scandinavia AB does not and has never offered any franchises in any lines of business in the United States. Business Network Scandinavia AB does not operate any businesses similar to the BNI franchises in the United States.

Network Organization Benelux Limited, a private company with limited liability, incorporated and organized under UK law, is our affiliate. The principal address of Network Organization Benelux Limited is DUO, Level 6, 280 Bishopsgate, London, EC2M 4RB, United Kingdom. Network Organization Benelux Limited does not and has never offered any franchises in any lines of business in the United States. Network Organization Benelux Limited does not operate any businesses similar to the CorporateConnections franchises in the United States.

Brec S.r.l, a private company with limited liability, incorporated and organized under Italian law, is our affiliate. The principal address of Brec S.r.l is Via Monte Rosa, 51, Milan, Italy 20149. Brec S.r.l does not and has never offered any franchises in any lines of business in the United States. Brec S.r.l does not operate any businesses similar to the CorporateConnections franchises in the United States.

Networking & Business Referrals Limited, a private company with limited liability, incorporated and organized under UK law, is our affiliate. The principal address of Networking & Business Referrals Limited is One Fleet Place, London, England, EC4M 7WS. Networking & Business Referrals Limited does not and has never offered any franchises in any lines of business in the United States. Networking & Business Referrals Limited does not operate any businesses similar to the CorporateConnections franchises in the United States.

BNI New Zealand Limited, a New Zealand limited liability company formed on February 21, 2000 is our affiliate. The principal address of BNI New Zealand Limited Ground Level 6, Hazeldean Rd, Addington, Christchurch, 8024 New Zealand. BNI New Zealand Limited does not and has never offered any franchises in any lines of business in the United States. BNI New Zealand Limited does not operate any businesses similar to the BNI franchises in the United States.

Business Connections Co., LTD, a Vietnamese limited liability company formed on November 2, 2023 is our affiliate. The principal address of Business Connections Co., LTD is No. 87-89, Ho Ba Kien Street, Ward 15, District 10, Ho Chi Minh City, Vietnam. Business Connections Co., LTD does not and has never offered any franchises in any lines of business in the United States. Business Connections Co., LTD does not operate any businesses similar to the BNI franchises in the United States.

## **Competition**

The market for business networking is fully developed. Your Subfranchisees' competitors include businesses that primarily help provide or generate prospective sales leads or referrals for other businesses. The services set forth in the franchise will focus on business connections between executives of different companies. The franchise offered is not a seasonal business.

In addition, the market for franchised businesses is fully develop. Your competitors include other franchisors offering and selling franchises, particularly those franchisors offering and selling franchises in business services.

### **Industry-Specific Regulations**

Under the Federal FTC Rule (“**FTC Rule**”) you must prepare and provide a franchise disclosure document (“**FDD**”) to each prospective Subfranchisee before offering a CorporateConnections Businesses in your Territory. Your FDD will also include audited financials (audited in accordance with US GAAP) for the company you create to sell the CorporateConnections Businesses. Depending on your Territory, you may also be required to register your FDD, or file notice exemptions, before you may offer and sell CorporateConnections Businesses in those states (“**Registration States**”). During the review process, a particular Registration State may require that you make changes to the FDD and may, require you to provide certain financial assurances to demonstrate your ability to satisfy your pre-opening obligations provided to prospective Subfranchisees. Each year you will be required to update your FDD per the FTC Rule and Registration State (as applicable) requirements and provide updated annual audited financials. Each year, you will also be required to submit your updated FDD for review and registration in the Registration States. Registration States may also require you to submit and register certain marketing materials before using them in the state. Finally, you will be required to comply with applicable state and federal disclosure laws and laws governing the termination and non-renewal of franchises and other aspects of the franchise relationship. You should familiarize yourself with these laws and regulations

While there are no specific national or state standards or laws regulating the subfranchised CorporateConnections Businesses, you and your Subfranchisees must comply with all local, state and federal laws that may apply to the general operation of a business including, but not limited to labor and employment laws, tax laws, and the American with Disabilities Act. In addition, other events such as natural disasters, political insurrections or unrest, epidemics or pandemics, or acts of god may result in the imposition of certain federal, state, and/or local laws, regulations, administrative directives and/or travel advisories, any and all of which may require you and your Subfranchisees to temporarily suspend business operations or change the manner in which they conduct business as described in this disclosure document. There may be other laws applicable to a CorporateConnections Business and we urge you to make additional inquiries about these laws. Your failure to comply with and of these laws, regulations, directives, advisories, and/or policies constitutes a material breach of your Master Franchise Agreement. We strongly recommend that you hire an attorney to assist you in determining which laws will impact your operation of your business.

### **Item 2. Business Experience**

Unless otherwise noted below, our personnel are based in Charlotte, North Carolina.

#### **Chairman, and Executive Chairman: Graham P. Weihmiller**

Mr. Weihmiller has served as our Chairman and Executive Chairman since July 2024. Prior to that, Mr. Weihmiller was our Chief Executive Officer from December 2014 through July 2024. Mr. Weihmiller performs his duties from Charlotte, North Carolina.

**Chief Executive Officer: Mary Kennedy Thompson**

Ms. Thompson has served as our Chief Executive Officer since July 2024 and performs her duties from Charlotte, NC. Previously, she served as the Chief Operating Officer of Neighborly since August 2015.

**Chief Development Officer: Michael Walchonski**

Mr. Walchonski has served as our Chief Development Officer since May 2024 and performs his duties from Collegeville, PA. He was also our Chief Acquisition Officer from March 2019 to May 2024. In addition, he also served as our Interim Chief Financial Officer from October 2021 to May 2022.

**President: Robert Gervais**

Mr. Gervais has served as President since January 2017. Previously, Mr. Gervais served as President and CEO of Pre2Post Inc. (d/b/a Zerofail) in Montreal, Canada from May 2000 to January 2017.

**Chief Financial Officer: Michael Utt**

Mr. Utt has served as our Chief Financial Officer since May 2022 and performs his duties from Charlotte, NC. Previously, Mr. Utt served as Vice President of Finance at Hendrick Autoguard, Inc. from February 2020 to May 2022 and Controller at Hendrick Autoguard, Inc. from January 2014 to January 2020.

**Director: Jay Henry**

Mr. Henry was appointed as Director of Our ultimate parent, Prosperity Brands, LLC, in May 2019 and performs his duties for us from Charlotte, North Carolina. Since July 2014 Mr. Henry has also served as a Vice President for Pamlico Capital, located in Charlotte, North Carolina.

**Director: Walker Simmons**

Mr. Simmons was appointed as Director of our ultimate parent, Prosperity Brands, LLC in May 2019 and performs his duties for us from Charlotte, North Carolina. Mr. Simmons also serves as a Partner for Pamlico Capital LLC, located in Charlotte, North Carolina. Mr. Simmons has been with Pamlico Capital since July 2000.

**Director: David Wilkie**

Mr. Wilkie was appointed as Director of our ultimate parent, Prosperity Brands, LLC in March 2022 and performs his duties for us from Atlanta, Georgia. Mr. Wilkie is also the CEO of World 50 in Atlanta, Georgia, and has been in this role since January 2011.

**Item 3.  
Litigation**

Pending litigation.

We have no pending litigation.

## Previous litigation.

*Mark Andersen et al. v. Griswold International LLC et al.*, (Docket No. 14-cv-02560, United States District Court for the Northern District of California).

On January 6, 2015, Plaintiffs Mark and Holly Andersen, MHA Family Holdings Inc., James J. Carlson, Marilyn N. Roach-Carlson, James Carlson LLC, Michael Geisler, M & E Family Care LLC, Dave Hinders, Hinders Home Care Inc., Barry Howland, Gigi Howland, Wade Luders, South Bay Care LLC, Michael McKaig, Ken Peters, Kerry Peters, The KPeters Group, Charlayne Redmon, Dwayne Redmon, Ledgewood Enterprise Inc., James Thelen and Thelen Enterprises Inc. (collectively, "Plaintiffs"), filed an amended complaint against Griswold International, LLC ("Griswold") and added Graham Weihmiller, our CEO, who served as Griswold's CEO from June 2009 until March 2013 and its Chairman from June 2009 until April 2015, as an additional defendant. Plaintiffs, Griswold Home Care franchisees located in California, asserted claims arising under the California Franchise Investment Law, as well as claims for fraud and breach of contract. Plaintiffs alleged that a recent change in California law adversely impacted the operation of their Griswold Home Care franchises, and that Defendants misrepresented the manner in which the Griswold Home Care franchise can be operated in California. Plaintiffs sought a rescission of the franchise agreement along with attorneys' fees, costs, expenses, actual damages and punitive damages. Defendants believed the case to be without merit and vigorously defended against the claims. This matter has been settled as described in the paragraph below.

*Christopher Jenkins et al. v. Griswold International LLC et al.* (AAA Case No.: 01-14-0001-4884).

On September 9, 2014, Plaintiffs Christopher Jenkins, CS Family Ventures Inc., and CSAB Management, Inc. (collectively, "Plaintiffs") filed a demand for arbitration against Griswold International, LLC, Graham Weihmiller, Thomas Monaghan, Diane Walker, Kent Griswold, Lori Griswold, Patricia O'Mallery, and Fiona Middleton (collectively, the "Griswold Parties"). Graham Weihmiller, our CEO, served as Griswold International, LLC's CEO from June 2009 until March 2013 and its Chairman from June 2009 until April 2015. Plaintiffs, Griswold Home Care franchisees located in California, asserted claims arising under the California Franchise Investment Law, the California Franchise Relations Act, as well as claims for fraud, negligent misrepresentation and breach of contract. The Plaintiffs sought a rescission of the franchise agreement along with attorneys' fees, costs, expenses, actual damages and punitive damages. On August 21, 2015, Griswold International, LLC filed answers, affirmative defenses, and counterclaims asserting breach of contract, misappropriation of trade secrets, violations of the Lanham Act, and unfair competition. Griswold International, LLC sought damages, injunctive relief, and costs. This matter has been settled as described in the paragraph below.

On May 13, 2016, Griswold International, LLC and the Plaintiffs from each of the above cases entered into settlement agreements wherein Griswold was required to pay an aggregate settlement to all Plaintiffs in the amount of \$675,000. Graham Weihmiller, as an individual, was not required to pay any amount to any plaintiff as part of the settlement. Plaintiffs, in exchange, executed a release agreement wherein the Plaintiffs released the Defendants, including Graham Weihmiller, from all claims, including but not limited to, those that were or could have been asserted in the above-listed actions.

*Nirupam S. Patel v. BNI Worldwide Development Limited and BNI Global Franchise Corporation Limited; BNI Global Franchise Corporation Limited v. Nirupam S. Patel, Niraj Shah, and BNI*

*Training Services Private, LTD*, International Centre for Dispute Resolution Case No. 01-16-0002-8101, filed July 11, 2016.

On July 11, 2016, Nirupam S. Patel filed an arbitration demand with the International Centre for Dispute

Resolution (“ICDR”) against BNI Worldwide Development Limited (“BNI”) and BNI Global Franchise Corporation Limited claiming that BNI breached four master franchise agreements when BNI declined to renew those master franchise agreements in accordance with their terms. Patel also claimed that BNI breached the implied covenant of good faith and fair dealing when it declined to renew Patel’s master franchise agreements. BNI Worldwide Development Limited responded by denying the allegations and filing a counterclaim and a third-party claim against Patel and his former co-master franchisees in India, Niraj Shah and their entity, BNI Training Services Private, Ltd., for breach of contract based on their failure to comply with their post-term obligations under the master franchise agreements, including but not limited to providing to BNI all documents and records required to be transferred upon expiration and paying all amounts due. Shah and BNI Training appeared and filed counterclaims against BNI for breach of contract, violation of the covenant of good faith and fair dealing, fraud, violation of the North Carolina Unfair and Deceptive Trade Practices Act, and promissory estoppel, all based on the allegation that BNI wrongfully failed to renew the master franchise agreements.

The parties engaged in mediation and successfully resolved the matter. To aid in the resolution, BNI retained an expert accountant to conduct an independent valuation of the master franchise. He determined that the fair market value of the business at the time of non-renewal was \$3.8 million. Accordingly, BNI paid Patel and Shah \$1.9 million each for their respective interests. The parties then dismissed the arbitration and the matter is closed.

Andrew Hall; Jihong Hall; BNI China, Ltd.; BNI South, Ltd.; and BNI, Ltd. v. BNI Worldwide Development, Ltd., Case No. 01-17-0006-0879 (International Centre for Dispute Resolution (“ICDR”)).

On or about October 10, 2017, claimants filed an arbitration demand against BNI Worldwide Development, Ltd., seeking a declaration that they had a right to renew two master franchise agreements they had entered with BNI Worldwide Development, Ltd.’s predecessor, as well as asserting claims for breach of the master franchise agreements and violation of the California Franchise Relations Act’s provisions regarding renewal of franchise agreements. Claimants sought a declaration that they were entitled to renewal of the master franchise agreements; specific performance for renewal of the master franchise agreements, or, in the alternative, actual and consequential damages; and costs, disbursements, and attorneys’ fees. On October 13, 2017, BNI Worldwide Development, Ltd. filed a preliminary answer denying claimants’ allegations and a counterclaim against Andrew Hall and Jihong Hall (the “Halls”), asserting a claim for breach of the master franchise agreement for China based upon the Halls obtaining registrations of the BNI trademark in China and failing to transfer such registration to BNI Worldwide Development, Ltd. as required by the master franchise agreement. The counterclaim sought a temporary and preliminary injunction requiring the Halls to immediately enter a license agreement for the BNI trademark in China, requiring the Halls to cooperate in promptly transferring the trademark to BNI Worldwide Development, Ltd., and requiring the Halls to immediately cease all use of the BNI trademarks and to return all materials containing the BNI trademarks, as well as an award of costs and attorneys’ fees. On the same date, BNI Worldwide Development, Ltd. also filed an emergency motion for injunctive relief seeking the same relief sought in the counterclaim. Claimants then filed an emergency motion seeking to nullify the expiration and non-renewal of their master franchise

agreements. Arbitration proceedings were stayed by mutual agreement while the parties engaged in settlement negotiations. On October 29, 2017, the parties executed a settlement term sheet, which was memorialized in formal settlement documents effective November 30, 2017. Pursuant to the terms of the settlement: the Halls entered a license agreement for the BNI trademark in China and agreed to take all steps necessary to formally transfer the BNI trademark to BNI Worldwide Development, Ltd.; BNI acquired all master franchise rights to the territory of China for \$680,000; and the Halls were provided until July 1, 2018 to transfer the master franchise rights for Taiwan, Hong Kong, and Macau to an approved purchaser, or to sell any such rights not transferred by July 1, 2018 to BNI Worldwide Development, Ltd. for \$1,470,000, less any amounts received by the Halls for any territories transferred. On December 5, 2017, the ICDR formally closed its file on this matter.

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

#### **Item 4. Bankruptcy**

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

#### **Item 5. Initial Fees**

##### Initial Master Franchise Fee

You must pay us a master franchise fee in an amount designated for the Master Franchise Agreement, which is \$4,500,000, (the "Master Franchise Fee") plus all of our (or our affiliate's) cost and expenses incurred as of the date of the Master Franchise Agreement in connection with registering the Marks in the Territory when you sign the Master Franchise Agreement.

The Initial Master Franchise Fee is payable in the following manner.

1. \$2,000,000 due immediately upon the execution of the Master Franchise Agreement;
2. \$1,000,000 due on the first anniversary of the Master Franchise Agreement conditioned upon the establishment of the first Company-Owned Business as defined in Section 1.5 of the Master Franchise Agreement.
3. \$750,000 due on the second anniversary of the Master Franchise Agreement conditioned upon the awarding of at least one Subfranchise Agreement to operate a Franchised Business to qualified third parties as defined in Section 1.1 of the Master Franchise Agreement.
4. \$500,000 due on the third anniversary of the Master Franchise Agreement conditioned upon the establishment of two additional Company-Owned Businesses as well as one additional Subfranchise Agreement.
5. \$250,000 due on the fourth anniversary of Master Franchise Agreement conditioned upon the establishment of two additional Subfranchise Agreements.

The Master Franchise Fee as payable in parts is deemed fully earned upon receipt and is non-refundable under any circumstances,

In connection with the payment of the Master Franchise Fee, we will provide you with one supply package that contains electronic copies of New Member Application Brochure, Stand Up Banner, Leadership Team Manual, and any other materials and items listed in Exhibit D to the Master Franchise Agreement (the “Supply Package”). Prior to the opening of each Subfranchised Business, you must provide each Subfranchisee with a Supply Package, and such additional supplies, materials ,and items we designate.

Training Fee

The in-person training fee for up to two people to attend the Training Program (see Item 7 ) is included in the Master Franchise Fee. You must pay us a training fee (the “Training Fee”), as calculated below, for any additional people that attend the Training Program. Currently there is no fee for online/virtual trainings. The Training Fee is deemed fully earned and non-refundable upon execution of the Master Franchise Agreement. At our option, the Training Fee is due when you sign the Master Franchise Agreement or prior to that person attending the Training Program. These amounts do not include each person’s expenses to attend the training program such as travel, lodging, meals, transportation, any translator and/or translation services costs, and other incidental expenses. Training sessions will be held either virtually or in Charlotte, US or in another location we designate. None of these fees are refundable under any circumstances.

The Training Fee will be calculated as follows:

Type of Training	Per Person Fee
Managing Director / Chapter Director Training	\$2,500 per person
Executive Director Training (includes the Managing Director / Chapter Director Training)	\$3000 per person
National Directors Training (includes the Managing Director / Chapter Director Training & Executive Director Training)	\$3,500 per person

Video Conferencing License

You must purchase and require Subfranchisees to purchase Zoom Video Conferencing (“Zoom”) or another platform we designate. Currently, you will pay us an annual license fee of \$92 per license before you start operations. This fee may change at any time with prior notice to you. The Zoom license fee is not refundable for any reason. You must agree in writing to Zoom’s terms and conditions (available at <https://www.zoom.us/terms>).

You will make the initial payment for its license(s) prior to opening your franchise for business to Franchisor and shall subsequently receive an invoice for any costs incurred. The Zoom license fee paid to us will not be refunded for any reason and upon termination for any reason the Zoom license granted to you through us terminates as of the date of termination or expiration of the Master Franchise Agreement. We have the right to inspect any chapter meetings occurring through Zoom (or then-current video conferencing provider platform) and access your Zoom (or then-current video conferencing provider) accounts at any time and without prior notice.

Supplies, Equipment and Software

We have the right to require you to purchase from us, our affiliates, or a supplier we authorize initial supplies, materials and software licenses required for the operation of your franchise with 60 days advance notice. The range of these costs ranges from \$1,000 to \$8,000. These payments are not refundable under any circumstances.

### Country Map

You are responsible for defining franchisable regions in its Territory and subsequently ensuring all franchisable regions are awarded a Subfranchise Agreement and are actively operating. To define franchisable regions, you must submit to us, for review and written approval within 90 days of the Effective Date of the Master Franchise Agreement, a Country Map (as defined in Item 11). If you fail to submit the Country Map of franchisable regions within such time period, or within 30 days of our request to you to resubmit the Country Map, you must pay us the amount of \$1,000 per month for each month the Country Map remains not submitted. We will at our sole discretion, either approve or request a modification to the proposal within 180 days of each submission of the proposal (“Mapping Process”).

### **Item 6. Other Fees**

(1) Type of fee	(2) Amount (See Notes 1 and 4)	(3) Due Date	(4) Remarks
Continuing Royalty	7% of the previous month's Gross Revenues (Note 2), with a minimum monthly royalty of \$1,000 per month starting on the 13 <sup>th</sup> month from the date the Master Franchise Agreement is signed	On or before the 20 <sup>th</sup> day of each month	In the event Gross Revenues are generated during any Option Period, we will charge a 20% Royalty Fee on such Gross Revenue. (See Notes 1 and 2)
Missed Member Fee	7% of Gross Revenues on missed revenue from any membership goals not achieved during the Development Schedule	30 days following anniversary of the Master Franchise Agreement	Calculated based on highest then-current pricing of your Company-Owned Business and assumes the following: 60% of missed members being renewing members and 40% of missed members being new members
Initial Subfranchise Fee	50% of the total initial franchise fee and/or any other fee you require a Subfranchisee to pay to you in connection with signing the Subfranchise Agreement.	On or before the 20 <sup>th</sup> day of each month	You will pay us 50% of the initial franchise fee charged for subfranchise that you sell and each Company-Owned Business you develop. We reserve the right to establish a minimum initial franchise fee (currently \$20,000) that you must charge, or designate a method for calculating the initial subfranchise franchise fee.
Subfranchise Renewal, Transfer, or Resale Fee	The greater of (i) 50% of any renewal, transfer or resale fee paid in	On or before the 20 <sup>th</sup> day of each month	We reserve the right to change the minimum

(1) Type of fee	(2) Amount (See Notes 1 and 4)	(3) Due Date	(4) Remarks
	connection with a Subfranchised Agreement; or (ii) \$10,000		amount paid upon reasonable advance notice.
Global Marketing and Technology Fee	2% of the previous month's Gross Revenues	On or before the 15th day of each month	We may increase the Global Marketing and Technology Fee if we implement new software programs, if the costs of existing software licenses increase or if we undertake material marketing initiatives. We reserve the right to increase the Global Marketing and Technology Fund Fee to up to 5% of the previous month's Gross Revenues. (See Note 3)
Inspection Fee	Reimbursement of our costs and expenses	As incurred	You must reimburse us for any costs and expenses we incur in connection with any inspections we conduct.
Additional Assistance and Training	Then-current fee	As incurred	You must pay us our then-current fee, and reimburse us for any costs and expenses we incur, for any additional assistance or training we provide.
Private Training	Managing Director / Chapter Director Training: U\$1,200 per trainer per day Executive Director Training: \$1,200 per trainer per day National Director's Training: \$1,200 per trainer per day	On demand	You must pay us the applicable Private Training Fee if you desire to arrange for private training for the Training Program, plus our travel costs and expenses.
Default Fees.	Up to \$2,000 per month until the default is cured and \$2,000 per day if we (or our designee) provide any on-site support.	On demand	Due only if you are in default of the Master Franchise Agreement and/or we provide on-site support.
Indemnification	You will pay to us the actual amount of damages awarded in court against us or settled in which we are to pay any amount of the claim. You also will pay for our attorneys' fees in	On demand	You must indemnify us and reimburse us for our costs (including our attorneys' fees) if we are sued or held liable in any case having anything to do with your business operations.

(1) Type of fee	(2) Amount (See Notes 1 and 4)	(3) Due Date	(4) Remarks
	responding and prosecuting any third party claim.		
Audit	Any unpaid fees that are understated or any other relevant inaccuracy and the cost of audit if Gross Revenues are inaccurate or understated by more than 2%	Within 7 days of being invoiced by us	You must pay any unpaid fees and the costs of the audit if Gross Revenues are inaccurate or understated by more than 2%.
Renewal Fee	50% of the then-current Master Franchise Fee	Prior to renewal	You must pay this fee to us when you renew your Franchise Agreement.
Transfer/Assignment Fee	10% of the sales price including any fees and interest on payments over time (inclusive of any non-cash consideration using market valuation) or your Renewal Fee, whichever is more	Prior to the transfer or assignment	You must pay this fee to us before your franchise is transferred/assigned.
Late Fee	Immediately upon being late, 5% of the outstanding amount, or the maximum allowed by law, whichever is more	On demand	Applies to any fee owed under the Master Franchise Agreement that is late.
Interest for all Late Payments	5% per month or the maximum allowed by law, whichever is more, on any balance unpaid by more than 30 days	On demand	Payable on all amounts overdue by more than 30 days.
Video Conferencing License	\$92 per license	Annually	(See Notes 5, 6 and 7)
Country Map	\$1,000 per month	Monthly	If the Country Map of franchisable regions is not submitted to us within 90 days after the Effective Date of the Master Franchise Agreement, or within 30 days of our request to you to resubmit the Country Map, you must pay us the amount of \$1,000 per month for each month the Country Map remains not submitted.

(1) Type of fee	(2) Amount (See Notes 1 and 4)	(3) Due Date	(4) Remarks
Meeting Management Tool	Currently none. We may require you to contribute in the future, upon 60 days' notice.	To be determined	As of the issuance date of this disclosure document, Meeting Management Tool, our proprietary product, is under development. Upon 60 days' notice, we have the right to charge for the Meeting Management Tool fee in the future.
Franchise Leadership Summit	\$500 to \$2000	Annually	(See Note 8)
Franchise Leadership Summit Non-Attendance Fee	\$1000 to \$4000	On-demand	(See Note 8)
Global Leadership Summit	\$2000 to \$4000	Annually	(See Note 9)
Global Leadership Summit Non-Attendance Fee	\$4000 to \$8000	On demand	(See Note 9)

**Notes:**

1. All fees are imposed by us and are payable to us unless we tell you otherwise. All fees are non-refundable. All fees must be paid via wire transfer or in any other form that we may require. Business checks are not an accepted method of payment. All fees imposed by us are uniformly imposed on all franchisees subject to the offering in this Disclosure Document; however, we reserve the right to waive or reduce any such fees as circumstances warrant. Unless we specify another method of payment, we will generally obtain payment from you for all fees due to us through electronic fund transfer procedures.
2. You must pay us a Royalty Fee in the amount of 7% of all Gross Revenues generated by all Subfranchised Businesses located in the Territory, excluding applicable sales, VAT or other comparable taxes. In the event Gross Revenues are generated during any Option Period, we will charge you a 20% Royalty Fee on such Gross Revenue. The term "Gross Revenues" is defined in the Master Franchise Agreement and means all sums paid by Members to join and/or participate in a Chapter and as potential Members to participate in a Core Group), including application, registration, membership, participation, and training fees, payments for products and services and such other fees as you or we designate, as well as any applicable associated late fees received or receivable by a Subfranchisee arising out of the operation of a Subfranchised Business or Option Region. We reserve the right to modify our policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from "Gross Revenues", as circumstances, business practices, and technology change.
3. We require you to pay a Global Marketing and Technology Fee contribution at the monthly rate of 2% of the previous month's Gross Revenues. The Global Marketing and Technology Fee covers the cost of maintaining advertising, marketing and promotional programs, materials and activities that we believe will enhance the image of the System. The contributions also cover your cost to use the Operating Management System we

designate for the operation of your CorporateConnections franchise, the accounting and financial software we designate and any other computer software or IT support services we designate as covered under these contributions. We reserve the right to raise the Global Marketing and Technology Fee to a maximum of 5% after providing you with written notice. Additional details of the Global Technology Fee can be found below in Item 11, under the subheading “Advertising and Promotion.”

4. All fees listed above exclude any applicable taxes and shipping fees.
5. While CorporateConnections is a person-to-person business concept, we have developed two new meeting formats – CorporateConnections Virtual Chapter Meeting and CorporateConnections In-Person Meeting. CorporateConnections Virtual Chapter Meeting is a virtual online tool to serve as an alternative to in-person Chapter meetings when in-person meetings are not possible and has now become one of our permanent options for meetings. The program consists of a virtual online meeting platform, a meeting manual/agenda/script, and a customized PowerPoint deck. CorporateConnections Virtual Chapter Meeting are Chapters that meet permanently online using video conferencing software that meet at least twice a month online. CorporateConnections in-person Meeting are Chapters that meet at least twice a month face-to-face. CorporateConnections may change the schedule of in-person and online meeting cadences in the future. CorporateConnections may, in its sole discretion, modify or require CorporateConnections Virtual Chapter Meeting to resume face-to-face meetings at any time, upon written notice to the franchise system, without an individual written notice to each franchisee.
6. You must purchase and require Subfranchisees to purchase Zoom Video Conferencing (“Zoom”) or another platform we designate. Currently, you will pay us an annual license fee of \$92 per license before you start operations. This fee may change at any time with prior notice to you. The Zoom license fee is not refundable for any reason.. You must agree in writing to Zoom’s terms and conditions (available at <https://www.zoom.us/terms>).
7. You will make the initial payment for your license(s) prior to opening your franchise for business to us and will subsequently receive an invoice for any costs incurred. The Zoom license fee paid to us will not be refunded for any reason and upon termination for any reason the Zoom license granted to you through us terminates as of the date of termination or expiration of the Master Franchise Agreement. We reserve the right to inspect any chapter meetings occurring through Zoom (or then-current video conferencing provider platform) and access your Zoom (or then-current video conferencing provider) accounts at any time and without prior notice.
8. You must attend the Franchise Leadership Summit (“FL Summit”) organized by us every year at a location determined by us. If the FL Summit is offered in person, then you should attend in person. If you fail to attend the mandatory FL Summit, you must pay an FL Summit non-attendance fee to us, which will be between \$1000 to \$4000, within thirty (30) days of the conclusion of the FL Summit. Payment of the FL Summit non-attendance fee does not absolve you from potential default for non-compliance with this requirement. Travel, food, and lodging are not included in the Registration Fee.
9. You must attend the annual Global Leadership Summit for Directors (“Global Leadership Summit”) in its entirety each year organized by us at a location determined by us. If the Global Leadership Summit is offered in person, then you should attend in person. You are expected to attend and fully participate in the Global Leadership Summit. Full participation

is defined as attending all general sessions and no fewer than 80% of breakout sessions and/or training. If you fail to attend the mandatory Global Leadership Summit each year, you must pay an annual Global Leadership Summit Non-Attendance Fee non-attendance fee to us, which will be between \$4000 to \$8000, within thirty (30) days of the conclusion of the Global Leadership Summit. Payment of the Global Leadership Summit fee non-attendance fee does not absolve you from potential default for non-compliance with this requirement. Travel, food, and lodging are not included in the Registration Fee,

**Item 7.**

**YOUR ESTIMATED INITIAL INVESTMENT**

**Master Franchise Business and Company Owned Business**

(1) Type of expenditure	(2) Amount		(3) Method of Payment	(4) When Due	(5) To Whom Payment is to Be Made
	Lowest Estimated Amount	Highest Estimated Amount			
Master Franchise Fee	4,500,000	4,500,000	(See Note 1)	(See note 1)	Us
Portion of Initial Franchise Fee – Company-Owned Business* (See Note 1)	\$10,000,	\$100,000	(See Note 1)	(See Note 1)	Us
Training Fees for Additional Training/Personnel* (See Notes 2)	\$2,500	\$35,000	(See Note 2)	(See Note 2)	Us
Supplies, Equipment and Software*(See Note 3)	\$1,000	\$8,000	(See Note 3)	(See Note 3)	Approved supplier
Computer	\$500	\$5,000	As Arranged	When Arranged	Independent Vendors
Advertising Expenses(See Note 4)	\$5000	\$50,000	As Arranged	As Incurred	Independent Vendors
Business Registration/License (See Note 5)	\$1000	\$10,000	As Arranged	As Incurred	Independent Vendors
Insurance(See Note 6)	\$45,000	\$ 97,500	As Arranged	When Arranged	Independent Carrier
Video Conferencing License	\$92	\$92	Wire Transfer	Before Opening	Us or Third-Party Approved Vendor
Additional Funds - 3 Months (See Note 9)	\$25,000	\$10,000	Cash	As Incurred	Various Payees
Professional Fees	\$10,500	\$25,000	As Arranged	Before Opening	Attorneys, accountants( See Note10)
Total	\$ 4,600,592	\$ 4,840, 592			

\*This payment to Us or Our Affiliate is non-refundable.

Notes:

1. You must pay us the Master Franchise Fee in parts as mentioned under Item 5. In addition, you must open a Company-Owned Chapter and you will pay us 50% of the Initial Franchise Fee in the minimum amount of \$10,000 when the Sub franchise Agreement is signed. The Master Franchise Fee will include the Initial Training Fee for up to two people. The Master Franchise Fee is deemed fully earned and non-refundable when you sign the Master Franchise Agreement, and it is not refundable under any circumstances. You are required to pay the Master Franchise Fee by wire transfer in readily available funds or in any other form that we may require, payable to us. All payments to us are non-refundable. Payments made to third parties are subject to the terms you have with the third parties.
2. The fee for you and the Key Person to attend the Initial Training Program is included in the Master Franchise Fee. If you wish to send additional personnel to Managing Director/Chapter Director Training, the training fee for each additional person is \$2,500. The fee for each additional person to attend the Executive Director Training is \$3,000. The fee for each additional person to attend the National Director Training is \$3,500. This does not include each person's expenses to attend the training program such as travel, lodging, meals, transportation, any translator and/or translation services costs, and other incidental expenses. Training sessions will be held virtually, or a location we may designate from time to time.
3. You must purchase from us, our affiliates, or a supplier we authorize initial supplies, materials and software licenses required for the operation of your franchise. These payments are not refundable.
4. This includes your estimated expenditures to advertise the opening of your CorporateConnections franchise.
5. This includes the estimated cost to establish a business entity or to obtain any required licenses to operate your franchise.
6. You will need to purchase and maintain in effect at all times during the term of the Master Franchise Agreement, a policy or policies of insurance, naming us as an additional insured on the face of each policy, for (1) bodily and personal injury, death, property damage, personal and advertising injury, products liability and contractual liability in the amount of \$20,000,000 per occurrence, purchased in the form of a \$1,000,000 per occurrence general liability limit with another \$19,000,000 purchased in the form of any umbrella policy and (2) data breach, data security and cyber liability in the amount of \$2,000,000 per occurrence. You must also purchase and maintain throughout the term of the Master Franchise Agreement professional liability insurance, errors and omissions insurance, employment practices liability insurance, and such other insurance as we designate. The limit of liability for such coverage will be no less than \$2,000,000 for professional liability and \$3,000,000 for employment practices liability per occurrence. You must also purchase any other insurance as required by law.
7. You must pay us for an enterprise account with Zoom for \$92 per license, which you pay directly to us and which will renew annually in March. Should you require more than one license, the costs will be multiplied accordingly. Where you have multiple Chapters that meet on the same day with overlapping times, multiple licenses will be needed.

8. We recommend that you have additional funds available during the start-up phase of your franchise. These amounts are our estimates of the amount needed to cover your expenses for a 3-month period from the date you open for business. You may incur additional costs if you have dedicated commercial real space, which may vary based on the real estate market of your location. If you are a BNI® franchisee, you may operate your BNI® franchise and CorporateConnections franchise from the same location. We based these cost estimates on our experience with opening similar franchises for our affiliated company BNI Franchising, which we have operated over the past 38 years.
9. Neither we nor any of our affiliates finance part of the initial investment.
10. These fees are an estimate of the costs for the engagement of professionals such as attorneys and accountants for the initial review and advisories consistent with the start-up of the Franchised Business. We strongly recommend that you seek the assistance of professional advisors when evaluating this master franchise opportunity, this disclosure document, and the Master Franchise Agreement. It is also advisable to consult these professionals to review any lease or other contracts that you will enter into as part of starting your Franchised Business. You also will need to create a franchise disclosure document and, as applicable, complete franchise registrations before offering or selling franchises.

**Item 8.  
Restrictions on Sources of Products and Services**

You must license and use the Operating Management System in the operation of your business. We will issue you specifications and standards through our operations manual or other directives that we may provide you from time to time. You must purchase additional supplies from us as you need them in the operation of your franchise. We currently act as an approved supplier, but we will allow you to use other suppliers to provide many of our supplies and materials as long as we approve the alternative supplier in writing (as described in the procedure below) and these supplies and materials meet the branding standards we designate. At your request, we will provide you with criteria for approving suppliers. We will receive revenue from franchisees' purchases of these supplies based on an increase in their costs of producing these supplies and the proprietary value assessed to these supplies.

You may use only those promotional and marketing materials or items which are authorized by us in writing. You must get our prior written approval prior to releasing or using any local printing, marketing or promotional programs, other than those provided by us.

You must purchase a computer from an independent vendor with the capability of utilizing our operating software for the operation of your franchise. We do not receive any revenue from your purchase of a computer.

If you wish to purchase any of the required materials described above from an alternative supplier, you must first submit an electronic or written request to us requesting permission to do so. We do not require a fee for you to make such a request. Upon your request, we may require that you send us samples of the materials you wish to purchase from the alternative supplier. The materials must meet our branding standards and properly use our trademarks, which are the only criteria we consider when reviewing your request. We will approve or deny your request within seven (7) business days after we receive it. If we discover that an item you have purchased from an

alternative supplier does not meet our branding standards, we will send you an electronic notification, upon which you must immediately cease using such item(s).

None of our officers own any interest in any supplier other than us and our affiliates.

We do not have any purchasing or distribution cooperatives. We have not negotiated any purchase arrangements with any suppliers for the benefit of the franchisees. We do not provide any material benefits to a franchisee based on a franchisee's purchase of particular products or services or use of any particular suppliers.

We and our affiliates did not derive any revenue from the sale of required supplies and materials to franchisees. In determining how revenues were computed the most recent audited financial statements dated December 31, 2023 were used.

We estimate that your purchases from approved suppliers or according to our specifications will represent approximately 1% to 5% of your total purchases necessary to establish and operate your CorporateConnections franchise.

As noted above, you must obtain and, at all times during the term of your Franchise Agreement, maintain in full force and effect, a commercial general liability policy providing coverage for any and all claims including (1) bodily and personal injury, death, property damage, personal and advertising injury, products liability, contractual liability (including coverage for the indemnification) in the amount of \$20,000,000 per occurrence purchased in the form of a \$1,000,000 per occurrence general liability limit with another \$19,000,000 purchased in the form of any umbrella policy, (2) data breach, data security, cyber liability and other electronic network losses in conjunction with the conduct of the CorporateConnections franchise in the amount of \$2,000,000 per occurrence, and

(3) other coverage required by law in conjunction with the conduct of the CorporateConnections franchise. Such insurance coverage must be maintained under one or more policies of insurance issued by an insurance carrier or carriers acceptable to us. The policies will provide coverage with combined single limits of not less than \$2,000,000 per occurrence (\$2,000,000 for data breach, date security and cyber liability), or in such other amounts or coverage as we may periodically require. You will also purchase and maintain throughout the term of your Franchise Agreement, in those markets where available, professional liability insurance, errors and omissions insurance, employment practices liability insurance and such other insurance as we may require. The limit of liability for such coverage will be no less than \$2,000,000 for professional liability and \$3,000,000 for employment practices liability per occurrence per occurrence. You must name us and our affiliates as additional insureds on all policies. We may require, at any time, on reasonable prior notice to you, different or additional kinds of insurance.

### **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 other items of this Disclosure Document.**

<b>Obligation</b>	<b>Section in Agreement</b>	<b>Disclosure Document Item</b>
a. Site selection and acquisition/lease	Not applicable	Not applicable

Obligation	Section in Agreement	Disclosure Document Item
b. Pre-opening purchases/leases	Articles 3.6 and 3.9	Item 7
c. Site development and other pre-opening requirements	Articles 1.5 and 8.1	Item 11
d. Initial and ongoing training	Articles 6.1, 7.3 and 8	Item 11
e. Opening	Article 1.5	Item 11
f. Fees	Articles 2.2, 3 and 14.2	Items 5, 6 and 7
g. Compliance with standards and policies/Manuals	Articles 7 and 9	Item 11
h. Trademarks and proprietary information	Articles 4 and 5	Items 13 and 14
i. Restrictions on products/services offered	Article 7.6	Items 8 and 16
j. Warranty and customer service requirements	Article 7.21	Not Applicable
k. Territorial development and sales quotas	Article 1.4	Item 12
l. Ongoing product/service purchases	Article 3.6, 3.9 and 7.6	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Not applicable	Item 17
n. Insurance	Article 10	Item 7
o. Advertising	Articles 6.2, 7.7, and 12	Items 7, 11, 12 and 16
p. Indemnification	Article 13	Items 6, 13 and 14
q. Owner's participation/management/staffing	Article 7.1	Item 15
r. Records and reports	Article 11	Item 11
s. Inspections and audits	Articles 6.5 and 7.8	Item 6
t. Transfer	Article 14	Item 17
u. Renewal	Article 2.2	Item 17
v. Post-termination obligations	Article 16	Item 17
w. Non-competition covenants	Article 17	Item 17
x. Dispute resolution	Article 23	Item 17
y. Owners' Guaranty	Article 7.4	Item 15
z. Other (describe)	Not Applicable	Not Applicable

### **Item 10. Financing**

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

**Item 11.**  
**Franchisor's Assistance, Advertising, Computer Systems, and Training**

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

Before you open your business, we will:

1. Provide you and your Key Person with our Initial Training Program, which consists of Executive Director onboarding, Chapter Support Training, and Chapter Launch Training (Franchise Agreement, Articles 6.1 and 8).
2. Provide you and your Key Person with Franchise Training and approximately 2 days of training and education at the annual Franchise Leadership Summit. Franchise Leadership Summit is an annual summit exclusive for National Directors and Executive Directors from across the world. The objective of the summit is to learn and share best practices for building a world class global community of leaders. This is also an opportunity to recognize the franchisees for their exceptional contributions and growth in their countries. (Franchise Agreement, Article 8)
3. Approving the Mapping Process. (Franchise Agreement, Article 6.3).
4. Designate authorized suppliers. (Franchise Agreement, Section 6.7)

**Continuing Obligations**

During the operation of your business, we will:

1. Provide marketing assistance to help promote your franchise. (Franchise Agreement, Article 6.2)
2. Provide confidential specifications and criteria for selecting Subfranchisees. (Franchise Agreement, Section 6.4)
3. Provide advisory assistance to you in the operation and promotion of the CorporateConnections Businesses. (Franchise Agreement, Article 6.6)
4. At our option, host the Global Leadership Summer and Franchise Leadership Summit (Franchise Agreement, Articles 6.8 and 6.9).
5. Provide additional training, periodic seminars, advice and assistance to you at our discretion that we may deem proper and advisable. (Franchise Agreement, Article 8)
6. We do not require you to charge minimum or maximum prices for the services that you offer to your chapter members. From time-to-time we may provide you with suggested pricing for those services, but you are not required to abide by any prices that we may suggest to you.

**Site**

CorporateConnections is a home-based business. You do not need to have a site in order to operate your franchise. There is no fixed location required in which to hold your meetings. You may change the venue to adopt to the various needs of your members. Accordingly, we do not

provide any assistance if you choose to have a site for the operation of your franchise. Any site you choose to have must be located within your Territory. If you are a BNI® franchisee, you may operate your BNI® franchise and CorporateConnections franchise from the same location. We do not need to approve the specific location of your franchise, as we assume you may work from a home office.

### Typical Length of Time Before Operation

Though the time may vary, the typical length of time between the signing of the Master Franchise Agreement and the opening of your Company-Owned Business is approximately 12 months if you are purchasing a new franchise. You are required to successfully complete Initial Training Program within 6 months of signing your franchise agreement if you are purchasing a new franchise. (Franchise Agreement, Article 5). Your successful completion of the onboarding and training programs is the main factor in determining when you are able to open your Company-Owned Business.

### Training

Within 6 months of the signing of your Master Franchise Agreement or acquisition of the Franchised Business through succession or assignment, you, or your Key Person (or, if you are a business entity, all of your owners, unless otherwise agreed with us) and Master Trainer must attend and successfully complete, to our satisfaction, the Initial Training Program. Chapter Directors must attend and successfully complete, to our satisfaction, applicable Support or Launch Director Training. Your CorporateConnections franchise must also be under the active full-time management of either you or your designated Key Person. You and your designated Key Person will be required to complete the Initial Training Program once every 5 years. We offer in-person training classes to accommodate new franchisees.

The Initial Training Fee for two of your personnel is included in the Initial Franchise Fee. Therefore, we will bear the cost of the Initial Training Program (instruction and required materials) for you and your Key Person (if you are not the Key Person) or Chapter Director. You, however, are solely responsible for all travel-related expenses, meals and payroll expenses associated with sending these attendees (and any others you designate) to our training programs. If you request additional training or if you ask us to provide initial training for additional employees, you must also pay for all of our travel, meals, lodging and payroll expenses associated with providing the additional training, whether it is delivered and performed at one of our CorporateConnections franchises, your CorporateConnections franchise, or another location we designate.

If any of the Directors or your Key Person cease active management or employment at your CorporateConnections franchise, then you must enroll a qualified replacement (who must be reasonably acceptable to us) in the Initial Training Program not more than 90 days after the end of the former person's full-time employment or management responsibilities. This training will be provided by us at your CorporateConnections franchise or another location we designate. You will be obligated to pay all our then-current training fees and per diem expenses.

We may require that you and/or your personnel attend refresher courses, seminars, and other training programs periodically, including up to ten days of refresher programs each year during the term of the Master Franchise Agreement, but in no event will you be required to attend more than two trainings annually.

If you are in default under the Master Franchise Agreement, you and your personnel may also be required to attend refresher courses, seminars, and other training programs as we may reasonably specify periodically, which may include up to ten days of refresher programs each year during the term of the Master Franchise Agreement. In addition, you may be required, from time to time, to attend additional trainings throughout the year.

We offer our Initial Training Program, virtually or at locations we select across the globe.

The following chart outlines our Initial Training Program:

**TRAINING PROGRAM**

*Executive Director Onboarding*

<b>Subject</b>	<b>Hours of Training</b>	<b>Hours of On-The-Job Training</b>	<b>Location</b>
The CC Basics	2	0	Charlotte, North Carolina, or video conferencing or video recording
Goal Setting & Purpose	2	0	Charlotte, North Carolina, or video conferencing or video recording
Marketing & Events	2	0	Charlotte, North Carolina, or video conferencing or video recording
Training & IT	2	0	Charlotte, North Carolina, or video conferencing or video recording
Planning your Growth	2	0	Charlotte, North Carolina, or video conferencing or video recording
Ongoing Support	2		Charlotte, North Carolina, or video conferencing or video recording
<b>TOTALS</b>	<b>12</b>	<b>0</b>	

*Chapter Support Director Training*

<b>Subject</b>	<b>Hours of Training</b>	<b>Hours of On-The-Job Training</b>	<b>Location</b>
The CC Offering & Support Director Role	2	0	Charlotte, North Carolina or video conferencing or video recording
Member Value and Skills	2	0	Charlotte, North Carolina, or video conferencing or video recording
Chapter Leadership, Operations & Growth	2	0	Charlotte, North Carolina, or video conferencing or video recording
<b>TOTALS</b>	<b>6</b>	<b>0</b>	

*Chapter Launch Director Training*

<b>Subject</b>	<b>Hours of Training</b>	<b>Hours of On-The-Job Training</b>	<b>Location</b>
The CC Offering & Launch Director Role	2	0	Charlotte, North Carolina, or video conferencing or video recording
Timeline for Launching Chapters	2	0	Charlotte, North Carolina, or video conferencing or video recording
Planning your launch success	2	0	Charlotte, North Carolina, or video conferencing or video recording
<b>TOTALS</b>	<b>6</b>	<b>0</b>	

All of our instructors for the Initial Training Program instruct as to any of the subjects listed in the above tables. Our instructor for the Initial Training Program is currently Kelly Irons. Kelly has been working with Corporate Connections since 2020 and has been a training instructor since she came to Corporate Connections. We may change our training instructors at any time. Our training instructors will have at least one year of experience with the services and products that we offer through this franchise. We will conduct training as often as we need to in order to accommodate new franchisees coming into the system.

**Country Map Requirement**

You are responsible for defining franchisable regions in its Territory and subsequently ensuring all franchisable regions are awarded a Subfranchise Agreement and are actively operating. To define franchisable regions, you must submit to us, for review and written approval within 90 days of the Effective Date of the Master Franchise Agreement the following: (1) a proposed map of franchisable regions; (2) a timeline for awarding such franchisable regions; (3) an explanation of what factors were considered to yield such map (i.e., population, SME count, market penetration index, geographical barriers, social context, etc.); and (4) proposed breakdown of Company-Owned Regions vs. Franchised Regions (the “Country Map”). We will have 90 days to review and approve in writing such proposal. If your first proposal is not approved in writing, you must resubmit a new proposal, within 30 days of receiving our non-approval, incorporating recommended changes for approval. You must receive written approval from us for the proposed Country Map to be considered approved. We may, in our sole discretion either approve or request modification to the proposal within 90 days of each submission of the proposal (“Mapping Process”).

Upon approval of completed Mapping Process, you must sell, establish and operate a CorporateConnections Business under the terms of a Subfranchise Agreement in each such region as per the Country Map and timeline pre-approved by us during the Mapping Process. A Subfranchised Business is considered sold, established and operated when (i) the Subfranchise Agreement has been signed and countersigned, (ii) when you have received the initial franchise fee from the Subfranchisee, and (iii) when you have submitted a copy of the fully executed Subfranchise Agreement to us. A franchisable region in the Option Period stage is not considered Subfranchised for the purpose of this requirement.

If the Country Map is not submitted to us within 90 days after the Effective Date of this Agreement, or within 30 days of our request to you to resubmit the Country Map, you must pay us the amount of \$1,000 per month for each month the Country Map remains not submitted. Invoices for the missed month will be processed the following month. Notwithstanding the foregoing, we may elect to suspend or waive these fees in part or in their entirety based on the demonstrated and documented progress of you towards completing the Mapping Process.

### **Subfranchisee Selection and Approval**

We will provide its confidential specifications and criteria for selecting Subfranchisees to you. We maintain the absolute right, but not the obligation, to approve all prospective Subfranchisees prior to the consummation of any franchise sale by you to such Subfranchisees. We further reserve the right to approve the transfer or assignment of any Subfranchise Agreement or the rights under any Subfranchise Agreement to a third party.

### **Manuals**

We will provide you with access to our director and consultant materials and our leadership manuals (the "Manuals") either in electronic or paper format as provided in the Master Franchise Agreement (Franchise Agreement, Article 9)..

#### Operating Manual

The table of contents of the National Director Operations Manual follows below.

Total number of pages in the manual: 58.

Pages devoted to each subject:

1. Introduction to the Manual: 4 pages
2. CorporateConnections: The Company: 22 pages
3. Master Franchise Development: 6 pages
4. Subfranchising:12 Pages
5. Supplement to the National Director Operations Manual: 5 Pages
6. Appendix A: Data Security Standards: 4 pages
7. Appendix B: Data Breach Notification Form: 4 pages

## **Advertising and Promotion**

### Local Marketing

You may only market, promote and solicit for members within the boundaries of the Territory. You may use our trademarks only in the forms prescribed by us. You may use only the marketing or promotional materials, signs or other items using our trademarks and/or connected in any way to the franchise which are approved in writing by us or as pre-approved pursuant to our standards.

### Global Marketing and Technology Fee

You will pay to us a Global Marketing and Technology Fee, which we are not required to segregate from our other funds. The Global Marketing and Technology Fee contributions will be maintained and administered by us or our designee as follows:

1. We or a designee will have the right to direct all advertising programs, as well as all aspects of the advertising program, including the concept, materials, and media used in the programs and the placement and allocation of the programs. We or a designee will also have the right to direct all technological enhancements and developments for the System. In part, the Global Marketing and Technology Fee is intended to maximize general public recognition, acceptance, and use of the System; and we and our designee are not obligated to make expenditures for you which are equivalent or proportionate to your contributions, to ensure that any particular franchisee benefits directly or pro rata from expenditures of the Global Marketing and Technology Fee contributions, or to expend any particular amount of money in any franchisee's region or territory. We are not required to spend any amount of advertising in your area or territory.
2. All Global Marketing and Technology Fee contributions will be used only (except as otherwise provided below) to meet any and all costs of exploring and/or implementing technological developments and enhancements for the System and maintaining, administering, directing, conducting, creating, and/or otherwise preparing advertising, marketing, public relations and promotional programs and materials, and any other activities that we believe will enhance the image of the System. This includes, among other things, the costs of conducting research on new technologies, preparing and/or conducting media advertising campaigns, social media campaigns, direct mail advertising, marketing surveys and other public relations activities; product development and market testing; brand research and development; developing and hosting marketing, brand enhancement, and customer engagement seminars for franchisees; employing advertising and/or public relations agencies to assist therein; developing new or modified trade dress and marks; point-of-purchase (POP) materials; design and photographs; conducting and administering visual merchandising, and other merchandising programs; purchasing media space or time (including all associated fees and expenses); administering regional and multi-regional marketing and advertising programs; market research and customer satisfaction surveys; developing and implementing customer retention programs; the creative development of, and actual production associated with, premium items, giveaways, promotions, contests, public relation events, and charitable or non-profit events; developing and maintaining our website; developing, implementing and maintaining an electronic commerce website; developing, implementing and maintaining social media platforms and/or related strategies; maintaining and developing one or more websites devoted to the System, the trademarks and/or the "CorporateConnections" brand; providing promotional and other marketing materials and services to the

CorporateConnections franchises operated under the System; and the salaries of our employees to the extent such employees provide services in conjunction with System marketing activities. The Global Marketing and Technology Fee may also be used to provide rebates or reimbursements to franchisees for local expenditures on products, services, or improvements, approved in advance by us, which products,

services, or improvements we will have the right to determine, that we believe will promote general public awareness and favorable support for the System. The Global Marketing and Technology Fee is not designed to solicit franchisees but solicitations for the sale of CorporateConnections franchises may be included in the advertisements that we produce and distribute. We will have the sole right to decide how to use the Global Marketing and Technology Fee, which may be used to create, place and pay for marketing and for researching and implementing technological developments and enhancements. We are not obligated to spend the contributions of the Global Marketing and Technology Fee in the same year the contributions are received. We may spend these contributions in the year they are received or in subsequent years.

3. We may engage in joint marketing and technological development activities with our affiliate BNI Franchising, LLC. We may use Global Marketing and Technology Fee contributions we receive from you and other CorporateConnections franchisees and/or technology fees received from BNI franchisees to, among other things, pay for marketing and promotional activities and/or implement technological developments and enhancements for the CorporateConnections System and the BNI System, such as our respective websites, online social media platforms, mobile apps, and operating management systems. We are not obligated to allocate these fees towards local or national media coverage. The advertising or marketing medium that we employ will be at our discretion and can include, but not be limited to, local, regional, national, social media, and local and/or national website(s). We are currently not using any national or regional advertising agency to place any media that is employed in any of our marketing programs. As of the date of this disclosure document we pay retail costs for the placement of any media used in the operation of the franchise.
4. You must make your Global Marketing and Technology Fee contributions in the manner we specify, which will be by electronic fund transfer, by the 15th of each month. These contributions will not be kept in a separate fund or account and may be co-mingled with the other funds of Corporate Connections or its affiliates.
5. We will have the right to allocate or charge against the Global Marketing and Technology Fee contributions reasonable administrative costs and overhead that we incur in activities reasonably related to the direction and implementation of the Global Marketing and Technology Fee and marketing and technology programs for you and the System (for example, costs of personnel for creating and implementing, associated overhead, advertising, merchandising, promotional and marketing programs, and accounting services reasonably related to the administration of your contributions). While we will not set up a separate fund or account for Technology Fee contributions, we or our designee will maintain separate bookkeeping accounts for these contributions.
6. Your Global Marketing and Technology Fee contributions will not be used for ordinary operating expenses of our company. We do not assume any fiduciary obligation to you or any other franchisee for maintaining, directing, or administering the Technology Fee contributions. A statement of the operations related to Technology Fee contributions for

the previous financial year will be made available to you on an annual basis, upon your written request to us. This annual statement is not required to be audited, but we may choose to provide an audited statement upon request by you and at your expense.

7. Although the Global Marketing and Technology Fee contributions are intended to be of unlimited duration, we maintain the right to terminate the requirement at any time upon notice to you. If we terminate the requirement to make Global Marketing and Technology Fee contributions, we will spend any monies previously collected for technological, marketing, or promotional purposes. Our current policy is that we or our affiliates that operate CorporateConnections franchises will make Global Marketing and Technology Fee contributions on the same basis as is required of our franchisees.

We have established a requirement to make Global Marketing and Technology Fee contributions. Global Marketing and Technology Fee was collected for our last fiscal year ending December 31, 2023, but no expenditures have yet to be made.

Software development 0%  
Software licenses 0%  
Production 0%  
Media Placement 0%  
Administrative Expenses 0%  
Other 0%

We may receive payment for providing goods or services that we may allocate to uses related to Global Marketing and Technology Fee contributions. However, as described above, we are not required to spend any particular amount on marketing in the region or territory where your CorporateConnections franchise is located.

#### Promotional and Marketing Campaigns

We may establish and conduct promotional and marketing campaigns on a national or regional basis, which may, by way of illustration and not limitation, promote particular events or programs. The sources of these campaigns may either be developed by us or by a third-party advertising/marketing agency, as we deem appropriate. You must participate in such promotional and marketing campaigns and in any official membership drive as developed by us. If required by us, you must purchase material, posters, flyers, and other promotional material.

#### Advertising Council

We have not established a marketing/advertising council but we have the right to do so in the future. If we establish such a council, it will serve in an advisory capacity to us with respect to certain marketing expenditures, including providing advice/guidance on how to administer any marketing expenses. At our discretion, the council may be comprised of our management representatives, employees, you and/or other franchisees in the System. We will have the right to modify or dissolve the council (if created) at any time.

#### Advertising Cooperatives

We have not established any regional advertising cooperatives and have not contemplated how much a franchisee might be required to contribute to such a cooperative. If created, we will have the right to establish, modify, merge and dissolve any cooperative, as we deem appropriate, and

we will administer the cooperative. As such a cooperative has not yet been established, we have not yet determined how membership will be defined, how much you must contribute, or whether our company-owned outlets must contribute. If such a cooperative is created, its governing documents will be available to you upon your request.

## **Computer Systems**

### Technology Council

We have not established a technology council, but we reserve the right to do so in the future. If we establish such a council, it will serve in an advisory capacity to us with respect to certain technological expenditures, including providing advice/guidance on how to administer any technological investments (if established in the future). At our discretion, the council may be comprised of our management representatives, employees, you and/or other franchisees in the System. We will have the right to modify or dissolve the council (if created) at any time.

### Website and Landing Page

We provide a CorporateConnections website. You must obtain our prior written approval to maintain a separate landing page. If we approve you to have a separate landing page you must comply with our mandatory policies and procedures regarding website use. You must have our prior written approval prior to making any significant change to your landing pages content. You may only use e-mail addresses that we have previously approved.

### Computer System

You are required to have available in your franchise the necessary computer hardware and software to carry on business with us online, as those terms are understood in the computer technology world, including an active email address which will, at all times, be provided to us. You are not required to have a specific brand or type of computer hardware, except that you must have a computer that is capable of running the current Microsoft Office and QuickBooks or equivalent accounting software. Your computer hardware and software must provide you sufficient access to the internet with the ability to download or upload reports as may be necessary from time to time. You are required to pay for the maintenance of your computer hardware and software. We are not required to pay for the maintenance of these items. (Master Franchise Agreement, Article 7.10).

You are required to license and use in the operation of your franchise our operating system currently called the Operating Management System (Master Franchise Agreement, Article 1.2). You are currently required to pay us, or a third party that we designate, a Global Marketing and Technology Fee for the Operating Management System of 2% of the preceding month's Gross Revenues. We may change this Global Marketing and Technology Fee with a 60-day notice to you (Master Franchise Agreement, Article 3.8). The data to be stored on the Operating Management System includes the following information about customers: member information of the Chapters including each member's name, address, phone numbers and e-mails. We will have independent access to all of this information without any contractual limitations (Master Franchise Agreement, Article 5.1).

You are responsible for all costs necessary for regular maintenance of your computer hardware and software, if necessary, which costs will vary depending on the quality of computer system that you have. We estimate your costs associated with this computer system to be in the range

between \$500 and \$1,500. Your costs could be greater than \$1,500 depending on what computer system you choose to purchase. The estimated potential upgrade or maintenance costs of your computer system may be approximately \$100 to \$500 every 2 to 3 years based on your computer system. We have no contractual limitations on the frequency and cost of requiring you to purchase and use a software program or hardware. (Franchise Agreement, Article 7.10).

You are responsible for reviewing all communications we send to you to your e-mail address(es) (Franchise Agreement, Article 9). You are required to complete and send certain reports on the

We reserve the right to introduce and require you to pay for management tools, including but not limited to a CorporateConnections Meeting Management Tool ("Meeting Management Tool"), in order to better administer and run Subfranchisees' weekly CorporateConnections Meetings. You must use and require your Subfranchisees to use the Meeting Management Tool that we approve. We may change the Meeting Management Tool upon notice to you, but we will not change such Meeting Management Tool more than one time each year during the Term of the Master Franchise Agreement.

## **Item 12. Territory**

The Master Franchise Agreement grants you the right and obligation to operate a CorporateConnections Master Franchise in the Territory. Under the terms of the Master Franchise Agreement, you must grant such minimum number of Subfranchised Businesses in the Territory as necessary to ensure that the minimum number of Members as outlined in the Development Schedule is satisfied during each Development Period.

During the term of the Master Franchise Agreement, and provided that you are not in default of your obligations under the Master Franchise Agreement, we will not establish and operate, or license anyone other than you the right to operate a CorporateConnections Master Franchise within the Territory, or establish CorporateConnections Businesses within the Territory. We and our affiliates reserve all other rights not expressly granted to you under the Master Franchise Agreement, anywhere in the world, including, without limitation the right to:

1. advertise and promote the System and the sale and operation of CorporateConnections Businesses and CorporateConnections Master Franchises outside the Territory;
2. own, operate, or grant others the right to operate CorporateConnections Businesses and CorporateConnections Master Franchises at any location outside the Territory on such terms and conditions as we deem appropriate;
3. own, operate or grant others the right to operate a business using any mark or trade name other than the Marks inside and outside the Territory, including under the BNI® trademarks, trade name and/or concept;
4. promote, offer and sell the Licensed Products and any other products or services (including those offered by CorporateConnections Businesses) under the Marks or any other marks, through alternative methods of distribution, including through the Internet, catalog sales, any other marketing based channels, or through any other retail business;
5. be acquired by a business owning or operating one or more businesses located or operating within the Territory which compete with CorporateConnections Businesses;

6. acquire a business owning or operating one or more businesses located or operating within the Territory which compete with the CorporateConnections Businesses; and
7. use or grant others the right to use the Operating Management System or any other database management, website and social media tool which allows Members from outside the Territory to interact with Members in the Territory.

You must achieve certain growth targets and comply with a development schedule. Generally, you must have a minimum of one chapter within your first year of operation. We do not set uniform development schedule that apply to all franchisees. We and you will set development goals for your franchise and memorialize these goals in a development schedule attached to the Master Franchise Agreement. We plan on holding meetings to review your progress toward the development schedule on at least a quarterly basis, which may entail a meeting with members of our executive team to evaluate growth, retention, complaints, achievements and whether you and your leadership team have gone through certain CorporateConnections training courses. You must attend these meetings.


We may terminate the Master Franchise Agreement or, at our option, terminate your development rights within the Territory as described above if you: (a) fail to meet the Development Schedule and fail to cure such breach within 9 months after receiving a notice to cure; or (b) immediately if you fail to pay us any of the Master Franchise Fee when due. Upon such termination of development rights, you will still provide the ongoing training, assistance, and other support services to all Company-Owned Businesses and Franchised Businesses existing within the Territory as of the date the development rights are terminated, and will still collect royalties and other fees under any Subfranchise Agreement that you enter into prior to Franchisor's termination of the development rights, however, all rights to develop new Company-Owned Businesses and Franchised Businesses will immediately cease. Upon termination of the development rights, such rights will immediately revert back to us, at which time we may immediately exercise, or license any third party the right to exercise, such development rights within the Territory (subject to any territorial protection that has been granted under any valid and existing Subfranchise Agreement).

You cannot solicit customers, provide products or services, use any other channels of distribution, such as the Internet, the metaverse, catalog sales, telemarketing or other direct marketing, or advertise outside of your Territory. BNI franchises also offer strategic business connections, client prospect referrals and marketing assistance. However, BNI franchises do not have specific business revenue or enterprise value threshold requirements for members and the membership costs are lower. BNI Franchising LLC or its franchisees may solicit or accept customers within your Region. We do not anticipate conflicts between you and us and between you and BNI franchisees regarding territory, customers, and franchisor support because the CorporateConnections franchise and BNI franchise will service different member bases. BNI Franchising LLC's principal business address is the same as ours. We may maintain some physically separate offices and training facilities for the CorporateConnections franchise.

Beyond our affiliate BNI's offering we do not currently operate or franchise any business under a different trademark selling products and services similar to those you will offer in your franchise, but we reserve the right to do so and both we and our affiliates may offer such additional products and services in the future. Our affiliates may sell or operate, in your market or any territory granted to you, a business that is similar to yours but which operates under a different trademark. Our affiliates may sell on the Internet some of the products with the same trademarks that you may be offering for sale in your franchise. If we solicit or accept business from within your Territory we are not required to pay you any compensation for soliciting or accepting such business.

**Item 13.  
Trademarks**

We will grant you the right to operate a franchise under the trademarks listed below together with any future trademarks we designate. You may also use the other current or future trademarks, service marks, trade names and logos we designate to operate your CorporateConnections franchise. Our affiliate, Corporate Connections Global, LLC has registered the following trademarks with the United States Patent and Trademark Office (“USPTO”) on its Principal Register:

Trademark	Registration Number	Registration Date	Goods/Services
	5329780	11/7/2017	41: Educational services, namely, conducting conferences and seminars in the field of business promotion.
Where Leaders Connect	5301646	10/3/2017	41: Educational services, namely, conducting conferences and seminars in the field of business promotion.
CorporateConnections	5764242	05/28/19	35: Business services, consulting and advertising.

Corporate Connections Global, LLC has timely filed and intends to timely file with the USPTO, all required affidavits of use and an affidavit of incontestability, when due. The registrations listed above are all new or original registrations. They are not renewal registrations.

Corporate Connections Global, LLC has granted us a license to use and sublicense the use of these trademarks. The license agreement entered into in 2017 is of perpetual duration. In the event this license agreement is terminated, your rights to use these marks will not be materially altered. We may reference these marks in this Disclosure Document as our trademarks with the understanding that Corporate Connections Global, LLC, our affiliate, owns the registrations and we have the exclusive rights to them. You must follow our rules, our branding standards and our memorandums for your use of these marks. You cannot use these marks or words similar to these marks in any trade, firm, association, corporation, or business name, unless we approve it in writing and any approval by us would automatically be revoked upon the termination of the Master Franchise Agreement. You must not use our registered marks in connection with the sale of any unauthorized product or service or in a manner not authorized in writing by us.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings and no pending litigation involving any of the marks that may significantly affect the ownership or use of any mark listed above. No agreements limit our right to use or license the use of our marks.

You must notify us immediately when you learn about an infringement of or challenge to your use of our marks. We will take the action we think appropriate although we are not required to take

any affirmative action. We have the sole right to control any administrative proceedings or litigation involving a trademark licensed by us to you. If we do bring such action, we may name you as a nominal party to the action. We will indemnify you or reimburse you for your liability and reasonable costs if there is a challenge to your authorized use of our marks provided you have notified us immediately after you learn of the challenge and cooperate with us in defending the challenge as necessary.

You must modify or discontinue the use of a mark if we modify or discontinue the mark. If this happens, then you will be responsible for your tangible costs of compliance (for example, changing signs or letterhead). You may not directly or indirectly contest the validity of our ownership of the marks or our right to use or license our marks, trade secrets, confidential information or business techniques that are part of our business.

We do not know of any superior prior rights, besides by our affiliate, or infringing uses that could materially affect your use of our marks.

#### **Item 14.**

### **Patents, Copyrights and Proprietary Information**

#### Patents

We do not own any registered patents or pending patent applications that are material to the franchise.

#### Copyrights

We and our affiliates do claim common law copyright and trade secret protection for several aspects of the System including our Manuals, training materials, advertising, and business materials. Additionally, our affiliates have obtained federal copyright registrations for certain versions of materials used in the System. We have not filed for any copyrights for any of the items where we claim common law copyrights or trade secret protection.

There are no current determinations, proceedings or litigation involving any of our copyrighted materials. We are not aware of any patent or copyright infringement that may materially affect you or the franchise. There are no agreements in effect limiting your use of any patents, pending patents and/or copyrights associated with your franchise. Should you become aware that any unauthorized third party is using any of our copyrighted materials, we request that you notify us of such unauthorized use. We will not defend you against claims arising from your use of the patented or copyrighted items, but we will indemnify you for losses brought by a third-party concerning infringement by your use of this information. We may revise our System and any of our copyrighted materials at our discretion, and may require that you cease using any outdated copyrighted material. You will be responsible for printing any revised or new advertising, marketing or other business materials at your cost. Our indemnification obligations are not contingent upon your modification or discontinuance of use of the subject matter covered by the particular copyright or patent.

#### Proprietary Materials

You can use the proprietary information in our Manuals, podcasts, newsletters, blogs, articles and other publications and media we provide to you for use in your franchise in the manner in which we prescribe (you do not have any rights to create derivative works or use the material in any

other manner not intended by us). Although we may not have filed an application for a copyright registration for all of our Manuals, podcasts, newsletters, blogs, articles and other publications and media we provide to you for use in your franchise, the information is proprietary and we will exercise discretion in determining when and how to protect these materials.

### Confidential Information

We consider our Manuals, podcasts, newsletters, blogs, articles, and other publications and media we provide to you for use in your franchise to be proprietary confidential information and part of our trade secret. The use of these materials is limited only to you, your employees and any independent contractors authorized and approved by us, as necessary. You are permitted to use these materials only in the manner that we prescribe in the Master Franchise Agreement and our Manuals. Each individual with access to these materials as provided in the Master Franchise Agreement must, prior to having access to these materials, execute our Non-Solicitation, Non-Disclosure and Non-Compete Agreement. You acknowledge that we own the member relationship and any data associated with members is our proprietary information. You must promptly tell us if you learn about any unauthorized use of our proprietary information. We are not obligated to take any action but will respond to this information, as we deem appropriate.

### **Item 15.**

#### **Obligation to Participate in the Actual Operation of the Franchise Business**

If you are a BNI® franchisee, you must employ and designate at least one (1) full-time supervisor (the “Key Person”), approved by us, to handle the operation of the franchise. If you are not a BNI® franchisee, you (or if you are a legal entity, one of your owners) may serve as the Key Person. The Key Person must devote his/her full-time attention and effort to the support and operation of the franchise. Under the Master Franchise Agreement, the franchise must be directly supervised by an individual who has successfully completed Initial Training Program. The Key Person must successfully complete the Initial Training Program and must reside in the Territory.

You must identify a Key Person whom we approve to handle the operation of your franchise and all of your owners must sign a principal owners’ guaranty in the form attached to the Master Franchise Agreement as Exhibit E, and the owners’ spouses, if any, must sign a spousal limited guaranty in the form attached to the Master Franchise Agreement as Exhibit E-1.

The Key Person, manager or supervisor need not have an ownership interest in a corporate or partnership franchisee, unless you are operating your first CorporateConnections franchise. During the term of the Master Franchise Agreement, one individual owner of the corporate or partnership franchisee must own at least fifty-one percent (51%) of the entity, must have controlling voting power and must successfully complete the initial training program. You or any Key Person or any manager or supervisor supervising your franchise cannot have any interest or business relationship with any of our competitors. Our competitors are any business referral, networking, or word-of-mouth marketing concept, any business networking organization or any variation other than the CorporateConnections franchise or the BNI franchise. The Key Person must be authorized to bind the Franchisee with respect to issues related to the operation of the Franchise . Upon request by the Franchisee, we may approve an Executive Director to be the Key Person if such Executive Director resides in close proximity to the Territory. If the Key Person has not signed the Master Franchise Agreement, Franchisee will ensure that the Key Person enters into a Non-Disclosure, Non-Solicitation and Non-Competition Agreement. You must also ensure that a manager or supervisor must sign a written agreement to comply with the covenants not to compete described in Item 17. You must ensure that the insurance required by law and the

Master Franchise Agreement is in force and effect for such Key Person during the Term of the Master Franchise Agreement.

**Item 16.  
Restrictions on What the Franchisee May Sell**

You must offer and sell only the goods and services which conform to our standards and specifications (see Item 8).

You must offer all goods and services that we designate as required for all franchisees. We restrict these required goods and services for the purpose of developing business networking organizations and referral groups, as specified in the Master Franchise Agreement and our director manuals, and in the changes to them as may be periodically given to you. We have the right to add additional authorized goods and services that you must offer. There are no limits on our right to do so although we have no present plans to do so.

You may only offer the goods and services that we designate to CorporateConnections members. If an individual does not qualify for a CorporateConnections membership, but may be suitable for a BNI membership, we will ask you to refer the individual to our affiliate BNI Franchising, LLC.

You must comply with all applicable federal, state and local laws and obtain all appropriate governmental approvals for the franchise. You must operate in conformity with the methods, standards and specifications we prescribe to maintain uniformity within our system and to provide the highest degree of quality and service. You must not deviate from our standards and specifications without our prior written consent.

**Item 17.  
Renewal, Termination, Transfer, and Dispute Resolution**

**THE FRANCHISE RELATIONSHIP**

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

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	Article 2.1	10-year term
b. Renewal or extension of the term	Article 2.2	We may grant you additional development rights under the Master Franchise on the terms and conditions we deem appropriate.
c. Requirements for franchisee to renew or extend	Article 2.2	After you satisfy your initial development obligations under the Master Franchise Agreement, we may offer you additional development rights within the Territory provided that the following conditions are satisfied: (a) you and your owners execute a general release of claims, (b) you pay us a renewal fee; (c) a new development schedule for the renewal term is set; (d) you and your owners execute our then-current form of master franchise agreement, (e) you provide us with notice of your desire to receive additional development rights at least 6 months but not more than 1 year prior to the end of the last Development

Provision	Section in franchise or other agreement	Summary
		Period, (f) you are in compliance with all terms of the Master Franchise Agreement and bring your CorporateConnections Master Franchise into compliance with our specifications and standards for new master franchises, (g) you and your personnel complete any training we designate, (h) execute any other required documents; (i) there are no current or potential disputes among your owners; (j) complete background check; and (k) participate in business plan meeting..
d. Termination by franchisee	None	You do not have the right to terminate the Master Franchise Agreement.
e. Termination by franchisor without cause	None	We cannot terminate the Master Franchise Agreement without cause.
f. Termination by franchisor with cause	Article 15	We can terminate the Master Franchise Agreement only if you are in default of the Master Franchise Agreement.
g. "Cause" defined – curable defaults	Article 15.3	A curable default includes any default by you of any provision of the Master Franchise Agreement and not covered by the provisions of Section 15.1 or 15.2 of the Master Franchise Agreement. You will have 30 days to cure any curable default, except for a default under the Development Schedule in which case you have 9 months to cure the default.
h. "Cause" defined – non-curable defaults	Article 15.1-15.2	We may terminate your Master Franchise Agreement without giving you an opportunity to cure for the following reasons: (a) you become insolvent or make a general assignment for the benefit of creditors or proceedings for a composition with creditors under any applicable law should be instituted by or against you or you file a petition in bankruptcy or you are adjudicated as bankrupt or insolvent or a bill in equity or other proceeding for the appointment of a receiver or other custodian for your business or assets is filed and consented to by you or a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; (b) you fail to comply with the development schedule; (c) you cease operating or otherwise abandon your CorporateConnections Master Franchise; (d) you or any principal, shareholder or member/manager is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that we believe is likely to have an adverse effort upon the CorporateConnections Master Franchise, the Marks, the goodwill associated therewith, or our interest therein; (e) you make any material misrepresentation or misstatement, or omit any material facts to us on your application, or with respect to the operation of the CorporateConnections Master Franchise; (f) a transfer is made without our consent; (g) you knowingly maintain false books or records or submit any false or fraudulent reports, statements or documents to us; (h) you fail to comply with our

Provision	Section in franchise or other agreement	Summary
		<p>training requirements; (i) you misuse, disclose or divulge any Confidential Information; (j) you misuse or make any unauthorized use of the Marks; (k) we send you 2 or more written notices of default in any 12 month period; (l) you violate any in-term non-competition provision; (m) you are the subject of repeated complaints from Subfranchisees or Members; (n) you fail to comply with all laws and regulations relating to the operation of the CorporateConnections Master Franchise or the offer and sale of a CorporateConnections Business in the Territory; (o) a levy or writ of attachment or execution or other lien is placed against you or any of your assets and is not released or bonded against within 30 days; (p) you fail or refuse to obtain our prior written approval or consent as required by the Master Franchise Agreement; (q) you materially breach any other agreement with us or our affiliates and fail to cure such breach within any permitted cure period; or (r) your actions endanger the health and safety of your Members.</p>
<p>i. Franchisee's obligations on termination/non renewal</p>	<p>Article 16</p>	<p>Upon termination, expiration or transfer of the Master Franchise Agreement, you must: (a) immediately cease to operate the CorporateConnections Master Franchise and immediately cease to soliciting or providing service to Subfranchisees; (b) immediately cease soliciting prospective Subfranchisees, will not enter into any new Agreements or amendments to Subfranchise Agreements, and may not exercise any right or perform any obligation under the Subfranchise Agreements except with our express prior written consent; (c) immediately and permanently cease to use, any trade secrets, confidential methods, procedures, techniques, the Marks and all other proprietary marks and materials; (d) make such modifications or alterations to any premises of the CorporateConnections Master Franchise to distinguish the appearance from that of CorporateConnections Master Franchise or Business, and may make such additional changes as we may reasonably request; (e) cease all use of any reproduction, counterfeit, copy, or colorable imitation of the Marks; (f) promptly pay all sums owing to us or our affiliates; (g) pay us all damages, costs, and expenses, including reasonable legal fees, incurred by us in enforcing the terms of the Master Franchise Agreement; (h) immediately deliver to us the Master Manual, Subfranchisee Manual (including any translations) and all other records and reports, correspondence, and instructions containing trade secrets or Confidential Information; (i) immediately deliver to us all materials, agreements, amendments, correspondence, and records relating to the Subfranchise Agreements, Subfranchisees, and any prospective Subfranchisees, and transfer to us all prepayments collected from a Subfranchisee and/or Member; (j) at our option, assign all existing Subfranchise Agreements and any supplier contracts</p>

Provision	Section in franchise or other agreement	Summary
		to us or our designee without payment of any compensation; and (k) at our option, we or our designee will have the right to purchase any Company-Owned Business(es) operated by your affiliate.
j. Assignment of contract by franchisor	Article 14	No restriction on our right to assign.
k. "Transfer" by franchisee – defined	Article 14	Any change of interest in the ownership of the franchise or Master Franchise Agreement.
l. Franchisor approval of transfer by franchisee	Article 14	We have the right to approve all requests for transfers.
m. Conditions for franchisor approval of transfer	Article 14	You are not in default, proper notification by you to us of the requested transfer as required under the Agreement, providing us with a copy of a purchase agreement that meets our approval, compliance with all conditions listed under Article 14.2 of the Master Franchise Agreement. Some of these conditions include the qualification of the prospective buyer as a franchisee, payment of all fee amounts, payment of all debts owed by you associated with your business, training arranged as required for the prospective buyer, release signed by you, and a then current agreement signed by new franchisee (also see r, below).
n. Franchisor's right of first refusal to acquire franchisee's business	Article 14	We can match any offer for your business.
o. Franchisor's option to purchase franchisee's business	None	Not Applicable
p. Death or disability of franchisee	Article 14	The franchise must be assigned to approved individual within 6 months of death or disability of master franchisee.
q. Non-competition covenants during the term of the franchise	Article 17	No concurrent involvement in competing business (subject to State law).
r. Non-competition covenants after the franchise is terminated or expires	Article 17	No competing business for two (2) years within the Territory, 75 miles from the outer boundary of the Territory, within another CorporateConnections franchisee's territory or region, or within 75 miles from the outer boundary of another CorporateConnections franchisee's territory or region (subject to State and federal law).
s. Modification of the agreement	Article 22	No modification except by a written agreement signed by both parties.
t. Integration/merger clause	Article 22	Only the terms of the franchise agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of the disclosure document and franchise agreement are not enforceable.
u. Dispute resolution by arbitration or mediation	Article 23	If you have a dispute regarding your Master Franchise Agreement, then it must be mediated. If mediation fails, your only option is to file for arbitration (subject to State law).

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
v. Choice of forum	Article 23	Arbitration must be in Charlotte, North Carolina (subject to state law).
w. Choice of law	Article 23	North Carolina law applies (subject to state law).

**Item 18.  
Public Figures**

We do not employ any public figure or celebrity in our management, nor do we use a public figure or celebrity to promote our franchises.

**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 franchises, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of any 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 our Chief Financial Officer, Michael Utt, Corporate Connections Franchising, LLC, 3430 Toringdon Way, Suite 300 Charlotte, North Carolina 28277, (704) 248-4800 Ext. 28, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20.  
Outlets and Franchisee Information**

**Table No. 1 Systemwide Outlet Summary  
For the years 2021 to 2023**

<b>Column 1 Outlet Type</b>	<b>Column 2 Year</b>	<b>Column 3 Outlets at the Start of the Year</b>	<b>Column 4 Outlets at the End of the Year</b>	<b>Column 5 Net Change</b>
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company-Owned*	2021	0	0	0
	2022	0	0	0

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
	2023	0	0	0
Total Outlets	2021	0	0	0
	2022	0	0	0
	2023	0	0	0

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) For**  
**years 2021 to 2023**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
All States	2021	0
	2022	0
	2023	0
Total	2021	0
	2022	0
	2023	0

**Table No. 3**  
**Status of Franchised Outlets For years 2021 to 2023**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at the Start of Year	Col. 4 Outlets Opened	Col. 5 Termin- ations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
All States	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Totals	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

**Table No. 4  
Status of Company-Owned Outlets For years 2021 to 2023**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
Totals	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

**Table No. 5  
Projected Openings as of Issuance Date of Disclosure Document**

Column 1 State	Column 2 Franchise Agreements Signed but Outlets Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
Florida	0	1	0
Total	0	1	0

The names, addresses and telephone numbers of our franchisees as of the issuance date of this Disclosure Document are listed on Exhibit F.

The name, city and state, and current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who has had a franchise agreement terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year, or who has not communicated with us within ten (10) weeks of the issuance date of this Disclosure Document is listed on Exhibit H. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

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

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

**Item 21.  
Financial Statements**

We have attached as Exhibit A to this Disclosure Document our audited financial statements as of December 31, 2023, December 31, 2022, and December 31, 2021. Our fiscal year end is December 31<sup>st</sup>.

We have also attached unaudited interim financial statements from January 1, 2024 through July 31, 2024. The unaudited interim financial statements are prepared on an accrual basis and in accordance with GAAP. **THE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.**

**Item 22.  
Contracts**

EXHIBIT B – Master Franchise Agreement  
EXHIBIT C – Form of General Release  
EXHIBIT D – State Specific Addenda

**Item 23.  
Receipts**

You must sign two copies of the Receipt attached as the last two pages of this Disclosure Document. After execution, you keep one copy and provide the other to us.

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**EXHIBIT A**  
**FINANCIAL STATEMENTS**

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# Corporate Connections Franchising, LLC

(a wholly owned subsidiary of Corporate Connections Global, LLC)

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**Financial Report**  
**December 31, 2023**



**Corporate Connections Franchising, LLC**

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## Independent Auditor's Report

To the Board of Directors  
Corporate Connections Franchising, LLC

### **Opinion**

We have audited the financial statements of Corporate Connections Franchising, LLC (the "Company"), which comprise the balance sheet as of December 31, 2023 and 2022 and the related statements of operations, member's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audits of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Directors  
Corporate Connections Franchising, LLC

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

*Plante & Moran, PLLC*

June 27, 2024

**Corporate Connections Franchising, LLC**

**Balance Sheet**

**December 31, 2023 and 2022**

	2023	2022
<b>Assets</b>		
<b>Current Assets - Cash</b>	<b>\$ 253,512</b>	<b>\$ 78,512</b>
<b>Liabilities and Member's Deficit</b>		
<b>Current Liabilities</b>		
Related party payable (Note 3)	\$ 392,744	\$ 214,960
Contract liabilities - Deferred revenue	28,000	41,838
Total liabilities	420,744	256,798
<b>Member's Deficit</b>	<b>(167,232)</b>	<b>(178,286)</b>
Total liabilities and member's deficit	<b>\$ 253,512</b>	<b>\$ 78,512</b>

See notes to financial statements.

**Corporate Connections Franchising, LLC**

**Statement of Operations**

**Years Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Net Revenue</b>	\$ 13,838	\$ 14,450
<b>Operating Expenses</b>	<u>2,784</u>	<u>3,728</u>
<b>Net Income</b>	<u>\$ 11,054</u>	<u>\$ 10,722</u>

See notes to financial statements.

**Corporate Connections Franchising, LLC**

**Statement of Member's Deficit**

**Years Ended December 31, 2023 and 2022**

<b>Balance - January 1, 2022</b>	\$ (189,008)
Net income	<u>10,722</u>
<b>Balance - December 31, 2022</b>	(178,286)
Net income	<u>11,054</u>
<b>Balance - December 31, 2023</b>	<u><b>\$ (167,232)</b></u>

See notes to financial statements.

**Corporate Connections Franchising, LLC**

**Statement of Cash Flows**

**Years Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Cash Flows from Operating Activities</b>		
Net income	\$ 11,054	\$ 10,722
Changes in operating assets and liabilities that provided (used) cash:		
Related party payable	177,784	3,728
Deferred revenue	<u>(13,838)</u>	<u>(14,450)</u>
<b>Net Increase in Cash</b>	175,000	-
<b>Cash - Beginning of year</b>	<u>78,512</u>	<u>78,512</u>
<b>Cash - End of year</b>	<u><b>\$ 253,512</b></u>	<u><b>\$ 78,512</b></u>

See notes to financial statements.

**Note 1 - Nature of Business**

Corporate Connections Franchising, LLC (the "Company") was formed on May 12, 2017 and is a single-member LLC and wholly owned subsidiary of Corporate Connections Global, LLC. The Company is engaged in the sale of area franchises for proprietary business network membership organizations, which offer business leadership training, structured peer performance evaluations and coaching, and referral networking services and assistance to referral groups or "chapters" for business executives located in the United States of America. As of December 31, 2023 and 2022, the Company had one and two franchised regions, respectively. The operating results of the Company could vary significantly from those that would have occurred had the Company operated independently

**Note 2 - Significant Accounting Policies**

***Basis of Presentation***

The financial statements of the Company have been prepared on the basis of generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

***Revenue Recognition***

**Overview**

The Company's revenue mainly consists of franchise fees and royalties. The Company sells individual franchises that grant the right to service customers within a defined territory using the franchise name. The initial term of franchise agreements is five years, with an option to renew for five years for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid.

**Performance Obligations**

The Company has the obligation to provide franchisees with the franchise rights to service customers. The Company has concluded that this represents a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement from the date the agreement is entered. Renewal fees are recognized over the renewal term for the respective franchise from the start of the renewal period. Transfer fees are recognized over the remaining term of the franchise agreement beginning at the time of transfer. Income for royalties is recognized over the term of the respective franchise agreement as the underlying sales occur.

**Payment Terms**

Initial franchise fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Royalties are paid on a monthly basis based upon 20 percent of membership fees received each month by the franchisee. Franchise fees are collected upfront and, as a result, create a deferred revenue contract liability. The Company then defers franchise fee revenue over a 60-month period related to obligations of supporting the franchise.

**Contract Balances**

Contract liabilities consist of deferred revenue from upfront franchise fees paid by franchisees. Advance franchise fees are amortized to income using the straight-line method over a period of five years, which coincides with the initial franchise term. As of December 31, 2023, \$28,000 was recorded in deferred revenue. Deferred revenue at December 31, 2022 and January 1, 2022 was \$41,838 and \$56,288, respectively.

**Note 2 - Significant Accounting Policies (Continued)**

**Current Revenue from Historical Periods**

During the years ended December 31, 2023 and 2022, the amount of revenue that the Company recognized as a result of satisfying performance obligations that were previously partially satisfied associated with franchise agreements was \$13,838 and 14,450, respectively. There were no changes in collectibility or transaction price on these agreements.

**Future Revenue from Current Period**

The aggregate amounts of revenue the Company expects to recognize in future years as a result of satisfying the performance obligations associated with franchise agreements that have unsatisfied performance obligations as of December 31, 2023 are as follows: 2024 - \$12,000, 2025 - \$12,000, and 2026 - \$4,000.

**Allocating the Transaction Price**

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

**Costs to Obtain a Franchise Agreement**

The Company does not have any incremental costs to obtain a franchise agreement.

**Income Taxes**

The Company is a disregarded single-member LLC, ultimately treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The member is taxed individually on the Company's earnings. The Company's net income or loss is allocated to the member in accordance with the Company's operating agreement.

No income tax provision has been included in the financial statements since income or loss of the Company is required to be reported by the member on its income tax returns.

**Subsequent Events**

The financial statements and related disclosures include evaluation of events up through and including June 27, 2024, which is the date the financial statements were available to be issued.

**Note 3 - Related Party Transactions**

The following is a description of transactions between the Company and related parties:

***Administrative Fee***

Corporate Connections Worldwide Development Limited (affiliated through common ownership); Corporate Connections Global, LLC (parent company); and BNI Global, LLC (sister company of Corporate Connections Global, LLC) provide administrative support services for the Company and its franchisees, including, but not limited to, personnel, accounting, marketing, printing, warehousing, shipping, and all services and materials provided to the franchisees. For these services, the Company reimburses them for allocated expenses and pays them an administrative fee. Allocated expenses and administrative fees for the years ended December 31, 2023 and 2022 were approximately \$0 and \$1,000, respectively. If this were a stand-alone entity, additional expenses may have been incurred and/or allocated. Outstanding fees of \$392,744 and \$214,960 are included in related party payable on the balance sheet at December 31, 2023 and 2022, respectively.

***Collateral***

The Company's assets serve as collateral for certain long-term notes payable of BNI Ultimate Holdings, LLC.

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**Corporate Connections Franchising, LLC**  
(a wholly owned subsidiary of Corporate Connections Global, LLC)

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**Financial Report**  
**December 31, 2022**

**Corporate Connections Franchising, LLC**

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## Independent Auditor's Report

To the Board of Directors  
Corporate Connections Franchising, LLC

### **Opinion**

We have audited the financial statements of Corporate Connections Franchising, LLC (the "Company"), which comprise the balance sheet as of December 31, 2022 and 2021 and the related statements of operations, member's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

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

### **Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audits of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



To the Board of Directors  
Corporate Connections Franchising, LLC

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

*Plante & Moran, PLLC*

April 4, 2023

**Corporate Connections Franchising, LLC**

**Balance Sheet**

**December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current Assets - Cash</b>	<b>\$ 78,512</b>	<b>\$ 78,512</b>
<b>Liabilities and Member's Deficit</b>		
<b>Current Liabilities</b>		
Related party payable (Note 3)	\$ 214,960	\$ 211,232
Contract liabilities - Deferred revenue	<u>41,838</u>	<u>56,288</u>
Total liabilities	256,798	267,520
<b>Member's Deficit</b>	<u>(178,286)</u>	<u>(189,008)</u>
Total liabilities and member's deficit	<b>\$ 78,512</b>	<b>\$ 78,512</b>

See notes to financial statements.

**Corporate Connections Franchising, LLC**

**Statement of Operations**

**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Net Revenue</b>	\$ 14,450	\$ 10,450
<b>Operating Expenses</b>	<u>3,728</u>	<u>22,223</u>
<b>Net Income (Loss)</b>	<u>\$ 10,722</u>	<u>\$ (11,773)</u>

See notes to financial statements.

**Corporate Connections Franchising, LLC**

**Statement of Member's Deficit**

**Years Ended December 31, 2022 and 2021**

<b>Balance - January 1, 2021</b>	\$ (177,235)
Net loss	<u>(11,773)</u>
<b>Balance - December 31, 2021</b>	(189,008)
Net income	<u>10,722</u>
<b>Balance - December 31, 2022</b>	<u><b>\$ (178,286)</b></u>

See notes to financial statements.

**Corporate Connections Franchising, LLC**

**Statement of Cash Flows**

**Years Ended December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flows from Operating Activities</b>		
Net income (loss)	\$ 10,722	\$ (11,773)
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	-	660
Related party payable	3,728	22,563
Deferred revenue	(14,450)	49,550
	<u>          </u>	<u>          </u>
<b>Net Increase in Cash</b>	-	61,000
<b>Cash - Beginning of year</b>	<u>78,512</u>	<u>17,512</u>
<b>Cash - End of year</b>	<u><u>\$ 78,512</u></u>	<u><u>\$ 78,512</u></u>

See notes to financial statements.

**Note 1 - Nature of Business**

Corporate Connections Franchising, LLC (the "Company") was formed on May 12, 2017 and is a single-member LLC and wholly owned subsidiary of Corporate Connections Global, LLC. The Company is engaged in the sale of area franchises for proprietary business network membership organizations, which offer business leadership training, structured peer performance evaluations and coaching, and referral networking services and assistance to referral groups or "chapters" for business executives located in the United States of America. As of December 31, 2022 and 2021, the Company had two franchised regions.

**Note 2 - Significant Accounting Policies**

***Basis of Presentation***

The financial statements of the Company have been prepared on the basis of generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

***Trade Accounts Receivable***

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. There was no allowance for doubtful accounts at December 31, 2022 and 2021. For the year ended December 31, 2022, the opening and closing balances of the Company's receivables from contracts with customers are shown on the balance sheet. For the year ended December 31, 2021, the beginning balance of the Company's receivables from contracts with customers was \$660.

***Revenue Recognition***

**Overview**

The Company's revenue mainly consists of franchise fees and royalties. The Company sells individual franchises that grant the right to service customers within a defined territory using the franchise name. The initial term of franchise agreements is five years, with an option to renew for five years for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid.

**Performance Obligations**

The Company has the obligation to provide franchisees with the franchise rights to service customers. The Company has concluded that this represents a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement from the date the agreement is entered into. Renewal fees are recognized over the renewal term for the respective franchise from the start of the renewal period. Transfer fees are recognized over the remaining term of the franchise agreement beginning at the time of transfer. Income for royalties is recognized over the term of the respective franchise agreement as the underlying sales occur.

**Payment Terms**

Initial franchise fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Royalties are paid on a monthly basis based upon 20 percent of membership fees received each month by the franchisee. Franchise fees are collected upfront and, as a result, create a deferred revenue contract liability. The Company then defers franchise fee revenue over a 60-month period related to obligations of supporting the franchise.

**Note 2 - Significant Accounting Policies (Continued)**

**Contract Balances**

Contract liabilities consist of deferred revenue from upfront franchise fees paid by franchisees. Advance franchise fees are amortized to income using the straight-line method over a period of five years, which coincides with the initial franchise term. As of December 31, 2022, \$41,838 was recorded in deferred revenue. Deferred revenue at December 31, 2021 and January 1, 2021 was \$56,288 and \$6,738, respectively.

**Current Revenue from Historical Periods**

During the years ended December 31, 2022 and 2021, the amount of revenue that the Company recognized as a result of satisfying performance obligations that were previously partially satisfied associated with franchise agreements was \$14,450 and 10,450, respectively. There were no changes in collectibility or transaction price on these agreements.

**Future Revenue from Current Period**

The aggregate amounts of revenue the Company expects to recognize in future years as a result of satisfying the performance obligations associated with franchise agreements that have unsatisfied performance obligations as of December 31, 2022 are as follows: 2023 - \$13,838, 2024 - \$12,000, 2025 - \$12,000, and 2026 - \$4,000.

**Allocating the Transaction Price**

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

**Costs to Obtain a Franchise Agreement**

The Company does not have any incremental costs to obtain a franchise agreement.

**Income Taxes**

The Company is a disregarded single-member LLC, ultimately treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The member is taxed individually on its pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated to the member in accordance with the Company's operating agreement.

No income tax provision has been included in the financial statements since income or loss of the Company is required to be reported by the respective partners on their income tax returns.

**Subsequent Events**

The financial statements and related disclosures include evaluation of events up through and including April 4, 2023, which is the date the financial statements were available to be issued.

**December 31, 2022 and 2021**

**Note 3 - Related Party Transactions**

The following is a description of transactions between the Company and related parties:

***Administrative Fee***

Corporate Connections Worldwide Development Limited (affiliated through common ownership); Corporate Connections Global, LLC (parent company); and BNI Global, LLC (sister company of Corporate Connections Global, LLC) provide administrative support services for the Company and its franchisees, including, but not limited to, personnel, accounting, marketing, printing, warehousing, shipping, and all services and materials provided to the franchisees. For these services, the Company reimburses them for allocated expenses and pays them an administrative fee. Allocated expenses and administrative fees for the years ended December 31, 2022 and 2021 were approximately \$1,000 and \$22,000, respectively. If this were a stand-alone entity, additional expenses may have been incurred and/or allocated. Outstanding fees of \$214,960 and \$211,232 are included in payable to related party on the balance sheet at December 31, 2022 and 2021, respectively.

***Collateral***

The Company's assets serve as collateral for certain long-term notes payable of BNI Ultimate Holdings, LLC.

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# Corporate Connections Franchising, LLC

(a wholly owned subsidiary of Corporate Connections Global, LLC)

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**Financial Report**  
**December 31, 2021**

## **Corporate Connections Franchising, LLC**

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## Independent Auditor's Report

To the Board of Directors  
Corporate Connections Franchising, LLC

### **Opinion**

We have audited the financial statements of Corporate Connections Franchising, LLC (the "Company"), which comprise the balance sheet as of December 31, 2021 and 2020 and the related statements of operations, member's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

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

### **Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audits of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Directors  
Corporate Connections Franchising, LLC

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

*Plante & Moran, PLLC*

March 25, 2022

**Corporate Connections Franchising, LLC**

**Balance Sheet**

**December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 78,512	\$ 17,512
Accounts receivable	-	660
Total assets	<u>\$ 78,512</u>	<u>\$ 18,172</u>
<b>Liabilities and Member's Deficit</b>		
<b>Current Liabilities</b>		
Related party payable (Note 3)	\$ 211,232	\$ 188,669
Contract liabilities - Deferred revenue	56,288	6,738
Total liabilities	267,520	195,407
<b>Member's Deficit</b>	<u>(189,008)</u>	<u>(177,235)</u>
Total liabilities and member's deficit	<u>\$ 78,512</u>	<u>\$ 18,172</u>

See notes to financial statements.

**Corporate Connections Franchising, LLC**

**Statement of Operations**

**Years Ended December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>Net Revenue</b>	\$ 10,450	\$ 4,930
<b>Operating Expenses</b>	<u>22,223</u>	<u>11,065</u>
<b>Net Loss</b>	<u>\$ (11,773)</u>	<u>\$ (6,135)</u>

See notes to financial statements.

**Corporate Connections Franchising, LLC**

**Statement of Member's Deficit**

**Years Ended December 31, 2021 and 2020**

<b>Balance - January 1, 2020</b>	\$ (171,100)
Net loss	<u>(6,135)</u>
<b>Balance - December 31, 2020</b>	(177,235)
Net loss	<u>(11,773)</u>
<b>Balance - December 31, 2021</b>	<b><u>\$ (189,008)</u></b>

See notes to financial statements.

**Corporate Connections Franchising, LLC**

**Statement of Cash Flows**

**Years Ended December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>Cash Flows from Operating Activities</b>		
Net loss	\$ (11,773)	\$ (6,135)
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	660	(660)
Prepaid expenses and other assets	-	3,541
Related party payable	22,563	7,524
Deferred revenue	49,550	(2,450)
<b>Net Increase in Cash</b>	<u>61,000</u>	<u>1,820</u>
<b>Cash - Beginning of year</b>	<u>17,512</u>	<u>15,692</u>
<b>Cash - End of year</b>	<u><u>\$ 78,512</u></u>	<u><u>\$ 17,512</u></u>

See notes to financial statements.

**Note 1 - Nature of Business**

Corporate Connections Franchising, LLC (the "Company") was formed on May 12, 2017 and is a single-member LLC and wholly owned subsidiary of Corporate Connections Global, LLC. The Company is engaged in the sale of area franchises for proprietary business network membership organizations, which offer business leadership training, structured peer performance evaluations and coaching, and referral networking services and assistance to referral groups or "chapters" for business executives located in the United States of America. As of December 31, 2021 and 2020, the Company had two and one franchised regions, respectively.

**Note 2 - Significant Accounting Policies**

***Basis of Presentation***

The financial statements of the Company have been prepared on the basis of generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

***Trade Accounts Receivable***

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. There was no allowance for doubtful accounts at December 31, 2021 and 2020. For the year ended December 31, 2021, the opening and closing balances of the Company's receivables from contracts with customers are shown on the balance sheet. For the year ended December 31, 2020, the beginning balance of the Company's receivables from contracts with customers was \$0.

***Revenue Recognition***

***Overview***

The Company's revenue mainly consists of franchise fees and royalties. The Company sells individual franchises that grant the right to service customers within a defined territory using the franchise name. The initial term of franchise agreements is five years, with an option to renew for five years for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid.

***Performance Obligations***

The Company has the obligation to provide franchisees with the franchise rights to service customers. The Company has concluded that this represents a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement from the date the agreement is entered into. Renewal fees are recognized over the renewal term for the respective franchise from the start of the renewal period. Transfer fees are recognized over the remaining term of the franchise agreement beginning at the time of transfer. Income for royalties is recognized over the term of the respective franchise agreement as the underlying sales occur.

**Note 2 - Significant Accounting Policies (Continued)**

**Payment Terms**

Initial franchise fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Royalties are paid on a monthly basis based upon 20 percent of membership fees received each month by the franchisee. Franchise fees are collected upfront and, as a result, create a deferred revenue contract liability. The Company then defers franchise fee revenue over a 60-month period related to obligations of supporting the franchise.

**Contract Balances**

Contract liabilities consist of deferred revenue from upfront franchise fees paid by franchisees. Advance franchise fees are amortized to income using the straight-line method over a period of five years, which coincides with the initial franchise term. As of December 31, 2021, \$56,288 was recorded in deferred revenue. Deferred revenue at December 31, 2020 and January 1, 2020 was \$6,738 and \$9,188, respectively.

**Current Revenue from Historical Periods**

During the years ended December 31, 2021 and 2020, the amount of revenue that the Company recognized as a result of satisfying performance obligations that were previously partially satisfied associated with franchise agreements was approximately \$10,450 and 2,450, respectively. There were no changes in collectibility or transaction price on these agreements.

**Future Revenue from Current Period**

The aggregate amounts of revenue the Company expects to recognize in future years as a result of satisfying the performance obligations associated with franchise agreements that have unsatisfied performance obligations as of December 31, 2021 are as follows: 2022 - \$14,450, 2023 - \$13,838, 2024 - \$12,000, 2025 - \$12,000, and 2026 - \$4,000.

**Allocating the Transaction Price**

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

**Costs to Obtain a Franchise Agreement**

The Company does not have any incremental costs to obtain a franchise agreement.

**Income Taxes**

The Company is a disregarded single-member LLC, ultimately treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The member is taxed individually on its pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated to the member in accordance with the Company's operating agreement.

No income tax provision has been included in the financial statements since income or loss of the Company is required to be reported by the respective partners on their income tax returns.

**Note 2 - Significant Accounting Policies (Continued)**

***Subsequent Events***

The financial statements and related disclosures include evaluation of events up through and including March 25, 2022, which is the date the financial statements were available to be issued.

**Note 3 - Related Party Transactions**

The following is a description of transactions between the Company and related parties:

***Administrative Fee***

Corporate Connections Worldwide Development Limited (affiliated through common ownership); Corporate Connections Global, LLC (parent company); and BNI Global, LLC (sister company of Corporate Connections Global, LLC) provide administrative support services for the Company and its franchisees, including, but not limited to, personnel, accounting, marketing, printing, warehousing, shipping, and all services and materials provided to the franchisees. For these services, the Company reimburses them for allocated expenses and pays them an administrative fee. Allocated expenses and administrative fees for the years ended December 31, 2021 and 2020 were approximately \$22,000 and \$11,000, respectively. If this were a stand-alone entity, additional expenses may have been incurred and/or allocated. Outstanding fees of \$211,232 and \$188,669 are included in payable to related party on the balance sheet at December 31, 2021 and 2020, respectively.

***Collateral***

The Company's assets serve as collateral for certain long-term notes payable of BNI Ultimate Holdings, LLC.

*These Financial Statements Have Been Prepared without an Audit. Prospective Franchisees or Sellers of Franchises Should be Advised that No Independent Certified Public Accountant Has Audited These Figures or Expressed an Opinion with Regard to their Content or Form.*

**BNI CC Franchising, LLC**  
**Unaudited Statement of Operations**  
**Year-to-Date as of July 31, 2024**

	2024 YTD
<b>Net Revenue</b>	
Revenue	\$ -
Deferred Revenue	\$ -
<b>Total Net revenue</b>	<u>\$ -</u>
<b>Operating Expenses</b>	
General and administrative expenses	\$ 1,447.16
Depreciation and amortization	\$ -
Restructuring and other	\$ -
<b>Total operating expenses</b>	<u>\$ 1,447.16</u>
Operating Income	\$ (1,447.16)
<b>Nonoperating Income (Expense)</b>	
Interest income	\$ -
Loss on foreign exchange	\$ -
Other income	\$ (8,000.00)
Interest expense	\$ -
<b>Total nonoperating expense</b>	<u>\$ (8,000.00)</u>
<b>(Loss) Income - Before Taxes</b>	\$ 6,552.84
<b>Tax Expense</b>	\$ -
<b>Net (Loss) Income</b>	\$ 6,552.84
<b>Foreign Currency Translation Adjustment</b>	\$ -
<b>Comprehensive (Loss) Income</b>	<u>\$ 6,552.84</u>

**BNI CC Franchising, LLC**  
**Unaudited Balance Sheet**  
**Year-to-Date as of July 2024**

<b>Assets</b>	
<b>Current Assets</b>	2024 YTD
Cash	\$ 253,512.00
Accounts Receivable	\$ -
Prepaid Expenses	\$ -
<b>Total Current Assets</b>	<u>\$ 253,512.00</u>
<b>Franchise License Agreements</b>	\$ -
<b>Total Assets</b>	<u><u>\$ 253,512.00</u></u>
<b>Liabilities and Members' Equity</b>	
<b>Current Liabilities</b>	
Accounts Payable	\$ -
Related Party Payable	\$ 394,191.08
Accrued and Other Current Liabilities	\$ 20,000.00
<b>Total Current Liabilities</b>	<u>\$ 414,191.08</u>
<b>Members' Equity</b>	\$ (160,679.08)
<b>Total Liabilities and Members' Equity</b>	<u><u>\$ 253,512.00</u></u>

**EXHIBIT B**  
**[MASTER FRANCHISE AGREEMENT]**



**CORPORATE CONNECTIONS  
FRANCHISING, LLC**

**MASTER FRANCHISE AGREEMENT**

**DATA SHEET**

Master: \_\_\_\_\_

Guarantors: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Territory: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Contract Type: \_\_\_\_\_

Fee: \_\_\_\_\_

Key Person: \_\_\_\_\_

Renewal Date: \_\_\_\_\_

List of Master's Existing Business Interests & Activities \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**The terms of this Data Sheet are incorporated into the attached  
Master Franchise Agreement.**



**MASTER FRANCHISE AGREEMENT**

**BETWEEN**

**CORPORATE CONNECTIONS**

**FRANCHISING, LLC**

**AND**

**[INSERT MASTER]**

**TERRITORY:** [ \_\_\_\_\_ ]

**CORPORATE CONNECTIONS FRANCHISING, LLC**

**LIMITED MASTER FRANCHISE AGREEMENT**

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**CORPORATE CONNECTIONS  
FRANCHISING, LLC MASTER FRANCHISE AGREEMENT**

This MASTER FRANCHISE AGREEMENT (the “Agreement”) is effective as of \_\_\_\_\_, 20\_\_\_\_ (the “Effective Date”) between: Corporate Connections Franchising, LLC, a Delaware limited liability Company, with principal place of business at 3430 Toringdon Way, Suite 300 Charlotte, North Carolina 28277 (the “Franchisor”); and the Master identified on the attached Data Sheet (the “Master”).

**BACKGROUND**

A. Franchisor and its affiliates have invested considerable time, effort and money to develop a system (more fully defined below as the “Corporate Connections System” or “System”) and method of operating “Chapters,” groups of non-competing senior level business professionals, executives and entrepreneurs who receive leadership training, professional development, and structured peer evaluation and coaching (each, a “Business”) and have developed public goodwill in certain trade names, trademarks, service marks and logos (some registered and some not) including, but not limited to, CorporateConnections® (the “Marks” or “Proprietary Marks”).

B. The System means and includes Franchisor’s system and method of operating a referral-based business networking organization for senior-level business professionals, executives and entrepreneurs employing the Marks and using certain distinctive methods and techniques for providing high quality services, methods of operation, software, copyrights, trade secrets, all or some of which Franchisor may delete, change, improve or further develop from time to time, including any adaptations or other modifications to the System that Franchisor deems appropriate for use in the following jurisdiction: \_\_\_\_\_(collectively, the “Territory”). Master hereby acknowledges and agrees that: (i) while the System and Franchisor’s related materials contain information that, in isolated form, could be construed as being in the public domain, they also contain significant proprietary and confidential information which makes the System unique as a whole; and (ii) the combined methods, information, procedures, and theories that make up the total System or are contained in the relevant manuals that are proprietary and confidential.

C. Corporate Connections Global, LLC is the owner of the Marks and has granted Franchisor a license to use and sublicense the Marks in connection with the operation of Businesses and CorporateConnections Master Franchises (as defined below).

D. Master desires to acquire from Franchisor the right to: (i) develop and operate Businesses through an affiliate or subsidiary of Master within the Territory, pursuant to one or more Subfranchise Agreements that are entered into between Master and its affiliates or subsidiaries; (ii) solicit and grant to third parties the right to establish and operate Businesses within the Territory, pursuant to one or more Subfranchise Agreements that are entered into between Master and such third parties; (iii) provide initial and ongoing training, assistance and other support to all Businesses (whether owned by a third-party franchisee or an affiliate or subsidiary of Master (collectively, the “Subfranchisees”)) located within the Territory; and (iv) otherwise develop the Proprietary Marks within the Territory, including ensuring that all Subfranchisees comply with their respective Subfranchise Agreements (collectively, the “CorporateConnections Master Franchise”).

E. Franchisor agrees to grant Master the right to operate a CorporateConnections Master Franchise in the Territory, pursuant to the terms of this Agreement.

## **AGREEMENT**

**NOW, THEREFORE**, in consideration of the mutual undertakings and commitments set forth herein, the parties hereby agree as follows:

### **1. GRANT OF MASTER FRANCHISE**

1.1 **Grant and Acceptance.** Franchisor hereby grants Master the exclusive right, and Master undertakes the obligation, under the terms and conditions of this Agreement to operate a CorporateConnections Master Franchise in the Territory. Specifically, Master must: (i) license to an Affiliate (as defined in Section 1.4.9) of Master the right to establish and operate at least one (1) Business in the Territory (a “Company-Owned Business”) pursuant to the terms of a subfranchise agreement in a form that is substantially similar to the form attached hereto as Exhibit C (the “Subfranchise Agreement”); (b) license to qualified third parties the right to establish and operate Businesses in the Territory (each a “Franchised Business”), pursuant to the terms of a subfranchise agreement in a form that is substantially similar to the form attached hereto as Exhibit C (the “Subfranchise Agreement”); (c) provide initial and ongoing training, assistance and other support to all affiliates, subsidiaries or third parties that have entered into a Subfranchise Agreement to operate Businesses within the Territory; and (d) to use the Proprietary Marks and the System solely in connection therewith. Master shall establish and grant all Company-Owned Businesses and Franchised Businesses (collectively, the “Subfranchised Businesses”) in accordance with the development schedule set forth in Section 1.4 hereof. If Master is a current BNI® master franchisee, Master may operate its CorporateConnections Master Franchise from the same office location as Master’s BNI® master franchise. Notwithstanding anything stated to the contrary, the grant of the CC Master Franchise is subject to a background check of Master’s owners, including but not limited to financial and criminal background check. If Franchisor determines in its sole discretion that background check results are unsatisfactory, it may terminate this Agreement upon written notice to Master, and in that event, Franchisor will refund the full amount of Master’s Master Franchise Fee received by Franchisor provided that Master executes a mutual release. Other than the Master Franchise Fee, Master will not be entitled to receive any other monies or any damages resulting from the termination of this Agreement as a result of Franchisor’s decision to terminate this Agreement as a result of unsatisfactory background check results. This right of rescission can be exercised by Franchisor only within 45 days of the Effective Date.

1.2 **Exclusive Territory.** Provided that Master is not in default of its obligations hereunder, including without limitation, its development obligations set forth in Schedule 1.4 of this Agreement, Franchisor will not establish and operate, nor license anyone other than Master the right to: (i) operate a CorporateConnections Master Franchise within the Territory and (ii) grant Businesses within the Territory during the term of this Agreement. Franchisor and its Affiliates reserve all other rights not expressly granted to Master in this Agreement, including but not limited to the right to promote, offer and sell any products, services or concepts, which operate through the internet or other marketing-based channels, or is internet-based. Further, Master acknowledges and agrees that the Territory may include all or part of a country. If the Territory granted to Master under the terms of this Agreement includes only part of a country, Master acknowledges and agrees that Franchisor may operate or grant one (1) or more third parties the right to operate a CorporateConnections Master Franchise in the same country. Franchisor has

and retains the right, among others, to develop and establish other systems within or outside the Territory using the Marks, or any other proprietary marks, and to grant licenses to such systems without providing any such rights to Master—e.g. BNI. It is understood that the System currently uses a database management, website and social media tool, which allows Members from outside the Territory to interact with Members in the Territory (the “Operating Management System”). Franchisor, its Affiliates, or any third party authorized by Franchisor or an Affiliate of Franchisor may use the Operating Management System which use shall not be deemed a competing or interfering business and shall not be a violation of this Agreement.

**1.3 Reservation of Rights.** Except as expressly limited by Section 1.2, Franchisor and its Affiliates retain all rights with respect to the Proprietary Marks, the System, and Licensed Products (defined in Section 7.6.1), and any other products and services, anywhere in the world, including, without limitation the right to:

- a. advertise and promote the System and the sale and operation of Businesses outside the Territory;
- b. own, operate, or grant others the right to operate Businesses at any location outside the Territory on such terms and conditions as Franchisor deems appropriate;
- c. own, operate or grant others the right to operate a business using any mark, trademarks, trade name and/or trade name other than the Marks inside and outside the Territory, including under the BNI® trademarks, trade name and/or concept;
- d. promote, offer and sell the Licensed Products and any other products or services (including those offered by Businesses) under the Marks or any other marks, through alternative methods of distribution, including through the Internet, catalog sales, any other marketing based channels, or through any other retail business;
- e. be acquired by a business owning or operating one or more businesses located or operating within the Territory which compete with Businesses;
- f. acquire a business owning or operating one or more businesses located or operating within the Territory which compete with the Businesses; and
- g. use or grant others the right to use the Operating Management System or any other database management, website and social media tool which allows Members from outside the Territory to interact with Members in the Territory.

**1.4 Development Schedule.** Master must ensure that the minimum number of Active Members as outlined in the development schedule set forth in Schedule 1.4 (the “Development Schedule”) is satisfied during each development period (each, a “Development Period”).

**1.4.1 Active Members.** “Active Members” means Members who are identified in the Operating Management Systems, who are not in a Core Group, Suspended Group or pending.

**1.4.2 Chapter.** “Chapter” means a business networking organization and referral group operating under the CorporateConnections System with at least 18Active Members.

1.4.3 Core Group. “Core Group” means a group of membership applicants that have been accepted as potential members and allowed to participate in a group while such group is working to qualify as a Chapter.

1.4.4 Region. “Region” means a geographic territory in which a Subfranchisee or Affiliate of Master has the non-exclusive right to open and operate Chapters pursuant to a Subfranchise Agreement. The size of a Region shall be as reasonably agreed by Franchisor and Master on a rational basis (e.g. population, number of employees, etc.).

1.4.5 Members. “Members” mean persons that pay fees to apply to a Chapter.

1.4.6 Core Group Participants. “Core Group Participants” mean membership applicants within a Core Group.

1.4.7 Pending Members. “Pending Members” mean membership applicants that have not yet completed all requirements to become a Member.

1.4.8 Operating Management System. “Operating Management System” means the database management system and software that Franchisor requires to be used by Subfranchisees for the recording and management of data or as otherwise required by Franchisor for use of the System.

1.4.9 Affiliates. “Affiliates” means an entity that controls, is controlled by, or has common control with such other entity. For the purposes of this definition, “control(s)” or “controlled” shall mean the ownership of greater than 50% of the voting share capital of an entity or any other comparable equity or ownership interest.

1.4.10 Subfranchisee. “Subfranchisee” means a person or entity who enters into a Subfranchise Agreement with Master, including any Affiliates of the Master.

1.4.11 Day. “Day” or “days” means a calendar day or calendar days, respectively.

1.5 **First Company-Owned Business**. Contemporaneous with the signing of this Agreement, Master agrees that it will enter into a Subfranchise Agreement with its Affiliate for the operation of its first Company-Owned Business. Master agrees that it shall: (a) open and have in operation its first Company-Owned Business: (i) within twelve (12) months of the Effective Date of this Agreement, and (ii) before Master begins offering or selling franchises for a Business within the Territory to any unaffiliated third party. Master agrees that it must have at least one (1) Company-Owned Business open and operating at all times during the term of this Agreement, unless Master receives Franchisor’s written consent to no longer maintain a Company-Owned Business. Once Master has opened and is operating the initial Company-Owned Business and Master is otherwise in compliance with all of the terms of this Agreement, only then may Master grant a license to an unaffiliated third party for the right to establish and operate a Franchised Business, subject to the terms and conditions of this Agreement. The Initial Subfranchise Fee (Section 3.4.2) for Master to operate 1(one) Chapter in \_\_\_\_\_, as Company-Owned Businesses are included in the Master Franchise Fee set out in Section 3.1. Renewal, if any for one additional five (5) year period will be subject to Section 3.5.6 (as amended). Should Master

wish to operate any additional Company-Owned Businesses, then Master shall be subject the conditions of owning and operating a Company-Owned Business set out as Section 1.5 including the remittance of an Initial Subfranchise Fee as per Section 3.4.2.

**1.6 Subfranchise Agreement.** Each Subfranchised Business, including all Company-Owned Businesses and Franchised Businesses, will be established and operated solely under the terms of a Subfranchise Agreement. Franchisor shall have the right to limit the number of Company-Owned Businesses as a percentage of the combined number of Company-Owned Businesses and Franchised Businesses. Unless otherwise agreed in writing by the Franchisor, the Subfranchise Agreement offered by Master shall conform to the form of Subfranchise Agreement attached hereto as Exhibit C. Master agrees and acknowledges that: (a) Franchisor may update or otherwise revise the terms and conditions in the form of Subfranchise Agreement upon notice to Master; (b) Master shall use and enter into such amended/updated form of Subfranchise Agreement upon receiving a copy thereof from Franchisor and (c) Master shall assume sole responsibility for reviewing the Subfranchise Agreement and seeking relevant legal advice from independent counsel to ensure jurisdictional compliance.

**1.6.1 Term of Subfranchise Agreements.** The term of each Subfranchise Agreement for both Company-Owned Businesses and Franchised Businesses shall be no greater than five (5) years with the option to renew for one additional five (5) year period.

**1.6.2 Royalty Fee under the Subfranchise Agreement.** The monthly royalty collected by Master under each Subfranchise Agreement shall be twenty percent (20%) of gross revenue as defined under such Subfranchise Agreement, except as modified during the Option Period, In the event gross revenue is generated during the Option Period, the ongoing royalty shall be sixty percent (60%) of all such gross revenue.

**1.6.3 Copies to Franchisor.** Master and the Subfranchisee shall execute the Subfranchise Agreement for each Subfranchised Business in triplicate and remit the appropriate fees pursuant to Section 3 of this Agreement. Upon the execution of any Subfranchise Agreement, Master shall provide Franchisor with an electronic copy of any such agreement(s) in whatever electronic format required by Franchisor, which may be via a designated site on the internet or intranet, within five (5) days of the execution of such agreement(s). At Franchisor's request, Master must provide Franchisor with a hard copy of one of the original three (3) signed copies of any such agreement(s) within ten (10) days after execution of such agreement(s).

**1.6.4 Amendments.** Master shall not enter into or make any amendment to a Subfranchise Agreement, or waive a Subfranchisee's obligation to comply with a material condition under a Subfranchise Agreement, without Franchisor's prior written consent thereto. Master shall provide to Franchisor, in advance for approval, a copy of any such amendment or document describing a waiver to be granted and shall assume sole responsibility of incorporating such proposed amendment to the Subfranchise Agreement attached hereto as Exhibit C or complete any other document required to make the amendment. In addition, Master shall provide to Franchisor an original signed copy of each such amendment within ten (10) days after such amendment was made or entered into.

**1.6.5 Transfer/Assignment.** Master shall not approve any proposed transfer or assignment of an interest in a Subfranchise Agreement, Subfranchisee, or Subfranchised Business without Franchisor's prior written approval, which approval Franchisor shall not

unreasonably withhold or delay. Franchisor may condition its approval on the receipt of such information concerning the transaction and the proposed transferee as Franchisor may reasonably request.

**1.7 Operation of the Subfranchised Businesses.** Master acknowledges and agrees that every detail of the operation of the Subfranchised Businesses is important to Franchisor in order to develop and maintain superior operating standards, to increase the demand for services and products sold by Businesses, and to protect Franchisor's reputation and goodwill.

**1.7.1 Duties of Master.** Master shall fulfill all of the duties of the "Master" under each Subfranchise Agreement executed pursuant to this Agreement, and as more fully described in Section 7 hereof, and shall use its best efforts to maintain compliance by each Subfranchisee under, and enforce, each Subfranchise Agreement according to the terms and conditions thereof; however, Master shall not, without Franchisor's prior written consent:

- a. Make any changes to the form of the Subfranchise Agreement attached as Exhibit C;
- b. Approve the use of any supplies, signs, equipment, or methods of operation not specified in the Manuals (as defined in Section 9.1) or otherwise approved in writing by Franchisor;
- c. Approve the sale by a Subfranchised Business of any product or service which has not previously been approved in writing by Franchisor, or which has been disapproved by Franchisor for sale by the Businesses;
- d. Permit (with knowledge thereof) any deviation by a Subfranchisee from Franchisor's standards, specifications, or procedures as set forth in the Manuals or otherwise in writing by Franchisor.

**1.7.2 Approval of Suppliers.** Franchisor has the right, but not the obligation, to approve or disapprove suppliers to the Subfranchised Businesses as set out in Section 6.6 of this Agreement.

**1.7.3 Franchisor's Right to Step In.** If Master fails to carry out its obligations, or enforce its rights, under any Subfranchise Agreement within the time provided in the Subfranchise Agreement (or, if no time is specified, within a reasonable time) and in a manner consistent with the terms of the Subfranchise Agreement, Franchisor may itself take such steps as may be necessary to enforce the terms and conditions of each such Subfranchise Agreement. Master shall cooperate with Franchisor to give effect to this Section, including, without limitation, providing and executing such documents as may be deemed necessary by Franchisor in order to give effect to this Section.

## **2. TERM AND RENEWAL**

**2.1 Expiration of Term.** Master's rights granted under this Agreement will expire ten (10) years from the Effective Date of this Agreement, unless the rights granted under this Agreement are terminated at an earlier time as provided in Section 15 or any other provision of this Agreement.

**2.2 Grant of Additional Development Rights.** Master may request renewal upon the expiration of this Agreement for successive ten (10) year terms (“Renewal”) by sending a request to Franchisor in writing at least six (6) months, and no more than one (1) year, prior to the expiration of this Agreement. Franchisor is not required to renew this Agreement or offer Master a successor agreement unless required by law. Any renewal is subject to compliance with all conditions of this Section 2.2. Failure to provide Franchisor such written request as required by this Section shall be deemed as a non-renewal of this Agreement by Master, and Franchisor shall have the right to proceed as it deems necessary to protect its interests in the Territory with the understanding that such non-renewal is pursuant to Master not wanting a Renewal despite any subsequent actions and/or communications by Master. Franchisor is not required to provide Master with any notice concerning the upcoming expiration of this Agreement and Master is solely responsible and required to keep track of the expiration date of this Agreement. Franchisor shall have up to ninety (90) days from receipt of such written request to provide Master a written response that may be an approval or a denial. If the request to renew is denied in its sole discretion, Franchisor will provide a brief summary of the reasons for the denial along with a subsequent review of the request to renew prior to the expiration of this Agreement. If the request is not ultimately approved by Franchisor in writing, then Master shall complete the remaining conditions under this Section prior to the Renewal being granted. Upon acceptance of the offer for Renewal, in order to complete the Renewal, Master shall comply with all but not limited to the following and failure to so comply prior to the expiration of this Agreement shall automatically terminate this Agreement upon such expiration date:

- a. Master and its owners must execute a general release of any and all claims that Master and its owners have or may have at that time against Franchisor, its current and former officers, director, agents, representative and employees in the form prescribed by Franchisor;
- b. Master must pay Franchisor a renewal fee in the amount of fifty percent (50%) of the Master Franchise Fee for the Territory;
- c. Master and Franchisor must agree on the Development Schedule for the renewal term. If Franchisor and Master cannot agree on a new Development Schedule for the renewal term, the renewal Development Schedule will be as designated by Franchisor or all rights granted under this Agreement will terminate on the expiration date.
- d. Master and its owners must execute Franchisor’s then-current form of Master Franchise Agreement, which may contain materially different terms than those contained in this Agreement. At Franchisor’s option, Master and its owners must complete and/or execute all such agreements and documents that are required by Franchisor at least six (6) months prior to the expiration of this Agreement;
- e. Master must provide notice of its desire to receive additional Development Rights at least six (6) months prior to the end of the last Development Period identified on Schedule 1.4 to this Agreement;
- f. Master shall be in strict compliance with all terms and conditions of this Agreement and bring the CorporateConnections Master Franchise into compliance with Franchisor’s specification and standards then applicable for new CorporateConnections Master Franchises;

- g. Master and any personnel Franchisor designates must complete any training required by Franchisor;
- h. Master must complete and/or execute any other documents that are required by Franchisor;
- i. No current or potential dispute(s) between or among the owners of Master may exist that threaten the current or future viability of the CorporateConnections Master Franchise;
- j. Completing a standard criminal history background check and a financial background check to the satisfaction of Franchisor; and
- k. Participating in a business plan presentation (“Territory Business Plan Meeting”) which may include, among other things, in-person meeting with leadership team at CorporateConnections’s then-current offices and presentation by Franchisee of its vision and strategy for growth in its Territory.

### 3. FEES

3.1 **Master Franchise Fee.** Master shall pay Franchisor a combined master franchise fee of Four Million Five Hundred Thousand U.S. Dollars (4,500,000 \$USD), (the “Master Franchise Fee”) plus all of Franchisor’s (or its affiliate’s) costs and expenses incurred as of the Execution Date of this Agreement in connection with registering the Marks in the Territory. The Year 1 Master Franchise Fee must be paid immediately upon execution of this Agreement for the master franchise rights granted under this Agreement.

3.1.1 \$2,000,000 due immediately upon the execution of this Agreement;

3.1.2 \$1,000,000 due on the one year anniversary of this Agreement conditioned upon the establishment of the first company owned business as defined in Section 1.5 above.

3.1.3 \$750,000 due on the two year anniversary of this Agreement conditioned upon the awarding on one sub franchise agreement as defined in Section 1.4.10 above.

3.1.4 \$500,000 due on the three year anniversary of this Agreement conditioned upon the establishment of 2 additional company owned businesses as well as one additional sub franchise agreement.

3.1.5 \$250,000 due on the four year anniversary of this Agreement conditioned upon the establishment of two additional sub franchise agreements.

3.2 In connection with the payment of the Master Franchise Fee, Franchisor will provide Master with one (1) supply package which includes those supplies, materials and items listed in Exhibit D in electronic form (the “Supply Package”). The Master Franchise Fee shall only be due upon the grant of an initial Master Franchise Agreement. Renewal fees for any additional Development Rights that may be granted to Master are set out in Section 2.2(b) above.

**3.3 Training Fee.** The in-person training fee for up to two (2) people to attend the Training Program (see Section 8.1) is included in the Master Franchise Fee. Master, however, must pay Franchisor a training fee (the “Training Fee”), as calculated below, for any additional people that attend the Training Program. Currently there is no fee for online/virtual trainings. The Training Fee is deemed fully earned and non-refundable by Franchisor upon execution of this Agreement.

**3.3.1 Amount of Training Fee.** Each individual owner of Master (or each individual owner of an entity with an ownership interest in Master) and the Master Trainer (as defined in below) must attend and satisfactorily complete Franchisor’s Training Program. “Master Trainer” shall be an employee of Master, who at all times shall have completed the Training Program and any other training as required by the Master. Master Trainer shall provide training to Subfranchisees of Master within the Territory. Franchisor’s Training Program currently consists of National Director Training, Executive Director Training, and Managing Director/Chapter Director Training. Franchisor will provide the Training Program to any other individuals that Master designates, provided, Master must pay Franchisor a Training Fee calculated as follows for each additional person who attends Franchisor’s Training Program. Master shall pay Franchisor in the Specified Currency, an amount equal to:

Managing Director/Chapter Director Training	\$2,500 USD per person
Executive Director Training (which includes the Managing Director/Chapter Director Trainings)	\$3000 USD per person
National Director’s Training (which includes the Executive Director and Managing Director/Chapter Director Trainings)	\$3,500 USD per person

**3.3.2 Payment and Changes to Training Fees.** If applicable, Master must pay Franchisor the Training Fee immediately upon execution of this Agreement. After the first anniversary of the Effective Date, the Training Fee is subject to change at any time at the sole discretion of Franchisor. All travel and living expenses for the Master, the Master Trainer and the Master’s owners or other designees who attend the Training Program, must be paid by Master. Franchisor may also offer optional additional training programs to Master and may charge a fee for these trainings.

**3.3.3 Video Conferencing License.** Master must purchase, and require its Subfranchisees to purchase, Zoom Video Conferencing (“Zoom”), or another platform we designate. Currently, you will pay us an annual license fee of \$92 per license before you start operations. This fee may change at any time with prior notice to Master. The Zoom license fee is not refundable for any reason. Master must agree in writing to Zoom’s terms and conditions (available at <https://www.zoom.us/terms>).

Master shall make the initial payment for its license(s) prior to opening your franchise for business to Franchisor and shall subsequently receive an invoice for any costs incurred. The Zoom license fee paid to Franchisor shall not be refunded for any reason and upon termination for any reason the Zoom license granted to Master through us terminates as of the date of termination or expiration of the Master Franchise Agreement. Franchisor

shall have the right to inspect any chapter meetings occurring through Zoom (or then-current video conferencing provider platform) and access Master's Zoom (or then-current video conferencing provider) accounts at any time and without prior notice.

**3.4 Ongoing Fees.** Master shall pay to Franchisor the following amounts on an ongoing basis through the entire term of this Agreement, which shall be due and owing to Franchisor whether or not Master collects the underlying fees from Subfranchisees:

**3.4.1 Royalty.** In connection with the Subfranchised Businesses operating within the Territory, whether a Company-Owned Business or a Franchised Business, Master shall pay Franchisor an ongoing royalty equal to seven percent (7%) of all Gross Revenue (as defined below in Section 3.12) generated by all Subfranchised Businesses located in the Territory, excluding applicable sales, VAT or other comparable tax or surcharges, during the period for which such fee is payable. In the event Gross Revenues are generated during any Option Period, Master will pay a twenty percent (20%) royalty fee on all such Gross Revenue;

**3.4.2 Minimum Royalty.** Master shall pay Franchisor a minimum monthly royalty for in the amount of USD \$1,000 ("Minimum Royalty") starting on the 13th month from the Effective Date of this Agreement.. Minimum Royalty is calculated on the Gross Revenue as defined under Section 3.12only.

**3.4.3 Royalty upon noncompliance with the Development Schedule.** Master shall pay seven percent (7%) royalty on missed revenue from any membership goals not achieved toward its Development Schedule ("Missed Members"). This payment for Missed Members shall be calculated based on the following assumption: sixty percent (60%) of Missed Members being renewed (a one-year Membership fee) and forty percent (40%) of Missed Members being new Members (a one-year Membership Fee + Application Fee) ("Missed Members Fee"). One-Year Membership Fee and Application Fee for Missed Members shall be invoiced based on the highest then-current pricing of Master's Company Owned Region(s) or the highest subfranchised regional pricing if a Master does not have any Company Owned Regions.

For Example: Per Development Schedule, Master in Country A needs to support at least 100 active Members by December 1, 2024, and Master has achieved only 90 Active Members by December 1, 2024, the Master's Payment for Missed Members will be calculated as per the below example.

If the Membership Application Fee in the Territory is \$1000 and Membership Fee is \$5000 on anniversary date, on December 1, 2024, Master will pay 7% on the 10 Missed Members. Assuming 60% of Missed Members are renewals and 40% are new Members, the Master shall pay 7% of (6 Members x \$5000) + (4 Members x \$6000) = 7% of \$54000 = \$3780.

**3.4.4 Payment date of Missed Members Fee.** All applicable Missed Members Fees will be due to Franchisor within thirty (30) days of Master's Anniversary Date each year as outlined in the Development Schedule. "Anniversary Date" means the same day and month of each year following the Effective Date. Missed Members Fee will be in addition to any other fees or payments due to Franchisor, and does not cancel or otherwise

negate the requirement to cure the missed development goal within the prescribed cure period.

**3.4.5 Initial Subfranchise Fees.** Master can Subfranchise on a Chapter basis, with a minimum number of chapters being one. Chapters must be established within a predefined geographic Region, in which a Subfranchisee or affiliate of Master has the non-exclusive right to open and operate Chapters pursuant to a Subfranchise agreement. Master retains the right to grant additional Subfranchise rights within same geographic Region. For each Subfranchise Agreement entered into by Master with a Subfranchisee, including any Subfranchise Agreement governing the operation of a Company-Owned Business, Master shall pay to Franchisor an amount equal to fifty percent (50%) of the total initial franchise fee and any other similar fee that Master requires a Subfranchisee to pay to Master in connection with signing the Subfranchise Agreement, including any payments related to the grant of an Option Phase under the Subfranchise Agreement (the "Initial Subfranchise Fee"). Each Subfranchisee shall pay:

(i) a minimum initial franchise fee in an amount equal to Twenty Thousand U.S Dollars (\$20000), in the Specified Currency, to the Master for each individual Chapter, and (ii) ongoing royalty as set out in the Subfranchise Agreement. Master agrees that it must obtain Franchisor's prior written consent to any initial franchise fee and royalty fee that does not comply with the requirements set out above and in the Subfranchise Agreement. Master further acknowledges that Franchisor may review and amend the minimum pricing for the Initial Subfranchise Fee as set out above. Franchisor shall provide Master with sixty (60) days' notice prior to any Initial Subfranchise Fee increase.

**3.4.6 Subfranchise Renewal, Transfer or Resale Fees.** In connection with each Subfranchised Business operating within the Territory that is renewed, transferred or resold, Master shall pay to Franchisor an amount equal to the greater of:

(a) ten percent (10%) of any such renewal, transfer or resale fees paid in connection with any Subfranchise Agreement or (b) an amount, in the Specified Currency, equal to Ten Thousand U.S Dollars (\$10,000), which amount is subject to change upon reasonable notice from Franchisor. Franchisor shall have the right, at its election, to request from Master documentation used in connection with any renewal, transfer or resale (e.g. purchase and sales agreements, invoices, remittance slips, and any other applicable valuation models used by Master to establish such renewal, transfer or resale fees including, EBITDA multiples, discounted cash flow, P/E ratios and comparable information) of a Subfranchised Business.

**3.5 Chapter Branding Kit.** To ensure proper branding, Franchisor shall have the right to require Master to purchase the then-current CorporateConnections Chapter Branding Kit ("Chapter Branding Kit") for every Chapter to utilize and display it during all CorporateConnections Chapter meetings.

**3.6 Other Payments.** Master shall pay to Franchisor the costs of any inspections conducted by Franchisor and any products, services, and any other items supplied to it by Franchisor. If Franchisor conducts any inspection pursuant to Section 7.8 or if Master requests additional operational support from Franchisor, including the assistance set forth in Section 6.5 and/or training, Master must pay to Franchisor all costs associated with such inspections, operational support and/or training as determined solely by Franchisor. If Master purchases any

raw materials or other tangible goods from Franchisor or any affiliate of Franchisor, Master shall pay for such purchases as determined solely by Franchisor.

**3.7 The Global Marketing and Technology Fee.** Master shall pay Franchisor a monthly Global Marketing and Technology Fee equal to two percent (2%) of all Gross Revenue, including any Gross Revenue which is generated during any Option Phase, generated by all Subfranchised Businesses, including Company-Owned Businesses. The Global Marketing and Technology Fee will be used to market the System, to provide technological developments and enhancements for the System, and for any other purposes as determined solely by Franchisor. Master shall be responsible for payment of the Global Marketing and Technology Fee, whether or not such sums are collected from Subfranchisees. Such payment shall be made in the manner and at the time specified by Franchisor. Franchisor shall have the right to increase the Global Marketing and Technology Fee to up to five percent (5%) of the previous month's Gross Revenue upon sixty (60) days advance written notice, or to change the manner of payment of the Global Marketing and Technology Fee, as changes are made to the System's hardware and software requirements.

**3.8 Supply Package.** Prior to the opening of each Subfranchised Business, Master must provide the Subfranchisee with a Supply Package, and such additional supplies, materials and items as Franchisor designates.

3.8.1 Franchisor may require Master to purchase at the then-current supply package fee a new member kit that will include all then-current required items as set out in the Operations Manual upon induction into the Chapter (the 'New Member Kit') for each new Member and its Subfranchisee to purchase it for each new Member in its Subfranchised Business.

**3.9 Default and On-Site Support Fees.** Master agrees that the operation of the Master Franchise and all Subfranchised Businesses in compliance with the Manuals are mutually beneficial for Franchisor and Master. Master also agrees that compliance by Master with all mandatory parts of the Manuals and any changes thereto is essential, material and vital to the relationship between Franchisor and Master and this Agreement; is necessary to protect the reputation and goodwill of Franchisor and to promote the reputation, goodwill, value and integrity of the Marks and the CorporateConnections System; and is essential, material and vital to the operation of the Subfranchised Businesses. Therefore, Master shall always be in compliance with all mandatory parts of the Manuals and any changes thereto and failure to so comply is a material default of this Agreement subject to the remedies outlined in this Agreement. Master acknowledges and agrees that in addition to the remedies available to Franchisor under the terms of this Agreement, that damages resulting from Master's breach of this Agreement are difficult to ascertain, and consequently agrees that Master shall be liable to Franchisor for default and on-site support fees as calculated below. If Master is in default of its obligations under this Agreement, then Master shall pay to Franchisor, in the Specified Currency, an amount equal to Two Thousand U.S Dollars (\$2,000) per month until Master cures the default, and, if applicable, an additional fee of, in the Specified Currency, an amount equal to Two Thousand U.S Dollars (\$2,000) per day if Franchisor or its designee provide on-site support (eight (8) hours per day) to Master. Franchisor will provide Master with fifteen (15) days advance written notice of such default before it will begin calculating the above default and/or on-site support fees. Master shall continue paying Franchisor any applicable default and/or on-site support fees on a monthly basis until Master has fully cured such default to Franchisor's satisfaction. Master acknowledges that the said amounts represent

a genuine pre-estimate of the loss that may be incurred by the Franchisor in the event of default by the Master.

**3.10 Manner of Payment.** Payments under sections 3.4, 3.5, 3.6, 3.7 and 3.8 of this agreement must be made in accordance with the following provisions:

**3.10.1 Ongoing Royalty Fees.** Master must pay the ongoing royalty fees described in Section 3.4.1 and 3.4.2 of this Agreement from the Effective Date and the Minimum Royalty starting on the 13th month from the Effective Date as described in Section 3.4.2, to Franchisor no later than the twentieth (20th) day of each calendar month based on the Gross Revenues generated by the Subfranchised Businesses located within the Territory over the previous calendar month, and Master shall include with such payments a monthly and fiscal year-to-date revenue statement for each Subfranchised Business in operation in the Territory and a copy of all invoices issued to Subfranchisees, as well as copies of all reports received from Subfranchisees and any other reports or statements required under Section 11 hereof.

**3.10.2 Global Marketing and Technology Fee.** Master must pay the Global Marketing and Technology Fee described in Section 3.8 of this Agreement to Franchisor, Franchisor's affiliate or a third party designated by Franchisor, no later than the twentieth (20th) day of each calendar month based the Gross Revenues generated by the Subfranchised Businesses located within the Territory over the previous calendar month.

**3.10.3 Subfranchise Initial/Renewal/Transfer Fees.** Master must provide to Franchisor no later than the fifth (5th) day of each calendar month following the execution, renewal or transfer of a Subfranchise Agreement (assuming such agreement has been executed at least ten (10) calendar days prior to the end of the month) a copy of all new Subfranchise Agreements or any other agreements entered into by Master (including reflection of Option Phase) and a Subfranchisee. Master must pay the appropriate fees described in Sections 3.4.2 and 3.4.3 of this Agreement no later than the twentieth (20th) day of each calendar month in which a copy of a Subfranchise Agreement or any other agreement is required to be submitted to Franchisor as described herein.

**3.10.4 Default or On-Site Support Fees.** Master must pay Franchisor the amount for any default and/or on-site support fees within 30 days of the date of invoice.

**3.10.5 Late Payments.** Any payment or report not actually received by Franchisor within 30 days of the date of the invoice or not remitted within the timeframe required will be deemed overdue. If any ongoing royalty or Minimum Royalty described in Section 3.4.1 of this Agreement is overdue, Master shall pay to Franchisor, in addition to the overdue amount, a late fee in the amount of five percent (5%) of the outstanding amount, or the maximum allowed by law, whichever is more. Any other fee or payment due to Franchisor under this Agreement by Master that is late shall incur a late fee of five percent (5%) per month of such outstanding amount, or the maximum allowed by law, whichever is less. If at any time Master has an outstanding amount due under this Agreement, Franchisor may collect such outstanding amount from any funds due to Master held by Franchisor or an affiliate of Franchisor. In addition, any amount owed to Franchisor that is outstanding more than thirty (30) days shall incur interest at a rate of one and one-half percent (1.5%) per month or the highest amount allowable by law, whichever is lower; provided, however, that such interest rate will not exceed eighteen percent (18%) per annum. Nothing

contained in this Section shall prevent Franchisor from exercising, in Franchisor's sole judgment, any other rights or remedies available to Franchisor under this Agreement. If Franchisor commences an action against Master for non-payment of any amounts owed to it under this Agreement, then Master shall be responsible for all collection costs related to amounts owed, including, without limitation, the reasonable legal fees of Franchisor in connection with said collection.

3.10.6 **Payment Method.** Unless Franchisor approves another method of payment in writing, Master shall make all payments owed to Franchisor under this Agreement by electronic funds transfer or ACH, and Master agrees to sign all documentation required by Franchisor to process such payments through electronic funds transfer or ACH.:

3.11 **Gross Revenue.** As used in this Agreement, "Gross Revenue" means (i) any and all sums paid to join and/or participate in a Chapter and shall include any and all fees paid by Members to join (whether referred to as Application or Membership or Participation Fees or otherwise) and as potential Members to participate in a Core Group (whether referred to as Application or Commitment or Registration Fees or otherwise), including any applicable late fees associated with Application/Commitment/Registration Fees and Membership/Participation Fees, received or receivable by the Subfranchisee, Option Holder or by the Master as provided under this Agreement, directly or indirectly, arising out of the operation of a Company-Owned Business, Option Agreement or Subfranchised Business, whether for cash, credit or barter; and (ii) any and all other sums received or receivable by Master (including any person and/or corporate entity acting on Master's behalf) from the sale of products and/or services in and from the operation of the CorporateConnections Franchise, any revenue generated by Master's use of the CorporateConnections Franchise products or services and/or the CorporateConnections Marks for businesses unrelated to Master's CorporateConnections Franchise, and all other revenue or consideration of every kind and nature received by Master in and from the operation of the CorporateConnections Franchise. Gross Revenue does not include any sales taxes or other taxes collected from Members or Subfranchisees and transmitted to the appropriate taxing authorities. Should a Subfranchisee provide its Members, employees, agents, contractors, or representatives with any membership without concurrent payment (e.g. tolling of membership dues), said membership and application fees (or other fees that may be added in the future) shall be included as part of Gross Revenues as if paid in full at that time by a Member, unless provided otherwise by Franchisor in writing or in any then current policy or procedures issued by Franchisor. Also excluded from Gross Revenue are the amount of any documented refunds, chargebacks, credits and allowances given to Members in good faith. All barter and exchange transactions for which a Subfranchisee furnishes services or products in exchange for goods or services to be provided to Subfranchisee by a vendor, supplier, or Member, will be valued at the full retail value of the goods or services provided to Subfranchisee. Franchisor also shall have the right to modify its policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from "Gross Revenues" as circumstances, business practices, and technology change with (60) days advance written notice.

3.11.1 In addition, gross revenue will include any additional revenue arising from services billed by Master to subfranchisee including but not limited to any general and administrative services provided by Master to subfranchisee.

3.12 **New Products and Services and Video Conferencing License**

3.12.1 New Products and Services. Franchisor shall charge an additional royalty fee on any new products or services Franchisor designates in the future, and on any compensation the Master receives from suppliers to Subfranchisees or their Members.

3.13 **Taxes.** All amounts payable by Master to Franchisor under this Agreement are exclusive of tax. Master shall be liable to pay all taxes including without limitation goods and services tax at the applicable rate on the payments due to Franchisor under this Agreement. In the event that any amounts payable by Master to Franchisor under this Agreement are subject to withholding or other taxes that Master is required to deduct from such payments, Master may deduct any such amount provided that Master shall submit to Franchisor in connection with each payment such documentation reasonably required by Franchisor to demonstrate Master's compliance with this Section 3.12 in connection with that payment. If Master fails to submit a tax receipt or other documentary evidence with any payment, Master must submit the payment in its entirety, without deduction, computed as though no withholding applies (*i.e.*, gross-up of the payment), whether or not Master is required to withhold. Master shall indemnify Franchisor for any withholding taxes where proper evidence of remittance of the withholding tax to the tax authorities is not provided, Franchisor shall have the right to change or amend the requirements of this provision.

3.13.1 VAT, Sales Tax. Any fees and amounts payable under this Agreement to Franchisor shall exclude applicable sales tax, VAT or other comparable tax, if any, and any sales tax, VAT or other comparable tax surcharges, during the period for which such fee is payable.

3.14 **Specified Currency.** Master shall make all payments due under this Agreement or any other agreement with Franchisor or its affiliates in United States Dollars (the "Specified Currency"). All payments payable to Franchisor hereunder, not otherwise stated in the Specified Currency, such as Gross Revenue, shall be initially calculated in local currency and then be converted to U.S. Dollars. Unless otherwise directed by Franchisor in writing, all payments shall be made by wire transfer to a bank located in the United States of America and designated by Franchisor from time to time or such other means as Franchisor may from time to time specify (collectively the "Payment Methods") into such bank account as Franchisor shall in writing direct. At the time of making such payment, Master shall submit a fax or email to Franchisor setting forth such information as may be reasonably requested by Franchisor, , wire transfer charges and any other bank currency conversion and transfer charges.

3.15 **Restrictions on Specified Currency.** Master shall use its best efforts to obtain any consents or authorizations that might be necessary in order to permit timely payments of all fees due under this Agreement in the Specified Currency. If any legal restriction is imposed upon the purchase of Specified Currency or the transfer to or credit of a non-resident company with payment in the Specified Currency at any time, Master must notify Franchisor immediately. While such restrictions are in effect, Franchisor may require payment in any other currency that Franchisor designates and that is available to Master. In the alternative, Master may deposit all amounts due but unpaid under this Agreement as a result of the restriction in an account in any bank or other institution Franchisor designates, and Franchisor will be entitled to all interest earned on such deposits. Master is solely responsible for all costs incurred in connection with complying with this Section 3.

3.16 Option Period.

3.16.1 If Master has determined that an option arrangement is lawful and complies with applicable franchise regulations in the Territory, Master shall, on a case-by-case basis, with written approval if required by Franchisor, have the right to enter into an option arrangement whereby the Subfranchisee shall have the option to purchase a Subfranchise region within the Territory. In such a case, Master and Subfranchise shall so indicate an option election as provided in the Subfranchise Agreement. Such Option Period will automatically terminate upon: (a) the Subfranchisee having net growth of eighteen (18) Active Members on the Operating Management System (each an "Active Member"); or (b) following the first twelve (12) months of the Option Agreement, whichever event occurs first ("Option Period").

3.16.2 Upon the effectiveness of the Subfranchise Agreement wherein an Option Period has been elected, Master shall remit fifty percent (50%) of the Initial Subfranchise Fee to Franchisor. All payments for the Initial Subfranchise Fee (including this payment) are non-refundable. Master shall charge Subfranchisee a Royalty of sixty percent (60%) of Gross Revenue during the Option Period.

3.16.3 If the Option Period ends without the Subfranchise having eighteen (18) Active Members, then Master shall have the right to terminate the Option Agreement and not refund any payments already remitted to Franchisor by Master.

3.16.4 If the Subfranchise Agreement is not terminated by either party prior to or upon the termination of the Option Period, then, upon the termination of the Option Period, Master shall remit to Franchisor fifty percent (50%) of the full remainder of any and all outstanding amounts of the Initial Subfranchise Fee.

3.16.5 If and when the Subfranchisee attains net growth of eighteen (18) Active Members, the Option Period shall terminate and the term of the Subfranchise Agreement shall then be initiated for an initial term of five (5) years from such time (the "Option Conversion Date"). Royalty obligations shall be paid as though the Option Period were in place through the end of the month in which such Option Period ends. The Option Conversion Date shall be noticed to Franchisor through submission of a fully executed Option Conversion Form (as attached as a schedule to the form of Subfranchise Agreement) within the period set out at Section 3.8.4.

3.16.6 If the Subfranchise Agreement is terminated by either party pursuant to its terms or upon the termination of the Option Period, then Master shall comply with all post termination provisions provided in the Subfranchise Agreement.

#### **4. PROPRIETARY MARKS**

4.1 **Master's Representations and Warranties.** Master and each of Master's officers, directors, and owners represent and warrant to Franchisor that:

4.1.1 None of them are aware of any trademark registration application and/or trademark registration issued by any governmental body in the Territory for the word or design trademarks for the Proprietary Marks set forth in Exhibit A, or registrations that are similar to or variations of the Proprietary Marks set forth in Exhibit A, either in English or in the language of the Territory.

4.1.2 None of them are aware of any license, franchise, assignment, or other grant of a right from Master to any other person or entity to use the Proprietary Marks set forth in Exhibit A, unless otherwise granted by virtue of a previous Master Franchise Agreement.

4.1.3 None of them are aware of any actual use in the Territory of the Proprietary Marks set forth in Exhibit A, or any marks similar thereto, unless otherwise granted by virtue of a previous Master Franchise Agreement.

4.1.4 None of them are aware of any claim by any person or entity (other than Franchisor and its licensees) of any right in or to the Proprietary Marks set forth in Exhibit A or any marks similar thereto.

4.1.5 None of them shall take any action, directly or indirectly, to register any mark containing "CorporateConnections" or any variations thereof, including any transliteration.

**4.2 Master's Use of the Proprietary Marks.** With respect to Master's use of the Proprietary Marks, Master agrees that:

4.2.1 Master shall use only the Proprietary Marks set forth in Exhibit A hereto and those which Franchisor may hereafter designate in writing for use in the Territory, and Master shall use them only in the manner authorized and permitted by Franchisor.

4.2.2 Master shall use the Proprietary Marks only to carry out its rights and obligations hereunder.

4.2.3 Unless otherwise authorized or required by Franchisor, Master shall use the mark "CorporateConnections" without prefix or suffix, and no other name, translation, or phonetic version of the Proprietary Marks, or any other design or logo.

4.2.4 During the term of this Agreement, Master shall identify itself as the owner of the CorporateConnections Master Franchise in conjunction with any use of the Proprietary Marks, including, without limitation, uses on invoices, order forms, receipts, and contracts, as well as the conspicuous display of a notice in clear, obvious, and visible locations on any premises of the CorporateConnections Master Franchise. Master agrees that it shall comply with Franchisor's instructions with respect to the size, location, and wording of such statements.

4.2.5 Master shall not use the Proprietary Marks to incur any obligation or indebtedness on behalf of Franchisor.

4.2.6 Master shall not use the Proprietary Marks, or any derivation thereof, or any phonetically similar name as part of its corporate or other legal name.

4.2.7 Any unauthorized use by Master of the Proprietary Marks shall constitute an infringement of Franchisor's rights and be grounds for termination of this Agreement.

4.2.8 Master shall promptly execute, and require Subfranchisees to execute, and deliver to Franchisor, any documents deemed necessary by Franchisor to obtain protection and/or registration of the Proprietary Marks in any jurisdiction within the Territory, or to maintain the continued validity, application/registration, protection and enforceability of the Proprietary Marks and the license contained in this Agreement.

**4.3 Master Acknowledgements.** Master acknowledges that:

4.3.1 Franchisor and/or its affiliate is the owner of all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them

within the Territory, and neither Master nor any Subfranchisee will have any claim of any right, title, or interest in or to the Proprietary Marks.

4.3.2 The Proprietary Marks are valid and serve to identify the System and those who are authorized to operate under the System.

4.3.3 Master shall not directly or indirectly contest the validity of or Franchisor's ownership of the Proprietary Marks, nor shall Master, directly or indirectly, seek to register, or assist any person or entity, other than Franchisor, in registering, the Proprietary Marks with any government agency.

4.3.4 Master's use of the Proprietary Marks pursuant to this Agreement does not give Master any ownership interest or other interest in the Proprietary Marks (except the non-exclusive license to use the Proprietary Marks as set forth in this Agreement).

4.3.5 Any and all goodwill arising from Master's use of the Proprietary Marks shall inure solely to Franchisor's benefit, and, upon termination, expiration or transfer of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Master's use of the Proprietary Marks.

4.3.6 Except as otherwise specifically provided in Section 1.2 hereof, the right and license to use the Proprietary Marks granted hereunder to Master is non-exclusive, and Franchisor thus has and retains the rights, at any location, and among others:

- a. To use the Proprietary Marks in connection with selling products and services.
- b. To grant other licenses for the Proprietary Marks, in addition to those licenses already granted to existing franchisees.
- c. To develop and establish other systems using the same or similar Proprietary Marks, or any other proprietary marks, and to grant licenses or franchises thereto without providing any rights therein to Master.

4.3.7 Franchisor may modify the Proprietary Marks, discontinue a Proprietary Mark or substitute different Proprietary Marks for use in identifying the System and Businesses operating thereunder if Franchisor's currently owned Proprietary Marks no longer can be used, or if Franchisor determines that modification of the Proprietary Marks, discontinuation of a Proprietary Mark or substitution of different Proprietary Marks will be beneficial to the System. It is expressly understood that upon written notice of modification, discontinuation or substitution from Franchisor, Master shall promptly implement such modification, discontinuation or substitution and shall be responsible for all costs associated such implementation. Franchisor is not obligated to reimburse Master for any loss of goodwill or revenue associated with any modified, substituted or discontinued Proprietary Mark, nor is Franchisor responsible for reimbursing Master for any other costs or damages.

4.4 **Notification of Infringement.** Master shall promptly notify Franchisor of any suspected infringement of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to Franchisor's ownership of, or the right of Master or any Subfranchisee to use, the Proprietary Marks licensed hereunder. Master acknowledges that Franchisor has the

sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. Franchisor also has the sole right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. In such circumstances, the Franchisor shall bear the cost of such enforcement action. Nothing in this Section 4.4 is intended to prevent or relieve Master from carrying out its responsibilities described under Section 1.7.1 hereof.

4.4.1 Provided that Master has used the Proprietary Marks in accordance with this Agreement, and/or permitted Subfranchisees to use the Proprietary Marks in accordance with the terms of the Subfranchise Agreements, and/or Subfranchisee has used the Proprietary Marks in accordance with the Subfranchise Agreement, Franchisor will defend Master and/or the Subfranchisees at Franchisor's expense against any third party claim, suit, or demand involving the Proprietary Marks arising out of Master's use thereof. If Master has not used the Proprietary Marks in accordance with this Agreement, and/or permitted Subfranchisees to use the Proprietary Marks in a manner that is not in accordance with the terms of the Subfranchise Agreements, and/or Subfranchisee has not used the Proprietary Marks in accordance with the Subfranchise Agreement, Franchisor shall not be obliged to defend Master or the affected Subfranchisees, but if it does, Franchisor will defend Master and the Subfranchisees, at Master expense, against such third party claims, suits, or demands; and Master agrees to promptly and fully reimburse Franchisor for such expenses. Franchisor alone may determine whether to settle any claims and the terms of such settlements.

4.4.2 If Franchisor undertakes the defense or prosecution of any litigation relating to the Proprietary Marks, Master and/or the Subfranchisees shall execute any and all documents and do such acts and things as may, in the opinion of counsel for Franchisor, be necessary to carry out such defense or prosecution.

4.5 **Franchisor Representations.** Franchisor represents with respect to the Proprietary Marks that:

4.5.1 Franchisor has signed a license agreement with the owner of the Proprietary Marks and has the right to license to others the right to use the Proprietary Marks.

4.5.2 Franchisor or its Affiliates have taken and/or are in the process of taking all steps reasonably necessary to preserve and protect the ownership rights in, and the validity of, the Proprietary Marks, including the registration of same where appropriate.

4.6 **Registration of the Proprietary Marks.** Master acknowledges that Franchisor (or as applicable, its affiliates) has filed or may file applications to register the mark "CorporateConnections" and, in its discretion, any of the other Proprietary Marks and any trademarks associated, with the System ("Affiliated Marks") in the Territory and Franchisor agrees to exert reasonable efforts (including resorting to appeals, litigation, or other adversarial proceedings in its sole discretion) to secure trademark registration in the Territory. Master agrees that it shall be fully responsible for all costs and expenses incurred by Franchisor associated with registering the Proprietary Marks and the Affiliated Marks in the Territory, including but not limited initial application filing costs or additional costs and expenses associated with appeals, litigation, or other adversarial proceedings, declarations of usage, renewals, or others, even if such costs and expenses were incurred by Franchisor prior to the Effective Date. Such costs and expenses

may, if necessary, include legal fees incurred by Franchisor in securing such trademark registration(s). Master acknowledges that Franchisor shall own the registration for any of the Proprietary Marks and Affiliated Marks and that Franchisor makes no representation or warranty to Master that registrations for all or any of the Proprietary Marks including the mark “CorporateConnections” and Affiliated Marks will issue or that Franchisor has the right or exclusive right to use any such Proprietary Marks and Affiliated Marks in the Territory.

## 5. CONFIDENTIAL INFORMATION

5.1 **Nondisclosure by Master.** Prior to and during the term of this Agreement or at any time thereafter, Franchisor may deliver to Master, or Master may be apprised of, certain confidential information relating to the System. “Confidential information” includes, without limitation: (a) trade secrets, knowledge, know-how or techniques concerning the System, (b) information related to the establishment and methods of operation of a CorporateConnections Master Franchise and/or a Business, (c) marketing and promotional plans, (d) training materials and programs, including the Training Program, (e) the identities and other information associated with any designated or approved suppliers, as well as any Licensed Products, (f) information related to franchise sales (both within and outside the Territory) and the methodology associated therewith, (g) information related to Franchisor, including contact and financial information, (h) any and all data and information stored on the Operating Management System, or any other database management, website and social media tool, and information pertaining to Core Group Participants, Members, and Pending Members obtained within the Territory through the operation of any Business, and (i) any other items designated as confidential by Franchisor. Prior to and during the term of this Agreement or at any time thereafter, Master shall not communicate, divulge, disclose, or use any Confidential Information in any manner other than as expressly allowed under this Agreement; provided, however, that Master’s obligations of confidentiality shall not apply to information which: (a) is at the time of the disclosure by Master in the public domain by publication or otherwise, through no fault of Master; (b) at the time of disclosure was in the possession of Master as shown in Master’s records, was obtained from a source other than Franchisor, or a Subfranchisee, and which information was obtained from a third party source legally entitled to disclose it to Master; (c) Master can show that such information was made available to Master on a non-confidential basis by a third party legally entitled to disclose it to Master; or (d) is permitted by Franchisor to be disclosed or used by Master, provided that such permission is first obtained in writing.

5.1.1 **Trade Secrets.** Master acknowledges that certain materials loaned to or otherwise made available to Master and all know-how and confidential business methods disclosed to Master by Franchisor pursuant to this Agreement are all trade secrets owned by Franchisor. These materials, know-how and confidential business methods include, without limitation: standards, specifications, and procedures of operations; procedures for management and cost control; and advertising and promotional programs. Master’s obligations related to Franchisor’s trade secrets are further set forth in Section 5.

5.2 **Owner/Employee Obligations.** Master shall require its shareholders, directors, officers, members, managers, and any other persons having access to any Confidential Information from Franchisor to be bound by the terms and conditions contained herein, and shall cause such person(s) to enter into a Confidentiality and Restrictive Covenant Agreement, in the form attached hereto as Exhibit F, or as Franchisor, in Franchisor’s sole discretion, otherwise prescribes.

**5.3 New Concepts.** If Master, Master's owners, employees or principals, or if any Subfranchisee, Subfranchisee's owners, employees or principals develop any new concept, process, product or improvement in the operation or promotion of the System or Business, Master shall promptly notify Franchisor and provide Franchisor with all necessary related information, without compensation. Any such concept, product, process or improvement (including improvement or enhancement to Franchisor's IP as defined in Section 13.7) shall become Franchisor's sole property and Franchisor shall be the sole owner of all patents, patent applications, trademarks, copyrights and other intellectual property rights related thereto. Master and Master's owners, employees and principals hereby assign to Franchisor any rights Master may have or acquire therein, including the right to modify such concept, product, process or improvement, and otherwise waive and/or release all rights of restraint and moral rights therein and thereto. Master and Master's principals agree to assist Franchisor in obtaining and enforcing the intellectual property rights to any such concept, product, process or improvement in any and all countries, and further agree to execute and provide Franchisor with all necessary documentation for obtaining and enforcing such rights. Master and Master's owners, employees and principals hereby irrevocably designate and appoint Franchisor as Master's agent and attorney-in-fact to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any such concept, product, process or improvement. In the event that the foregoing provisions of this Section 5.3 are found to be invalid or otherwise unenforceable, Master and Master's owners, employees and principals hereby grant to Franchisor a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the concept, product, process or improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe Master's rights therein.

## **6. FRANCHISOR'S OBLIGATIONS**

**6.1 Training.** Franchisor shall provide Master with the training programs described in Section 8 of this Agreement. Additionally, Franchisor will provide an initial training program to a principal of each Subfranchisee and any person hired by each Subfranchisee for the position of manager. Master acknowledges and agrees that it must reimburse Franchisor for all costs and expenses incurred by Franchisor in providing the initial training program to each Subfranchisee and its employees, including all travel, accommodation, meals and salary expenses. Master also shall be responsible for any costs incurred by Franchisor to provide a translator and/or to translate any training materials that are necessary for training Subfranchisees to the appropriate language(s) of the Territory.

**6.2 Advertising.** Franchisor shall have the right, pursuant to Section 12 below, to review and approve or disapprove all advertising and promotional materials which Master or any Subfranchisee proposes to use. Franchisor may provide such advertising and promotional materials as it deems appropriate for use (or for adaptation by Master to be used) in the Territory by Master and the Subfranchisees. Any advertising and/or promotional materials Master or any Subfranchisee desires to use must comply with the advertising standards and requirements outlined in the Manuals.

**6.3 Country Map Requirement.** Master will be responsible for defining franchisable regions in its Territory and subsequently ensuring all franchisable regions are awarded a Subfranchise Agreement and are actively operating. To define franchisable regions, Master must submit to Franchisor, for review and written approval within ninety (90) days of the Effective Date of this Agreement the following: (1) a proposed map of franchisable regions; (2) a timeline for

awarding such franchisable regions; (3) an explanation of what factors were considered to yield such map (i.e., population, SME count, market penetration index, geographical barriers, social context, etc.); and (4) proposed breakdown of Company-Owned Regions vs. Franchised Regions (the “Country Map”). Franchisor shall have one hundred and eighty (180) days to review and approve in writing such proposal. If Master’s first proposal is not approved in writing, Master shall resubmit a new proposal, within thirty (30) days of receiving Franchisor’s non-approval, incorporating recommended changes for approval. Master must receive written approval from Franchisor for the proposed Country Map to be considered approved. Franchisor may, at its sole discretion either approve or request modification to the proposal within one hundred and eighty (180) days of each submission of the proposal (“Mapping Process”).

Upon approval of completed Mapping Process, Master will be required to sell, establish and operate Subfranchised Business under the terms of a Subfranchise Agreement in each such region as per the Country Map and timeline pre-approved by Franchisor during the Mapping Process. A Subfranchised Business is considered sold, established and operated when (i) the Subfranchise Agreement has been signed and countersigned, (ii) when the Master has received the Franchise Fee from the Subfranchisee, and (iii) when the Master has submitted a copy of the fully executed Subfranchise Agreement to Franchisor. A franchisable region in the Option Period stage is not considered Subfranchised for the purpose of this requirement.

If the Country Map is not submitted to Franchisor within ninety (90) days after the Effective Date of this Agreement, or within thirty (30) days of Franchisor’s request(s) to Master to resubmit the Country Map, Master shall pay Franchisor, the amount of \$1,000 USD per month for each month the Country Map remains not submitted. Invoices for the missed month will be processed the following month. Notwithstanding the foregoing, Franchisor, in its sole discretion, may elect to suspend or waive these fees in part or in their entirety based on the demonstrated and documented progress of the Master towards completing the Mapping Process.

**6.4 Subfranchisee Selection and Approval.** Franchisor shall provide its confidential specifications and criteria for selecting Subfranchisees to Master. Franchisor maintains the absolute right, but not the obligation, to approve all prospective Subfranchisees prior to the consummation of any franchise sale by Master to such Subfranchisees. Franchisor further shall have the right to approve the transfer or assignment of any Subfranchise Agreement or the rights under any Subfranchise Agreement to a third party.

**6.5 Inspections.** Franchisor may conduct, as it deems advisable, periodic inspections of the CorporateConnections Master Franchise, including, without limitations, an inspection of the books and records of the CorporateConnections Master Franchise and may provide evaluations of the CorporateConnections Master Franchise. Master shall be required to reimburse Franchisor for the costs and expenses that Franchisor incurs in connection with sending its personnel and/or representatives to the Territory to conduct any such inspections, which reimbursement shall be paid to Franchisor within twenty (20) days of the date Franchisor provides a written invoice for such costs and expenses.

**6.6 Continuing Assistance.** As Franchisor deems advisable, Franchisor may provide advisory assistance to Master in the operation and promotion of the Subfranchised Businesses and in the offer and sale of franchises. Master shall be required to reimburse Franchisor for the costs and expenses that Franchisor incurs in connection with sending its personnel and/or representatives to the Territory to provide such advisory assistance to Master, and all

reimbursements shall be paid to Franchisor within twenty (20) days of the date Franchisor provides a written invoice for such costs and expenses.

**6.7 Suppliers.** Franchisor shall have the right to designate authorized suppliers or approve suppliers that are capable of supplying products and/or services in compliance with the standards contained in the Manuals. Such suppliers must meet the standards and requirements as set out in the Manuals. If Franchisor approves a supplier recommended by Master, at Franchisor's request Master must send to Franchisor a sample of each Licensed Product or other products or materials produced by such supplier.

**6.8 Global Leadership Summit.** Franchisor may, in Franchisor's discretion, hold an annual international conference at a location to be selected by Franchisor at its sole discretion ("Global Leadership Summit"). Franchisor shall determine the topics and agenda for such conferences to serve the purpose, among other things, of updating Master and Subfranchisees on new developments affecting Master and Subfranchisees, exchanging information between Master and between Subfranchisees and Franchisor's personnel regarding CorporateConnections Master Franchise and Business operations and programs, and recognizing Master and Subfranchisees for their achievements. Master and Master's Subfranchisees are required to attend the Global Leadership Summit and pay Franchisor's then-current registration fee. All expenses, including Master's, Master's employees', Subfranchisee's and Subfranchisee's employees' transportation to and from the Global Leadership Summit, and lodging, meals, and salaries during Global Leadership Summit, are Master's and Subfranchisee's, respectively, sole responsibility. If Master fails to attend the mandatory Global Leadership Summit each year, Master must pay a Global Leadership Summit non-attendance fee ("Global Leadership Summit Non-Attendance Fee") to Franchisor, which will be two times the cost of the registration ticket, within thirty (30) days of conclusion of the Global Leadership Summit. Payment of the Global Leadership Summit Non-Attendance Fee does not absolve Franchisee from potential default for non-compliance with this requirement. Master should ensure that its subfranchisees attend the Global Leadership Summit at least once every two years. If subfranchisees fail to attend the mandatory Global Leadership Summit at least once every two years, you must pay a Global Leadership Summit non-attendance fee to us for each such non attending subfranchisee, which will be two times the registration fee, within thirty (30) days of conclusion of the Global Leadership Summit.

**6.9 Franchise Leadership Summit:** Master must attend the Franchise Leadership Summit ("FL Summit") organized by Franchisor every year at a location determined by Franchisor at its sole discretion. If the FL Summit is offered in person, then Master should attend in person. If Master fails to attend the mandatory FL Summit, Master must pay an FL Summit non-attendance fee to Franchisor, which will be two times the cost of the registration ticket, within thirty (30) days of conclusion of the FL Summit. Payment of the FL Summit non-attendance fee does not absolve Master from potential default for non-compliance with this requirement. Master should ensure that its subfranchisees attend the FL Summit at least once every two years. Master should ensure that its subfranchisees attend the FL Summit at least once every two years. If subfranchisees fail to attend the mandatory FL Summit at least once every two years, you must pay an FL Summit non-attendance fee to us for each such non attending subfranchisee, which will be two times the registration fee, within thirty (30) days of conclusion of the FL Summit.

**6.10 Delegation.** Master agrees that Franchisor may delegate the performance of some of its obligations under this Agreement to Corporate Connections Global, LLC or another third party. Regardless of any performance of any obligations under this Agreement by Corporate

Connections Global, LLC or another third party, Corporate Connections Global, LLC or such third party shall not be held liable or responsible to Master of any performance or lack thereof of any obligations under this Agreement. Franchisor and Corporate Connections Global, LLC or any such third party are independent of each other and Franchisor is solely responsible for the performance of any and all obligations under this Agreement.

## **7. MASTER'S OBLIGATIONS**

**7.1 Full-Time and Effort.** Unless Master is a BNI® franchisee, Master (or an owner of Master holding majority (51% or more) if Master is an entity or partnership) must serve as the Key Person (as defined in Section 7.4.5 below), must live within the Territory and devote his/her full time, attention and effort to the support and operation of the CorporateConnections Master Franchise and the obligations as provided in this Agreement unless otherwise approved by Franchisor. Full time, attention and effort is defined as devoting full and exclusive professional time to the obligations set forth in this Agreement and performing these obligations to the best of Master's abilities, experience and talent. If Master has any other business interests, then Master shall be required to provide notice to Franchisor of such other business interests at least fourteen (14) days prior to entering this Agreement. The notice shall include the name of the business; the identity of the person(s) or entity(ies) that own the business; a disclosure of Master's ownership interest in such business; a description of the business; a summary of Master's involvement with such business; a list of pertinent contact information for such business, including its address, phone number(s), fax number(s), and any website address(es); and such other information as Franchisor may reasonably request. Master must obtain Franchisor's approval for the continuation of such business interest, prior to entering this Agreement. Prior to Master engaging in any other business interests (franchise or otherwise), throughout the term of this Agreement, Master must obtain Franchisor's approval. Franchisor shall have the right to withhold such approval if Franchisor, as determined in its sole discretion, determines that any such other business will impair or otherwise prevent Master from fulfilling its obligations under this Agreement including Section 7.1.

**7.2** As of the date of this Agreement, Master's other business interests and activities, if any, are designated on the Data Sheet. Prior to Master engaging in any other business interests or activities (franchise or otherwise – other than those designated on the Data Sheet) during the term of this Agreement, Master must notify Franchisor of such interests or activities and obtain Franchisor's written approval. The notice shall include the name of the business; the identity of the person(s) or entity(ies) that own the business; a disclosure of Master's ownership interest in such business; a description of the business; a summary of Master's involvement with such business; a list of pertinent contact information for such business, including its address, phone number(s), fax number(s), and any website address(es); and such other information as Franchisor may reasonably request. Franchisor shall have the right to withhold such approval if Franchisor, as determined in its sole discretion, determines that any such other business will impair or otherwise prevent Master from fulfilling its obligations under this Agreement.

**7.3 Training.** Master (or each of Master's partners, shareholders or members/managers, as applicable), the Key Person and Master Trainer (as defined in Section (3.3.1) must attend and successfully complete the Training Program as set forth in Section 8.1.

**7.4 Operating Standards.** Master understands and acknowledges that every detail of the CorporateConnections Master Franchise and each Business is important to Master, Franchisor, Subfranchisees, and other System franchisees in order to develop and maintain high

operating standards, to increase the demand for the services and products sold by all Subfranchisees, and to protect Franchisor's reputation and goodwill. Accordingly:

7.4.1 Master must comply with all obligations outlined in this Agreement, including satisfying the performance requirements as set forth in the Development Schedule.

7.4.2 Master must ensure that the CorporateConnections Master Franchise and all Subfranchised Businesses are being operated in accordance with this Agreement, their respective Subfranchise Agreements, the Manuals, and Franchisor's other manuals, as well as Franchisor's System standards and specifications (as may be updated by Franchisor from time to time as Franchisor deems appropriate in its discretion).

7.4.3 Master will, subject to mandatory local law, require all Subfranchised Businesses to be open for business (e.g. providing a live person to provide customer service to members) a minimum number of hours per day and days per year as approved by Franchisor.

7.4.4 All individuals and individual owners of entities with an ownership interest in Master, and their spouses execute the form of guarantee attached hereto as Exhibit B contemporaneously with the execution of this Agreement.

7.4.5 If Master is a BNI® franchisee, Master shall employ at least one (1) full-time supervisor (the "Key Person") whom Franchisor approves to handle the operation of the CorporateConnections Master Franchise. Master shall designate the Key Person and notify Franchisor in writing as to the identity of the Key Person. The Key Person may also serve as the Master Trainer for the CorporateConnections Master Franchise. The Key Person must meet such standards and requirements as outlined in the Manuals, and must devote his/her best efforts to operating the CorporateConnections Master Franchise and supporting all Subfranchised Businesses located in the Territory. The Key Person must reside in the Territory and have the authority to handle issues that may arise in the Territory. The Key Person must be authorized to bind the Master in respect of issues related to the operation of the CorporateConnections Master Franchise. Franchisor shall have the right to require Master to designate an individual, other than the Key Person, to oversee the day-to-day operation of the Company-Owned Business. If this is Master's first Franchised Business, then the individual owning fifty-one percent (51%) or more shall be the Key Person.

7.4.6 Master shall require its Key Person to enter into a Non-Compete, Non-Disclosure and Non-Solicitation Agreement, in the form attached hereto as Exhibit G in a manner that ensures compliance with the applicable laws of the Territory (if any).

**7.5 Sub Franchising Obligations.** Master shall:

7.5.1 Make no representations to a Subfranchisee that conflict with the terms and conditions of this Agreement, any Subfranchise Agreement, the Manuals, or other related documents. Any document prepared by Master for the purpose of complying with any law, commercial custom, trade association code, or otherwise concerning the offer and sale of franchises and any advertisement proposed for the purpose of promoting the sale of Subfranchises shall be submitted by Master to Franchisor for Franchisor's prior written approval, and Master shall do so before such document is translated (if applicable), filed with a government authority, trade association; and/or used by Master. Master shall not

use any document or material in connection with the offer or solicitation of franchisees that has not been approved in writing by Franchisor. Master shall be responsible, at its sole expense, for translating the form of Subfranchise Agreement, as well as any other documents or agreements necessary or related to the offer and sale of a Subfranchised Business within the Territory, into the appropriate language(s) of the Territory, and providing Franchisor with a copy of such translated materials. Master acknowledges that Franchisor will have all rights, title and interest in all such translated materials. Subfranchise Agreement shall be in the form of a side-by-side translated document from English to the language of choice within sixty (60) days of the Effective Date.

7.5.2 Carefully screen and evaluate prospective Subfranchisees pursuant to the standards prescribed by Franchisor, which includes but is not limited to, completing a satisfactory standard criminal history background check and financial background check and, upon Franchisor's request, prepare and submit to Franchisor a written report in the form prescribed by Franchisor for each prospective Subfranchisee deemed qualified by Master, together with a copy of such prospective Franchisee's financial statements and criminal history background check, among others.

7.5.3 Ensure that Master and its employees/agents have taken all steps required by Franchisor and applicable law to offer and sell franchises within the Territory prior to offering and selling such franchises, including compliance with any and all franchise disclosure and registration laws of the Territory. The parties agree and acknowledge that Franchisor is not responsible for the obligations under this Section, and that Master will indemnify, defend and hold Franchisor harmless from any and all claims, causes of action, damages and costs/expenses associated with any action brought against Franchisor arising out of a breach by Master of this Section.

7.5.4 Master must modify Franchisor's then-current standard form of Subfranchise Agreement (attached hereto as Exhibit C) in a manner that ensures compliance with the applicable laws of the Territory (if any), and Master shall provide to Franchisor for its review and approval the adapted versions of the Subfranchise Agreement that Master proposes to use in the Territory. Master hereby warrants, agrees, and stipulates that each Subfranchisee in the Territory will execute a Subfranchise Agreement in a format that (a) Franchisor has approved in writing, and (b) complies with the applicable laws of the Territory. Master shall provide Franchisor with copies, in the English language, of any agreement prepared for use in connection with the offer and sale of Subfranchises within the Territory. Master shall ensure that the standard form Subfranchise Agreement will not be altered or modified in any material respect, without Franchisor's prior written approval. Master shall use its best efforts to enforce the Subfranchise Agreements and shall take all legal and other action necessary to cause Subfranchisees to comply with such Subfranchise Agreements.

7.5.5 Unless otherwise approved by Franchisor, Master shall charge Subfranchisees no less than the fees specified by Franchisor in the Master Manual or in any other written communication from Franchisor.

7.5.6 Subject to applicable law, require all Subfranchised Businesses to be open for business (e.g. providing a live person to provide customer service to members) a minimum number of hours per day and days per year as approved by Franchisor.

7.5.7 If the Subfranchisee is a business organization, at least one of the underlying owners of Subfranchisee must own at least fifty-one percent (51%) of the controlling/voting ownership interests of the Subfranchisee. This Section shall not be subverted by contract or otherwise.

7.5.8 For each Subfranchisee, Master shall, at its sole expense:

7.5.8.1 Provide advice and consultation with regard to equipping the Subfranchised Businesses and such periodic and continuing assistance as Subfranchisee may reasonably request and as prescribed by Franchisor.

7.5.8.2 Review the Subfranchisee and its Subfranchised Business at least once each month during the term of the relevant Subfranchise Agreement, in order to provide continuing assistance as reasonably requested by each Subfranchisee; inspect such Subfranchised Business to determine whether the Subfranchisee's continued operation is in conformity with Franchisor's procedures, standards, and specifications; and, verify compliance by Subfranchisee and its employees with all applicable laws, rules, regulations, and procedures.

7.5.8.3 Monitor (and submit to Franchisor, at its request, written reports on such form and at such times as Franchisor may request) and, upon Franchisor's request, promptly take all steps necessary to remedy the following:

- a. Any apparent deficiencies and problems concerning the uniformity and quality of service provided by each Subfranchisee;
- b. Any apparent opportunities for the Subfranchisee to improve its performance;
- c. Any apparent deviations from Franchisor's operating procedures, standards, and specifications or from proper usage of the Proprietary Marks;
- d. Any apparent violations of the Subfranchise Agreements; and
- e. Any apparent violations of applicable laws, rules, or regulations.
- f. Supply products and services to Subfranchisees as have been approved by Franchisor in writing.

7.5.8.4 Provide ongoing assistance, support, and training as Franchisor and/or the Subfranchise Agreement prescribe, or as any Subfranchisee may reasonably request.

7.5.8.5 Provide to Franchisor at least ten (10) days' written notice prior to terminating any Subfranchise Agreements for any reason.

## 7.6 **Purchasing Requirements.**

7.6.1 Licensed Products. Except as outlined below, Master shall purchase certain designated supplies, materials, and products (collectively, the "Licensed Products")

solely from the Franchisor or suppliers as set out in Section 6.6. Master must resell such Licensed Products to Subfranchisees located in the Territory. Master is responsible for any and all sales, use and other taxes, import and export duties, storage and shipping costs associated with the Licensed Products. When possible, Master may include any Licensed Products with the shipping of supplies to assist in reduction of shipping costs. Franchisor may require Master to remit payment or an irrevocable letter of credit approved by Franchisor for Licensed Products and the shipping costs as stated above prior to the shipping of any ordered Licensed Products. Franchisor may sell Licensed Products directly to the Subfranchisees.

7.6.1.1 Master may request, in writing, permission from Franchisor to manufacture and/or produce the Licensed Products in the Territory. Franchisor may require Master to provide whatever proof Franchisor deems necessary to assist Franchisor in determining whether to approve Master's request. If Franchisor, in its sole discretion, approves Master's request, then, prior to the manufacture and/or production of any Licensed Products, Master (or such approved third party) must execute a license agreement in a form provided by Franchisor granting Master (or such approved third party) a limited license to manufacture and/or produce any of the Licensed Products. If a Subfranchisee makes a written request to Master to manufacture and/or produce the Licensed Products, then Master must notify Franchisor of such request. If Franchisor, in its sole discretion, approves Subfranchisee's request then, prior to the manufacture and/or production of any Licensed Products, the Subfranchisee must execute a license agreement in a form approved by Franchisor granting Subfranchisee a limited license to manufacture and/or produce any of the Licensed Products. Master shall, pursuant to the Subfranchise Agreement, cause Subfranchisee to fully comply with the requirements and conditions within this provision that pertain to the Subfranchisee.

7.6.1.2 Franchisor may, at its option, revoke its approval of any third party (including Master or a Subfranchisee) from manufacturing or producing the Licensed Products.

7.6.1.3 No party shall construe anything in this Section 7.6.1 to require Franchisor to approve any particular supplier for Licensed Products, nor to require Franchisor to make available to prospective suppliers, standards and specifications for formulas that Franchisor, in its sole discretion, deems confidential.

7.6.2 Supplier of Standard Supplies. Master may purchase other standard supplies, stationery and other materials (excluding the Licensed Products) for use in the CorporateConnections Master Franchise from any supplier approved by Franchisor. Franchisor agrees to approve any reputable local company convenient to Master as a source of such items, if Master so requests, provided such company can reproduce such items to Franchisor's satisfaction. Master acknowledges and agrees that any supplies, stationery or other materials (other than the Licensed Products) that contain the Marks (the "Branded Products) must comply with the branding standards outlined in the Manuals, and a sample of each Branded Product must be submitted to Franchisor each year. This provision shall not be interpreted as requiring Franchisor to approve any third party suppliers for Licensed Products.

7.6.3 Approval of a supplier by Franchisor shall not be deemed an endorsement by Franchisor and shall not create any liability for Franchisor.

7.6.4 Franchisor may, at its option, inspect and re-inspect from time to time the facilities and products of any approved supplier and revoke its approval upon the supplier's failure to meet Franchisor's then-current criteria.

**7.7 Compliance with Advertising and Promotional Standards.** Master shall ensure all advertising and promotional materials, signs, decorations, paper goods (including all forms and stationery used by the Subfranchised Businesses), and other items, which may be designated by Franchisor, bear the Proprietary Marks in the form, color, location, and manner prescribed by Franchisor. Master shall use only those promotional and marketing materials or items which are authorized by Franchisor in writing and in accordance with CorporateConnections' Branding Standards. Master shall not display or use the Proprietary Marks and/or the Affiliated Marks without the prior written approval of Franchisor. Master shall get prior written approval prior to releasing or using any local printing, advertising or promotional programs, other than those provided by Franchisor. Failure to comply with this Article shall be an infringement upon Franchisor's proprietary rights and a material breach of this Agreement. Master shall be responsible to monitor the promotional activities of its Subfranchisees and its Chapters and ensure compliance with the CorporateConnections' Branding Standards. Master shall be further responsible for the actions taken by its Subfranchisees and its Chapters in contravention of this Agreement.

- a. During the Term of this Agreement, Franchisor may establish and conduct promotional and marketing campaigns on a global, national or regional basis, which may, by way of illustration and not limitation, promote particular events or programs. Master must participate in such promotional and marketing campaigns and in any official membership drive as developed by Franchisor. If required by Franchisor, Master shall purchase material, posters, flyers, and other promotional material. Master must provide the prize for such membership drive as set by Franchisor at Master's own cost.
- b. Franchisor shall have the right to establish and administer a system-wide advertising fund for the benefit of the System and the CorporateConnections' brand generally. Currently, Franchisor has not yet created such an advertising fund. As such, Master and other franchisees need not participate in any advertising fund. Franchisor has not currently established an advertising fund and therefore cannot provide any breakdown of how such advertising fund was expended in our past fiscal year. Franchisor also reserves the right to require Master to establish a national advertising fund within Master's Territory.
- c. Currently, Franchisor has not established an advertising council, but it shall have the right to do so in the future. If Franchisor establishes an advertising council, it will serve in an advisory capacity to Franchisor with respect to certain advertising expenditures, including providing advice/guidance on how to administer any advertising fund (if established in the future). At Franchisor's discretion, the advertising council may be comprised of Franchisor's management representatives, employees, Master and/or other franchisees in the System. Franchisor will have the right to modify or dissolve an Advertising Council (if created) at any time.

- d. Currently, Franchisor has not established any regional advertising cooperatives and have not contemplated how much a franchisee might be required to contribute to such a cooperative. If created, Franchisor will have the right to establish, modify, merge and dissolve any cooperative, as it deems appropriate, and it will administer the cooperative. As such a cooperative has not yet been established, Franchisor has not yet determined how membership will be defined, how much Master must contribute, or whether Franchisor's company-owned outlets must contribute. If such a cooperative is created, its governing documents will be available to Master upon your request.
- e. Master shall not engage in any deceptive, misleading, unlawful or unethical promotion or marketing which, in the sole discretion of Franchisor, might be injurious or detrimental to Franchisor, the Proprietary Marks, the Affiliated marks, the CorporateConnections' System or the public. Master shall only advertise, promote and solicit for Members within the boundaries of the Territory and shall ensure Subfranchisees only advertise, promote and solicit for Members within the boundaries of their respective Regions. Master shall use the Proprietary Marks and the Affiliated Marks only in the forms prescribed by Franchisor.

## 7.8 Inspections.

7.8.1 Generally. Franchisor (or its designated agents) shall have the right (at Master's sole cost and expense) to inspect the CorporateConnections Master Franchise and any Subfranchised Business at all reasonable times and without prior notice to Master. Additionally, Franchisor may audit and evaluate, at its discretion and at the cost of Master, training provided by the Master Trainer and materials used in connection with training to ensure that the training meets Franchisor's standards. Master shall fully cooperate with Franchisor in connection with such inspections.

7.8.2 Company-Owned Businesses. Franchisor and its agents may enter upon the offices and Chapters of any Company-Owned Businesses at any time and without prior notice to Master for the purpose of conducting inspections. Master shall cooperate with Franchisor's representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from Franchisor or its agents and without limiting Franchisor's other rights under this Agreement, Master shall take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. Inspection of Chapter meetings occurring online may occur by Franchisor accessing Master's Zoom (or then current video conferencing provider platform) accounts.

7.8.3 Subfranchised Businesses. Master shall ensure that Franchisor is permitted to inspect the offices and Chapters of all Subfranchised Businesses and provide any assistance necessary to permit such inspections.

7.9 **Entity Documents**. If Master is an entity, Master shall have a partnership agreement, operating agreement, articles of association (which incorporate the rights and obligations of the shareholders) and a shareholder's agreement, as appropriate. Master shall promptly provide to Franchisor copies of Master's governing documents and any amendments thereto, including the resolution of the Board of Directors authorizing entry into this Agreement. Master shall maintain a current list of all owners of record and all beneficial owners of any class

of voting securities of Master and shall furnish the list to Franchisor upon request. Master's governing documents shall, without limitation:

- a. Remain in full force and effect throughout the term of this Agreement;
- b. Contain terms which set out partnership/ shareholder rights, govern partnership/shareholder disputes and identify a procedure for resolving such disputes;
- c. Allow Master to determine, within a reasonable time frame following Franchisor's request, a future value (based on formula or other reasonable method) of the CorporateConnections Master Franchise in the event of a sale; and
- d. Detail that if entity is comprised of multiple interests there shall be at all times one owner of at least fifty-one percent (51%) of the controlling/voting shares of the corporation or at least fifty-one percent (51%) controlling/voting interest in the corporation or limited liability partnership and shall identify such owner.

**7.10 Computer Software and Hardware.** Master shall utilize the software approved by Franchisor for the necessary database management, Chapter, and royalty reporting of the System.

**7.10.1 Participation.** Master and all Subfranchisees shall join and participate in all international communications networks, product distribution systems, electronic mail, voice systems, money transfer systems, internet systems or other systems, programs or networks that Franchisor develops and that are not prohibited by law. Such systems may include, but are not limited to, Customer Relationship Management Systems, Marketing Automation System, Content Management Systems, Learning Management Systems, the Operations Management System and any accounting software designated by Franchisor. Franchisor reserves the right to charge an ongoing fee, in its discretion and which may be modified in Franchisor's discretion, in association with any such technology. Master acknowledges that Franchisor shall not be liable for any possible defects in the aforementioned systems.

**7.10.2 Internet.** Master shall, during the term of this Agreement, maintain access to the Internet and comply with all Internet and privacy policies Franchisor sets from time to time, and as required by applicable law. Any advertising or other presence or promotion by Master on the Internet must comply with Franchisor's Internet and privacy policies and guidelines and Franchisor's marketing materials and website design, as well as applicable law, including the content of any website ("Master's Home Page"). Franchisor will be the owner of all domain names used by Master that are associated in any way with the System and accordingly Master will not register any domain names in its own name but will instead register any domain names in Franchisor's name and ensure Franchisor is the owner thereof. All costs and expenses associated with any domain names used by Master in association with the System shall be the sole responsibility of Master.

**7.10.2.1** Master shall, at its own expense, use its best efforts to accurately translate any advertising or other presence or promotion by Master on the Internet and any updates, modifications, or revisions thereto into English, and shall convert measures from the U.S. system into the metric system, upon Franchisor's request and as may be required prior to obtaining Franchisor's written

approval. All Internet advertising and posts must comply with Franchisor's advertising standards and guidelines as outlined in the Manuals. Franchisor reserves the right to require its pre-approval of all Internet advertising and posts, and Franchisor may remove any Internet advertising and/or posts that do not comply with the advertising standards and guidelines outlined in the Manuals.

7.10.2.2 **Email Address.** Master may only use such email addresses as Franchisor approves in writing. Franchisor may, at Franchisor's sole discretion, require that Master use a corporateconnections.com email address or such a similar domain. Upon termination, expiration or transfer of this Agreement, Master will assign ownership of such email address to Franchisor or any third party designated by Franchisor.

7.10.3 **Expansion of Proprietary Technology System.** Master acknowledges that Franchisor (together with its affiliate(s), as applicable) is currently involved in various projects for the purpose of updating and expanding Franchisor's proprietary technology system (including, without limitation, internet access/presence, hardware, software and related technology) for Franchisor and for the System. Upon request, Master agrees to cooperate with Franchisor (or as applicable, its affiliates) in the development, and implementation of and to obtain and use such prospective technology system or modification thereof in the Territory during the term of the Agreement.

7.10.4 **E-Commerce.** Master agrees that e-commerce is a rapidly developing field and that the provisions of this Section may need to be modified in the future or that guidelines on use of the Internet may be introduced in the Manuals. Master agrees to comply with any such modification or the issue of such guidelines by Franchisor.

7.10.5 **Customer Relationship Management System.** Franchisor may require Master to use a customer relationship management system ("CRM") in order to better organize Master's and Subfranchisee's members or local marketing efforts. Master is required to use the company or organization that is approved by Franchisor. Master will pay Franchisor the cost for using such CRM system or Franchisor may require Master to pay for the CRM service directly to the provider. Franchisor may change the CRM provider upon notice to Master, but Franchisor will not change such provider more than one time each year during the term of this Agreement. This fee will be in addition to the Global Marketing and Technology Fee and Video Conferencing License referenced herein.

7.11 **Notice of Breach or Termination of Subfranchise Agreement.** Master shall deliver to Franchisor a copy of all correspondence with Subfranchisees concerning a breach or termination of a Subfranchise Agreement, including any breach or termination during the Option Phase, or anything material as it pertains to the franchise relationship. Such copies shall be delivered to Franchisor concurrently with it being sent or received by Master.

7.12 **Notice of Subfranchisee Cessation of Business.** Master shall promptly notify Franchisor, in writing, of any Subfranchisee or Subfranchised Business that ceases to do business for any reason whatsoever. Master shall promptly provide Franchisor such additional information as Franchisor may request regarding Subfranchisees and Subfranchised Businesses developed by Subfranchisees. Master shall, upon request by Franchisor, provide periodic written reports of additional reasonable information concerning Subfranchisees and Subfranchised Businesses, as well as contacts with prospective Subfranchisees.

**7.13 Compliance with Applicable Laws.** Master shall comply with all requirements of all applicable laws. If Master believes that the requirements of this Agreement are in conflict with any such laws, then: (a) Master shall immediately provide written notice thereof to Franchisor; (b) Master shall comply with said law to the extent it is inconsistent with this Agreement; and (c) the parties shall make a good faith effort to amend this Agreement to be in compliance with said laws. Notwithstanding the foregoing, Master represents and warrants that as of the Effective Date, Master is not aware of any instance in which this Agreement contravenes any applicable law.

7.13.1 Master shall comply with all applicable laws and regulations relating to the licensing of trademarks, the offer and sale of Subfranchises or licenses, the ongoing relationship between a Franchisor and its Masters and the termination or nonrenewal of Subfranchise Agreements, and shall timely obtain at its own cost any and all government approvals and/or registrations necessary for the full and proper conduct of the business contemplated hereunder. Master shall submit to Franchisor for its approval, prior to use or filing with any governmental authority, true copies of all pre-sale disclosure documents (if Master determines such disclosure document is necessary under the laws of the Territory), prospectuses, offering memoranda, statements of material facts and any other documents required by any applicable law to be filed or delivered to prospective Subfranchisees in connection with the grant of Franchises or licenses anywhere in the Territory, together with true copies of all other agreements, documents, and information required to be filed or disclosed in connection therewith. Franchisor does not guarantee that registration will be accepted; nor will Franchisor guarantee Master's performance. To the extent so requested by Franchisor, Master shall promptly sign and/or obtain the signature of Subfranchisees to such documents as Franchisor may reasonably require in order to give effect to the terms and conditions of this Agreement, including without limitation, those contemplated under Sections 4.2.8 and 4.4.2 hereof.

7.13.2 Master shall comply with (and require each Subfranchisee to comply with) all applicable ordinances, rules, and regulations pertaining to the operation of a Business in the Territory, including the conformity to any national, regional, state, or local laws.

**7.14 Rebates/Discounts.** Master acknowledges that Franchisor may receive rebates and/or volume discounts from manufacturers and suppliers who sell directly and indirectly to Master and that Franchisor is under no obligation to share those rebates or volume discounts with Master.

**7.15 Assistance to Franchisor.** Master shall provide such assistance as may be reasonably requested by Franchisor in connection with applicable immigration laws in order to facilitate the travel of Franchisor's representatives to and from locations within the Territory.

**7.16 Member Satisfaction Tracking.** Master must provide a member satisfaction tracking report to Franchisor as Franchisor requires. In providing such information, Master is solely responsible for ensuring compliance with any data protection or privacy laws within the Territory and shall notify Franchisor as to what modifications need to be made to such reports for such compliance. Specifically, Master will take all reasonable measures necessary to carry out the terms of this Agreement consistent with applicable privacy laws, including (if appropriate) obtaining, and requiring Subfranchisees to obtain, the consent of Members to the dissemination of Member data and information to Franchisor. Master must notify Franchisor of all substantial Member complaints, any other material complaints or any type of data security breach within twenty-four (24) hours of receiving or becoming aware of them.

**7.17 Modification to the System.** For so long as Master is fully complying with its obligations under this Agreement (including its obligations to Franchisor and all Subfranchisees within the Territory), Master may make written proposals and recommendations to Franchisor regarding modifications to the System or the Manuals in an effort to assist Franchisor in: (i) adapting the System to the Territory; and (ii) further developing the System and Manuals to address growth and other practicalities of the marketplace. Franchisor will review Master's proposals and recommendations and communicate with Master regarding the same. The parties agree and acknowledge that Master shall not implement any change or modification to the System or Manuals (whether in the Territory or otherwise) without Franchisor's prior written approval of such change or modification (including approval of how the change or modification will be communicated to any Subfranchisees, whether via the Manuals or otherwise in writing). In the event such modifications or proposals by Master are integrated in any way into the System or Manuals, Master agrees that such modifications will be the sole and exclusive property of Franchisor, and Master shall execute any and all documents, and undertake any other actions, necessary to irrevocably assign Franchisor all rights, title, and interest to such change, modification, or improvement to the System and/or Manuals.

**7.18 Public Statements.** Neither Master nor anyone under its control or supervision shall make any statement or otherwise directly or indirectly disclose any information to the press or any other third party regarding any agreement, dispute or potential dispute between Master and Franchisor, or between Franchisor and any other of Franchisor's masters and/or Subfranchisees without Franchisor's prior written consent. Any violation of this provision shall constitute a material breach of this Agreement.

**7.19 Ownership Disputes.** If Master is owned by multiple individuals or an entity that is owned by multiple individuals (collectively, the "Owners"), and a dispute arises amongst the Owners that affects the operations of the CorporateConnections Master Franchise or Master's ability to meet its obligations under this Agreement, as determined by Franchisor in its sole discretion, Franchisor may issue written notice to Master demanding resolution of the dispute through mediation (the "Notice to Resolve Dispute"). Upon receipt of the Notice to Resolve Dispute, Master shall immediately submit the dispute to mediation, which mediation shall be concluded within 90 days of Master's receipt of the Notice to Resolve Dispute. Such mediation shall be in accordance with International mediation standards. In the event that Master is unable to resolve the dispute at mediation within 90 days of the Notice to Resolve Dispute, Franchisor shall have the right to terminate this Agreement and Master shall comply with the obligations upon termination set forth in Section 16, including, without limitation, the obligation to assign all of Master's rights under the Subfranchise Agreements to Franchisor.

**7.20 CorporateConnections Member Success Center.** The CorporateConnections Member Success Center is a call center dedicated to converting prospective members into active members and/or providing other customer service functions ("Member Success Center" or "MSC"). Franchisor shall have the right to require the Master to create, operate, or – at Franchisor's sole discretion, utilize a CorporateConnections Member Success Center for the benefit of members, the Master, and the CorporateConnections brand generally, as set forth by Franchisor's standards and requirements. All expenses, of creating, operating or utilizing a Member Success Center will be Master's sole responsibility.

**7.21 CorporateConnections Meeting Management Tool.** Franchisor shall have the right to introduce and require Master to pay for management tools, including but not limited to a CorporateConnections Meeting Management Tool ("Meeting Management Tool"), in order to

better administer and run Master's weekly CorporateConnections Meetings. Master is required to use the Meeting Management Tool that is approved by Franchisor. Franchisor may change the Meeting Management Tool upon notice to Master, but Franchisor will not change such Meeting Management Tool more than one time each year during the Term of this Agreement.

7.22 **Payment Technology Integration.** Franchisor shall have the right to require Master to use payment technology integrated into the BNI Connect Management Operating System for CorporateConnections including but not limited to a specific payment gateway and/or merchant services processor. This may also include the requirement to have funds deposited into a central bank account and then have those funds transferred to Master's bank account. Franchisor does not mandate this today, but in the future, it may require Master to use Franchisor-approved technology/payment partners for the collection of membership dues and event fees, among others.

## 8. TRAINING

8.1 **Training Program.** Master shall ensure that each individual owner of Master (or each individual owner of an entity with an ownership interest in the CorporateConnections Master Franchise), unless Master and Franchisor mutually agree to waive the requirement for one or more individuals, the Key Person and the Master Trainer (as described in Section 3.3.1 shall enroll in, attend and successfully complete, to Franchisor's satisfaction, the training program offered by Franchisor associated with the establishment and operation of a CorporateConnections Master Franchise and a Business, including the Managing Director/Chapter Director Training, Executive Director Training, and National Director's Training (collectively, the "Training Program").

8.1.1 Completion Requirements. The Training Program shall be completed according to the following schedule.

8.1.1.1 Each individual owner of Master (or each individual owner of an entity with an ownership interest in Master), unless Master and Franchisor mutually agree to waive the requirement for one or more individuals, the Key Person and the Master Trainer must successfully complete, to Franchisor's satisfaction, the Managing Director/Chapter Director Training within six (6) months of the Effective Date and before Master can open or develop any part of the Company-Owned Business. Any individual owner of Master (or each individual owner of an entity with an ownership interest in Master) that has not successfully completed, to Franchisor's satisfaction, the Managing Director/Chapter Director Training, shall not participate in any supervisory or management decisions of the CorporateConnections Master Franchise. In addition to each individual owner of Master (or each individual owner of an entity with an ownership interest in Master) and the Master Trainer, Master may reasonably designate management and supervisory personnel that it desires to attend the Managing Director/Chapter Director Training. The training fee for up to two (2) people to attend the Training Program is included in the Master Franchise Fee. Any additional person's attendance at the Managing Director/Chapter Director Training is subject to the payment of the requisite Training Fee. Franchisor may terminate this Agreement should any individual owner of Master (or each individual owner of an entity with an ownership interest in Master) or Master Trainer fail, in the sole opinion of Franchisor, to timely and satisfactorily complete the Managing Director/Chapter Director Training as required herein.

8.1.1.2 Each individual owner of Master (or each individual owner of an entity with an ownership interest in Master), unless Master and Franchisor mutually agree to waive the requirement for one or more individuals, the Key Person, and the Master Trainer must successfully complete, to Franchisor's satisfaction, the Executive Director Training as soon as practicable but in any event within six (6) months of the Effective Date. Master may not offer Subfranchised Businesses for sale or enter in any Subfranchise Agreements prior to each individual owner of Master (or each individual owner of an entity with an ownership interest in Master) and the Master Trainer successfully completing, to Franchisor's satisfaction, the Executive Director Training. In addition to each individual owner of Master (or each individual owner of an entity with an ownership interest in Master) and the Master Trainer, Master may reasonably designate management and supervisory personnel that it desires to attend the Executive Director Training. The training fee for up to two (2) people to attend the Training Program is included in the Master Franchise Fee. Any additional person's attendance at the Executive Director Training is subject to the payment of the requisite Training Fee. Franchisor may terminate this Agreement should any individual owner of Master (or each individual owner of an entity with an ownership interest in Master) or Master Trainer fail, in the sole opinion of Franchisor, to timely and satisfactorily complete the Executive Director Training as required herein.

8.1.1.3 Each individual owner of Master, and the Key Person (or each individual owner of an entity with an ownership interest in Master), unless Master and Franchisor mutually agree to waive the requirement for one or more individuals, and the Key Person must successfully complete, to Franchisor's satisfaction, the National Director's Training within six (6) months of the Effective Date. In addition to each individual owner of Master (or each individual owner of an entity with an ownership interest in Master), Master may reasonably designate management and supervisory personnel that it desires to attend the National Director's Training. The training fee for up to two (2) people to attend the Training Program is included in the Master Franchise Fee. Any additional person's attendance at the National Director's Training is subject to the payment of the requisite Training Fee. Franchisor may terminate this Agreement should any individual owner of Master (or each individual owner of an entity with an ownership interest in Master) fail, in the sole opinion of Franchisor, to timely and satisfactorily complete the National Director's Training as required herein.

8.1.2 Franchisor's Training Schedule and Location. The Training Program will take place pursuant to a schedule arranged by Franchisor and at a location designated by Franchisor, which may be in the United States of America or such other location as Franchisor may designate from time to time.

8.1.3 Training Expenses. Apart from the Training Fee, Franchisor will not charge Master an additional training fee in connection with the Training Program, but Master will be responsible for: (i) any costs and expenses that Master and any of its personnel incur in connection with attending any portion of Franchisor's Training Program and any other training that occurs at Franchisor's designated training facility in the United States of America or such other location as Franchisor may designate from time to time; (ii) any costs incurred by Franchisor to provide a translator and/or to translate any training materials; (iii) training of additional individuals; and (iv) any costs and expenses that Franchisor incurs in

connection with sending its personnel and/or representatives to the Territory to provide any type of training, whether initial training or additional training, which Master must pay to Franchisor within twenty (20) days of the date Franchisor provides a written invoice for such costs and expenses.

8.1.4 Replacement of Master Trainer. If any Master Trainer ceases active employment by Master, Master shall enroll a qualified replacement (who must be acceptable to Franchisor) in Franchisor's Training Program within ninety (90) days of cessation of the Master Trainer's employment. The replacement Master Trainer must attend and successfully complete the appropriate training program as soon as is practicable at Franchisor's then-current tuition rate for such training.

8.1.5 Training Program Refresher. Each individual owner of Master (or each individual owner of an entity with an ownership interest in Master), the Key Person and the Master Trainer shall attend and successfully complete, to Franchisor's satisfaction, any continuing education program as determined by Franchisor, every five (5) years. The training fees associated with any continuing education program shall not exceed Franchisor's then-current cost of the Training Program.

8.1.6 Private Training. If Master desires to arrange private training for the Training Program within the Territory:

8.1.6.1 Master shall schedule the dates of training and appropriate trainers with Franchisor or a third party designated by Franchisor;

8.1.6.2 Master shall comply and remain bound by the completion requirements set forth in Section 8.1.1 and acknowledges that Franchisor is under no obligation to offer dates for private training that comply with deadlines set forth in Section 8.1.1;

8.1.6.3 Master shall be solely responsible for arranging a venue for the Training Program that meets all of the audio-visual and other requirements identified by Franchisor, in its sole discretion, and shall pay all costs associated with the venue;

8.1.6.4 Master shall reimburse Franchisor for all travel, accommodation and other living expenses incurred by any trainer in association with conducting the Training Program in the Territory within fourteen (14) days of being presented with an invoice for reimbursement. Such payment shall be made in the manner specified by Franchisor to Franchisor, Franchisor's affiliate or a third party designated by Franchisor. The Managing Director/Chapter Director Training, Executive Director Training and National Director's Training generally each require two trainers, but the number of trainers may vary depending on the number of individuals to be trained, and may require different trainers for the Managing Director/Chapter Director Training, Executive Director Training and National Director's Training. The number of required trainers may be modified by Franchisor at any time, in its sole discretion.

8.1.6.5 Master shall be solely responsible for paying to Franchisor or any third party designated by Franchisor, the following private training fees in the

Specified Currency an amount equivalent to the below, which may be modified by Franchisor at any time, in its sole discretion:

Managing Director/Chapter Director Training:	\$1,200 USD per trainer, per day
Executive Director Training:	\$1,200 USD per trainer, per day
National Director's Training:	\$1,200 USD per trainer, per day

**8.2 Training of Additional Individuals.** Franchisor shall have the right to charge its then-current Training Fee for any person that does not attend and complete the Training Program within the schedule set forth in Section 8.1.1 and that is: (i) required to re-attend such training; (ii) replacing a previously trained individual or Master Trainer or is a new owner of Master; or (iii) additional personnel that Master wishes to attend such training.

**8.3 Additional Training.** Franchisor may establish additional or refresher training throughout the term of this Agreement, and may require any individual and individual owner of an entity with an ownership interest in Master, the Key Person or Master Trainer to attend and satisfactorily complete such training in the United States of America, such other location as Franchisor may designate from time to time or in the Territory, in Franchisor's sole discretion, at Master's expense. Franchisor will charge Master its then-current training fee in connection with any attendee that attends such additional or refresher training, and Master agrees and acknowledges that it will be responsible for: (i) any costs and expenses that Master and any of its personnel incur in connection with attending any such additional or refresher training; and (ii) up to, the equivalent in the Specified Currency of, Five Thousand U.S Dollars (\$5,000) of the costs and expenses that Franchisor incurs each year in connection with sending its personnel and/or representatives to the Territory to provide any type of additional or refresher training, for which Master will be required reimburse Franchisor within fourteen (14) days of the date Franchisor provides a written invoice for such costs and expenses.

**8.4 Training Location.** Unless Master arranges private training in the Territory, all training courses, seminars, and programs conducted by Franchisor shall be held at Franchisor's designated training facility or other location that Franchisor designates in the United States of America or such other location as Franchisor may designate from time to time.

**8.5 Training Expenses.** All training courses, seminars, and programs conducted by Franchisor, including private training conducted in the Territory, will be provided in the English language. Master shall be responsible for any and all other expenses incurred by its owners, the Key Person, Master Trainer and employees in connection with any such courses, seminars, and programs, including, without limitation, the costs of transportation, lodging, meals, and the use of an interpreter, if necessary, and any additional sets of training materials required by Master.

**8.6 Certified Franchise Executive Course.** Within three (3) years following the Effective Date, Master (or at least one individual owner of Master) and the Key Person must meet the requirements of the International Franchise Association's, Certified Franchise Executive™ Course. Once certified, Master must provide Franchisor with a copy of the Certified Franchise Executive™ Certificate. Furthermore, Master must ensure that it meets all post-certification requirements of the Certified Franchise Executive™ program to maintain its certification for the duration of this Agreement. Franchisee shall be responsible for all costs associated with obtaining and maintaining the certification.

## 9. OPERATING MANUALS

9.1 **Manuals.** Franchisor shall lend Master, for the term of this Agreement, one (1) copy of the confidential operations manual for Master (the “Master Manual”) and the confidential operations manual for Subfranchisees (the “Subfranchisee Manual”) in the English language. The Manuals will remain the sole property of Franchisor, and Master shall ensure that the Manuals are kept in a secure place. If Franchisor provides the Manuals to Master in electronic format, Master shall take all necessary steps to ensure their confidentiality. Master may propose revisions to the Manuals to take into account any factors relevant to the Territory; however, no such changes may be made to the Manuals unless mutually agreed to by Franchisor and Master. The Master Manual and Subfranchisee Manual are collectively referred to as the “Manuals.”

9.2 **Compliance with Manuals.** In order to protect the reputation and goodwill of the System and to maintain high standards of operation under the Proprietary Marks, Master shall ensure that the Subfranchised Businesses are operated in strict accordance with all mandatory requirement and standards outlined in the Subfranchisee Manual, or as otherwise specified by Franchisor from time to time in writing.

9.3 **Confidentiality.** Master acknowledges that the Manuals are the property of Franchisor; that the Manuals are confidential, proprietary, contain trade secrets of Franchisor; and the Master does not acquire any right, title or interest in the Manuals. Master shall at all times treat the Manuals, any other manuals created for or approved for use in the operation of the CorporateConnections Master Franchise and/or the Business, and the information contained therein as trade secrets of Franchisor, and shall use all reasonable efforts to keep such information secret and confidential. Master shall not at any time copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part (except as required under Section 9.1), nor otherwise make them available to any unauthorized person.

9.4 **Revisions to the Manuals.** Franchisor may from time to time revise the contents of the Manuals, and Master expressly agrees to make corresponding revisions to its copy of the Manuals, and to the copies of the Subfranchisee Manuals provided to each Subfranchised Business, and to comply with each new or changed mandatory requirement or standard within the timeframe designated by Franchisor. Master must also make sure that any such updates or modifications to the Manuals are provided to Subfranchisees within sixty (60) days of release by Franchisor. At Franchisor’s option, Master must reimburse Franchisor for all translations costs and expenses Franchisor incurs in connection with any updates or revisions to the Manuals.

9.5 **Maintaining Current Manuals.** Master shall ensure that the Manuals are kept current and up to date; and, if there is any dispute as to the contents of the Manual, the terms of the master copy of the Manuals maintained by Franchisor at Franchisor’s home office shall be controlling.

## 10. INSURANCE

10.1 Before commencing any activities under this Agreement, Master shall obtain and, at all times during the term of this Agreement, maintain, in full force and effect, at Master’s sole cost and expense, an insurance policy or policies covering any such compulsory insurance and such risks as are customarily insured against by persons carrying on activities in the Territory similar to those of Master under this Agreement, including, without limitation, adequate commercial general liability insurance, Errors and Omissions (E&O), Employment Practices Liability Insurance

(EPLI), Cyber Liability Insurance and where available, Franchisor Insurance, but in any case, in the amount equivalent to three million United States Dollars (US\$3,000,000) or any other amount that is deemed by Franchisor to be reasonable and satisfactory for the Territory.

10.2 The insurance coverage referenced in Section 10.1 above must be maintained under one or more policies of insurance issued by an insurance carrier or carriers acceptable to Franchisor. Franchisor may increase the minimum liability protection requirement annually to reflect inflation and other relevant factors. Further, Franchisor may require, at any time, on reasonable prior notice to Master, different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards in business related liability, or other relevant changes in circumstances.

10.3 Before commencing any operations under this Agreement, and thereafter at least thirty (30) days before the expiration of any policy or within thirty (30) days of the modification of any policy, Master shall deliver to Franchisor or its designated agent certificates of insurance, or such other documentation requested by Franchisor, evidencing the proper types and minimum amounts of coverage. In addition, Master shall provide Franchisor or its designated agent with a copy of the certificate of insurance, or such other documentation requested by Franchisor, for each of Master's current insurance policies as well as those of its Subfranchisees on or before January 31st of each year evidencing the proper types and minimum amounts of coverage. Master shall require that all policies name Franchisor and its affiliates as additional insureds, must contain a waiver of the insurance company's right of subrogation against them, and must provide that each such entity will receive thirty (30) days prior written notice of termination, expiration or cancellation of any such policy. Master agrees to submit this documentation via an electronic system/database to the extent Franchisor or its designated agent notifies Master of the availability of such a submission method.

10.4 Master's obligation to maintain the insurance described herein must be primary and not be limited in any way by any insurance maintained by Franchisor or its affiliates, nor must Master's performance of such obligations relieve Master of any obligations under this Agreement. Master assumes all risk relating to the adequacy of any insurance or self-insurance program and waives any claim against Franchisor and its affiliates for any liability, cost or expense arising out of any uninsured claim.

## 11. ACCOUNTING AND RECORDS

11.1 **Maintenance of Books and Records.** Master shall maintain during the term of this Agreement, and shall preserve for the term of this Agreement and at least three (3) years thereafter or until such longer period as required by applicable law, full, complete, and accurate books, records, and accounts in accordance with generally accepted accounting principles in the Territory and in the form and manner prescribed by Franchisor from time to time in the Manuals or otherwise in writing, as such books, records and accounts relate to the CorporateConnections Master Franchise. Master shall maintain during the term of this Agreement, and shall preserve during the term of this Agreement and for at least three (3) years thereafter (or for such longer period as required by applicable law), all records and reports submitted to Master by Subfranchisees.

11.2 **Master Franchise List.** Master must at all times maintain a current Master Franchise list ("Master Franchise List"), including all names, addresses, telephone numbers, and other contact information, of all current and prospective directors, director consultants,

Subfranchisees, Members and visitors of all Chapters, Regions and its Subfranchisees (including subsidiaries) within the Territory. The Master Franchise List shall also include all information required by Franchisor as to the relationship of each Member with Chapters and Regions within the Territory. Upon request by Franchisor, and in the form required by Franchisor, Master shall furnish the Master Franchise List to Franchisor in whatever electronic format required by Franchisor, which may be via a designated site on the Internet or intranet. Master shall ensure that all steps necessary for compliance with local privacy laws are taken to ensure that all such data transfer are legally permitted. Master will use the privacy documentation and consent forms provided to it by Franchisor for this purpose and have them reviewed for local law compliance and shall take all steps necessary to comply with local law. Master will promptly inform Franchisor of any concerns regarding legality of any data transfer under local law. All rights in the Master Franchise List (including any data related to Members) is owned by Franchisor and jointly controlled by Master. Upon termination or expiration of this Agreement for any reason, Master agrees that the Master Franchise List (including any data related to Members) will be owned solely by Franchisor and Master covenants it shall not use the data for any purpose other than for compliance with certain obligations and with prior written pre-approval from Franchisor. Master and Franchisor shall comply with the provisions of any relevant laws in the Territory concerning data protection and privacy in connection with the assignment of the Master Franchise List to Franchisor. Master acknowledges that Franchisor may share Master's performance and related data with third parties within CorporateConnections (e.g. sharing data amongst CorporateConnections masters to identify best practices) or outside of CorporateConnections, (e.g. consulting firms carrying out projects for Franchisor). Master acknowledges that Franchisor may directly contact Members in the Territory. Master understands that while it may have access to data, it (a) must also agree to the terms and conditions set forth in the Terms of Service and Privacy Policy as provided by Franchisor, and (b) must comply with any mandates contained within such Terms of Service and Privacy Policy. Master and Franchisor undertake to process personal data in accordance with the applicable laws and regulations and their data protection obligations under the Joint Controller Agreement as attached hereto as Exhibit G.

**11.3 Submission of Statements and Reports.** No later than the twentieth (20<sup>th</sup>) day of each month during the term of this Agreement, Master shall submit to Franchisor, in a format specified by Franchisor, a monthly and fiscal year-to-date revenue statement for each Subfranchised Business including Company Owned Businesses located in the Territory, a copy of all new Subfranchise Agreements or any other agreements entered into by Master, and a copy of invoices issued to Subfranchisees, as well as copies of all reports received from Subfranchisees. Master shall ensure that any reports submitted to Master by Subfranchisees in the Territory shall be forwarded to Franchisor "as is," without modification (except for any translation of such report into English), within ten (10) days after receipt by the Subfranchisee.

**11.4 Financial Statements.** Master shall, at its expense, provide to Franchisor an annual financial statement audited by a reputable independent accounting firm, within ninety (90) days after the end of each fiscal year of Master during the term hereof, or as otherwise agreed with Franchisor, showing the results of operations of Master during said fiscal year (including, without limitation, the establishment and operation of Company-Owned Businesses and the offer, sale, income from, and administration of, Subfranchised Businesses). Master agrees to submit this documentation in such format as Franchisor may reasonably request including via an electronic system/database to the extent Franchisor notifies Master of the availability of such a submission method. Additionally, Franchisor may request that Master shall submit, at its expense, quarterly and fiscal year-to-date profit and loss statements, balance sheets and statements of cash flow in the format prescribed by Franchisor. All profit and loss statements and balance sheets shall be

prepared in accordance with generally accepted accounting principles and, if requested by Franchisor, shall be submitted to Franchisor within thirty (30) days after the end of the period covered by the report. Franchisor may waive compliance with certain accounting reporting requirements if Master uses Franchisor's designated accounting software package.

11.5 **Other Items.** Master shall also submit to Franchisor, for review or auditing, such other forms, reports, records, information, and data as Franchisor may reasonably designate, in the form and at the times and places reasonably required by Franchisor, upon request and as specified from time to time in the Manuals or otherwise in writing.

11.6 **Audit.** At all reasonable times Franchisor or its designated agents may examine and copy, at Franchisor's expense, records relating to the operation of the CorporateConnections Master Franchise. Franchisor shall also have the right, at any time, to have an independent audit made of the revenue statement of Master. If an inspection should reveal that any payments have been understated in any report to Franchisor, then Master shall immediately pay Franchisor the amount understated upon demand, in addition to all late fees and interest from the date such amount was due until paid, at the rate specified in Section 3.11.6 of this Agreement. If an audit shows Master's records to be understated or otherwise inaccurate in any report by two percent (2%) or more, Master shall, in addition to any additional fees due to Franchisor, reimburse Franchisor for any and all costs and expenses connected with the audit (including, without limitation, travel, lodging, expenses, and reasonable accounting and legal costs). The foregoing remedies shall be in addition to any other remedies Franchisor may have.

11.7 **Subfranchisee Documentation.** Master shall submit to Franchisor any reports or documentation required under Sections 3.11.1, 3.11.3, 7.11 and 7.12 hereof.

11.8 **English Language.** Master shall prepare and submit all financial statements and other reports required under this Agreement at its own expense, in the English language. Master shall ensure that Franchisor has the absolute right to use and publish all information reported under this Section 11, whether as part of Franchisor's franchise sales/disclosure process or otherwise.

## 12. ADVERTISING

12.1 **Generally.** Master shall conduct all advertising and promotion in a dignified manner and shall conform to Franchisor's standards and requirements as set out in the Manuals. Franchisor shall have the right to require Master to submit samples of all proposed advertising and promotional plans and materials (including an accurate translation in the English language, to the extent that such materials are prepared in a language other than English) for Franchisor's prior written approval. Master acknowledges and agrees that any and all intellectual property in relation to advertising and promotional materials developed by or on behalf of Master will be the sole property of Franchisor, and Master shall execute such documents (and, if necessary, require its independent contractors to execute such documents) as may be deemed reasonably necessary by Franchisor to give effect to this provision. If so required, Master shall, at its own cost, submit all advertising and promotional materials (whether or not prepared by Franchisor) to the appropriate government agencies for review and approval. If any such government agency requires Master to revise such advertisement or promotional materials, Master shall submit such revised advertisement or promotional materials to Franchisor for review and approval under the procedures set forth in this Section.

**12.2 Use of Proprietary Marks in Advertising.** In all advertising and promotion, Master shall use the Proprietary Marks only in accordance with the terms and conditions of Section 4 of this Agreement.

**12.3 Global Marketing and Technology Fee.** Franchisor or its designee maintains the Global Marketing and Technology Fee as follows:

12.3.1 Franchisor or its designee shall direct all advertising programs, as well as all aspects thereof, including the concepts, products, materials, and media used in such programs and the placement and allocation thereof. Franchisor or its designee will also have the right to direct all technological enhancements and developments for the System. The Global Marketing and Technology Fee is intended to maximize general public recognition, acceptance, perception of, and use of the System; and neither Franchisor nor its designee are obligated, in administering the Global Marketing and Technology Fee, to make expenditures for Master which are equivalent or proportionate to Master's contribution, or to ensure that any particular Master or Franchisee benefits directly or pro rata from expenditures by the Global Marketing and Technology Fee. Franchisor is not required to expend any particular amount of money in Master's Territory.

12.3.2 The Global Marketing and Technology Fee, all contributions thereto, and any earnings thereon, shall be used exclusively (except as otherwise provided in this Section) to meet any and all costs of exploring and/or implementing technological developments and enhancements, and maintaining, administering, directing, conducting, creating and/or otherwise preparing advertising, marketing, public relations and/or promotional programs and materials, and any other activities which Franchisor believes will enhance the image of the System, including the costs of conducting research on new technologies, preparing and/or conducting: media advertising campaigns; social media campaigns; direct mail advertising; marketing surveys and other public relations activities; employing advertising and/or public relations agencies to assist therein; brand research and development; developing and hosting marketing, brand development and enhancement, and customer engagement seminars for CorporateConnections subfranchisees, franchisees and/or masters; purchasing promotional items; developing new or modified trade dress and marks; design and photographs; conducting and administering visual merchandising, and other merchandising programs; purchasing media space or time (including all associated fees and expenses); administering regional and multi-regional marketing and advertising programs; market research and customer satisfaction surveys; the creative development of, and actual production associated with, premium items, giveaways, promotions, contests, public relation events, and charitable or non-profit events; developing, implementing and maintaining an electronic commerce website, online social media platforms, mobile apps and operating management systems; and/or related strategies; maintaining and developing one or more websites devoted to the System, the Marks and/or the "CorporateConnections" brand; providing promotional and other marketing materials and services to the CorporateConnections Franchises operated under the System; and the salaries of Franchisor's employees to the extent such employees provide services in conjunction with System marketing activities. The Global Marketing and Technology Fee may also be used to provide rebates or reimbursements to CorporateConnections franchisees for local expenditures on products, services, or improvements, approved in advance by Franchisor, which products, services, or improvements Franchisor shall have the right to determine will promote general public awareness and favorable support for the System. Master acknowledges that the Global

Marketing and Technology Fee may include solicitations for the sale of CorporateConnections Franchises in the advertising, marketing and promotional programs and materials the Global Marketing and Technology Fee produces and distributes.

12.3.3 Master acknowledges that Franchisor may engage in joint marketing and technological development activities with BNI Franchising, LLC. Master also acknowledges that Franchisor may use Global Marketing and Technology Fee contributions to, among other things, pay for marketing and promotional activities and/or implement technological developments and enhancements for the CorporateConnections Franchise and the BNI Franchise, such as each system's websites, online social media platforms, mobile apps, and operating management systems.

12.3.4 Master shall pay the Global Marketing and Technology Fee in the manner specified in Section 3.8 above. Franchisor shall have the right to charge the monies paid for the Global Marketing and Technology Fee for such reasonable administrative costs and overhead as Franchisor may incur in activities reasonably related to the direction and implementation of marketing and technology programs for CorporateConnections franchisees and the System, including costs of personnel for creating and implementing, advertising, merchandising, promotional and marketing programs and accounting services reasonably related to the operation and functions of such marketing and technology programs. Franchisor or its designee shall maintain separate bookkeeping accounts for the Global Marketing and Technology Fee.

12.3.5 The Global Marketing and Technology Fee is not intended to be, and will not be, used for Franchisor's ordinary operating expenses, nor is it a trust, and Franchisor does not assume any fiduciary obligation to Master for maintaining, directing or administering the Global Marketing and Technology Fee or for any other reason. A statement of the operations of the Global Marketing and Technology Fee as shown on Franchisor's books may be prepared annually by Franchisor and if prepared shall be made available to Master on an annual basis.

12.3.6 Although the Global Marketing and Technology Fee is intended to be of perpetual duration, Franchisor maintains the right to terminate the requirement for Master to remit the Global Marketing and Technology Fee. The Global Marketing and Technology Fee shall not be terminated; however, until all monies paid up until the point of termination of the Global Marketing and Technology Fee have been expended for advertising, promotional and/or technological purposes.

### **13. INDEPENDENT CONTRACTOR AND INDEMNIFICATION**

13.1 Master and Franchisor acknowledge and agree that this Agreement does not create a fiduciary relationship between Master and Franchisor, that Master is an independent contractor. Nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venture, partner, employee, or servant of the other for any purpose whatsoever.

13.2 During the term of this Agreement, Master shall hold itself out to the public as an independent contractor operating pursuant to this Agreement. Master shall take such actions as necessary to satisfy its obligations under this provision.

13.3 Master understands and agrees that nothing in this Agreement authorizes Master to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name; and that Franchisor will in no event assume liability for, or be deemed liable as a result of, any such action, or by reason of any act or omission of Master or any claim or judgment arising therefrom.

13.4 Franchisor does not regulate the hiring or discharge of Master's employees, officers, independent contractors or agents, the parties from whom Master may accept business, the working conditions, wages or terms of employment, of Master's employees, officers, independent contractors or agents of Master's contracts with customers, suppliers or others.

13.5 Master shall indemnify and hold Franchisor and its Affiliates, and their respective officers, directors, shareholders, agents, and employees harmless against any and all such claims, proceedings or causes of action arising directly or indirectly from, as a result of, or in connection with Master's activities hereunder (including, without limitation, the establishment and operation of Company-Owned Businesses, contact with prospective Subfranchisees, the Subfranchise Agreements, the Subfranchisees, and the offer, sale, establishment and/or operation of Franchised Businesses), as well as the costs, including attorneys' fees, of defending against such claims, proceedings or causes of action. Master shall indemnify and hold Franchisor and its affiliates, and their respective officers, directors, shareholders, agents, and employees harmless against any and all claims, proceedings, fines, penalties, taxes, expenses, costs, losses or damages (including reasonable attorneys and accounting fees or expenses), resulting from any claim, demand or cause of action arising directly or indirectly from, as a result of, or in connection with Master's activities hereunder (including, without limitation, its or its Subfranchisees' Chapters activities, the establishment and operation of Company-Owned Businesses, contact with prospective Subfranchisees, the Subfranchise Agreements, the Subfranchisees, and the offer, sale, establishment, operation, and/or termination of Franchised Businesses), including any claim, demand or cause of action asserted against Franchisor or its affiliates on the basis of theories of vicarious liability such as agency, apparent agency, employment or joint employment, subsidiary or indirect liability arising out of all country, regional and/or local laws and regulations governing commercial concession agreements, wherever the action or proceeding is instituted, as well as the costs, including attorneys' fees, of defending against such claims, proceedings or causes of action. Master shall also defend Franchisor and its affiliates against the same anywhere in the world, except that Franchisor may use its own legal counsel and (to the extent permitted by any applicable law) control any matter in which Franchisor or its affiliates are named or directly affected, for which legal fees, costs and expenses the Master shall reimburse Franchisor. Where applicable law does not allow Franchisor to control the matter, Franchisor shall have the right to nominate legal counsel of its sole choice to review all correspondence, submissions and other documents in advance and to request such amendments and alternations to the same as are necessary to protect the rights and interests of Franchisor. This indemnification shall survive termination or expiration of this Agreement.

13.6 Master will be responsible for indemnification and compensation for loss of goodwill, loss of profit, loss of business opportunity consequential damages or other direct or indirect damages or loss of whatever nature, following termination, expiration or transfer of this Agreement if and as allowed for under the provisions of this Agreement.

13.7 Master must promptly notify Franchisor of any suspected unauthorized disclosure of the Confidential Information or suspected unauthorized use of Franchisor's patents, patent applications, trademarks, copyrights and other intellectual property rights, any challenge to the

validity of the Franchisor's Confidential Information, patents, patent applications, trademarks, copyrights and other intellectual property rights (collectively, "Franchisor's IP"), or any challenge to Franchisor's ownership of, Franchisor's right to use and to license others to use, or Master's right to use or any Subfranchisee's right to use Franchisor's IP. Master acknowledges that Franchisor has the sole right, though not the obligation, to direct and control any administrative proceeding or litigation involving Franchisor's IP, including any settlement thereof. Franchisor also has the right, but not the obligation, to take action against uses by others that may constitute infringement of Franchisor's IP. Franchisor has the right, though not the obligation, to defend Master against any third-party claim, suit, or demand arising out of Master's use of Franchisor's IP. In such circumstances, if Franchisor, in Franchisor's sole discretion, determines that Master has used Franchisor's IP in accordance with this Agreement, Franchisor shall bear the cost of such defense, including the cost of any judgment or settlement. If Franchisor, in Franchisor's sole discretion, determines that Master has not used Franchisor's IP in accordance with this Agreement, Master shall bear the cost of such defense, including the cost of any judgment or settlement. In the event of any litigation relating to Master's use of Franchisor's IP, Master shall execute any and all documents and do such acts that Franchisor deems necessary to carry out such defense or prosecution including, without limitation, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of Master's use of Franchisor's IP in a manner not in accordance with this Agreement, Franchisor agrees to reimburse Master for Master's out-of-pocket costs in performing such acts.

## **14. SALE OR TRANSFER**

**14.1 Transfer by Franchisor.** Franchisor and its owners may transfer or assign all or any part of its rights or obligations herein and any or all of its ownership interests to any person or legal entity without the consent of Master or Subfranchisees. In the event of such an assignment, Master shall continue to meet its obligations and operate the CorporateConnections Master Franchise in the Territory for the remaining period of the agreement under the terms of this Agreement.

### **14.2 Transfer by Master:**

**14.2.1** Master understands and acknowledges that the rights and duties set forth in this Agreement are personal to Master, and that Franchisor has granted this franchise in reliance on the business skill, financial capacity, and personal character of the owners of Master. Accordingly, neither Master nor any immediate or remote successor to any part of Master's interest in this Agreement, nor any individual, partnership, corporation, or other legal entity which directly or indirectly owns any interest in Master and/or this Agreement shall sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any direct or indirect interest in this Agreement or in Master (including any direct or indirect interest in Master), or in substantially all of Master's assets, without Franchisor's prior written consent. Master shall not register or approve any such transfer or take any steps with respect to such sale, assignment, transfer, conveyance, giving away, pledge, mortgage or encumbrance without the Franchisor's prior written consent. Franchisor's written consent is required prior to any transfer of interest or sale of assets, even if the transaction is between the current owners of Master and/or the guarantors of this Agreement. Any purported assignment or transfer, by operation of law or otherwise, not having Franchisor's prior written consent as required by this Section 14.2.1 will be null and void and will constitute a fundamental breach of this Agreement, for which Franchisor may terminate without opportunity to cure pursuant to Section 15.2 of this Agreement.

14.2.2 Franchisor may consent to the proposed transfer in its reasonable business judgment and upon strict compliance with, but not limited to, the following as conditions, which conditions Master agrees are reasonable:

- a. Master must satisfy all of Master's accrued monetary obligations and all other outstanding obligations to Franchisor and its affiliates;
- b. Master must not be in default of any material provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Master and Franchisor, or its affiliates;
- c. Master must submit a copy of the proposed sale agreement between transferor and transferee, such agreement must be presented in the English language.
- d. The transferor must execute a general release under seal, in a form satisfactory to Franchisor, of any and all claims against Franchisor and/or its officers, directors, shareholders, and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, provincial, and local laws, rules, and ordinances;
- e. The proposed transferee must enter into a written assignment, under seal and in a form satisfactory to Franchisor, assuming and agreeing to discharge all of Master's obligations under this Agreement;
- f. The proposed transferee and/or its owners must not be an existing Master Franchisee of CorporateConnections and must complete a standard criminal history background check and a financial background check to the satisfaction of Franchisor;
- g. The proposed transferee must demonstrate to Franchisor that it: (i) can meet Franchisor's educational, managerial, and business standards; (ii) possesses a good moral character, business reputation, and credit rating; (iii) has the aptitude and ability to conduct the business licensed hereunder (as may be evidenced by prior related business experience or otherwise); and (iv) has adequate financial resources and capital to operate said business;
- h. If the transferee is an entity, then the owners of a beneficial interest in the transferee must execute a guarantee of the performance of Master's obligations under this Agreement in the form appended hereto as Exhibit B.
- i. At the transferee's expense, the transferee (or if the transferee is an entity, a principal of the entity designated to supervise the business contemplated hereunder, who shall have been previously approved by Franchisor) must successfully complete any training programs then in effect for Master upon such terms and conditions as Franchisor may reasonably require;
- j. Master or the proposed transferee must pay a nonrefundable application fee, in the Specified Currency of an amount equal to Five Thousand U.S

Dollars (\$5,000) (“Application Fee”) along with a current application in the form designated by Franchisor. The Application Fee is subject to change at the sole discretion of Franchisor. If the application from the proposed assignee is approved by Franchisor and a Transfer Fee is remitted as required below, then the Application Fee will be applied as a partial payment of the Transfer Fee;

- k. Master must pay to Franchisor a transfer fee in the amount of ten percent (10%) of the sales price (inclusive of any non-cash consideration using market valuation) or the Renewal Fee, whichever is more (the “Transfer Fee”). Master agrees that the Transfer Fee is reasonably required to cover Franchisor’s expenses relating to the transfer. Master will also be responsible for any third-party broker fees associated with the transaction (for which Franchisor will not be responsible in any manner); in the event of a transfer between two or more partners or owners of Master, the remaining partner(s)/owner(s) must pay the Transfer Fee.
- l. Master and/or its owners must have first offered to sell such interest to Franchisor, pursuant to Section 14.4 of this Agreement, on the same terms as being offered by a third party identified by the Master and/ or its owners;
- m. If Master authorizes Franchisor to assist Master in selling the Territory, Master shall enter into any territory resale agreement or any other documentation that Franchisor requires;
- n. Master must comply with all post-term obligations under this Agreement, including without limitation, those related to non-competition, confidentiality and other restrictive covenants; and
- o. If transferee is comprised of multiple interests there shall be at all times one owner of at least fifty- one percent (51%) of the controlling/voting shares of the corporation or at least fifty-one percent (51%) controlling/voting interest in the limited liability company or (limited) partnership. This Section shall not be subverted by contract or otherwise.

14.2.3 Master acknowledges and agrees that each condition which must be met by the transferee is necessary to ensure such transferee’s full performance of the obligations hereunder.

**14.3 Offer of Securities or Ownership Interests by Master.** All materials required for any offer or sale of securities or ownership interests of Master (or any entity that owns or is affiliated with Master) shall be submitted to Franchisor for review, approval, and consent, prior to their being filed with any government agency; and any materials to be used in any offering not requiring government approval shall be submitted to Franchisor for review, approval, and consent prior to their use. No such offering can imply (by use of the Proprietary Marks or otherwise) that Franchisor is participating as an underwriter, issuer, or offeror of Master’s or Franchisor’s securities; and Franchisor’s review of any offering will be limited solely to the subject of the relationship between Master and Franchisor. Master and the other participants in the offering shall fully indemnify Franchisor in connection with the offering. For each proposed offering, Master shall reimburse Franchisor for its reasonable costs and expenses associated with reviewing the

proposed offering, including, without limitation, legal and accounting fees. Master shall give Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Section 14.3. Master shall offer Franchisor a right of first refusal to any such offering, as set forth in Section 14.4 of this Agreement. Any such offer shall not subvert the intention of Section 14.2.2 (m).

#### **14.4 Right of First Refusal**

14.4.1 Any party: (a) holding any interest in Master, the transfer of which interest (alone, or taken together with any previous or planned transfers) would have the effect of transferring control of Master; (b) holding any interest in substantially all of the assets of the CorporateConnections Master Franchise; or (c) proposing to transfer a material right or obligation arising hereunder; desires to accept any bona fide offer from a third party to purchase such right, obligation, or interest, the Master shall not register or approve any such transfer or take any steps in respect of such offer unless the Master has notified Franchisor in writing of each such offer, and shall provide such information and documentation relating to the offer as Franchisor may require, including, without limitation, an executed written offer from the prospective purchaser signed by both the prospective purchaser and the Franchisee, an application completed by the prospective purchaser to become a master franchisee; the price of the offer, all material terms of the offer that an investor would need to make a decision regarding whether to proceed with an investment, including but not limited to any promissory notes or other financing terms and all exhibits to the offer and a confidentiality covenant by Master and the prospective buyer, to which Franchisor shall be an intended third party beneficiary. Franchisor shall have the right and option, exercisable within sixty (60) days after receipt of such written notification, to send written notice to the seller and Master that Franchisor intends to purchase the seller's right, obligation, or interest on the same price of offer and financing terms and conditions offered by the third party. For the avoidance of doubt, Franchisor shall not be required to match any other terms in the offer, nor the type of agreement proposed. If the Franchisor exercises its right, it shall offer an asset purchase agreement, regardless of the type of agreement the prospective purchaser offered to Master. Reasonably requested information includes, but is not limited to, proposed purchaser's proof of funds and personal financial statements. If Application Fee is not received, then the 60 days will start once the Application Fee is received by Franchisor. If Franchisor elects to purchase the seller's right, obligation, or interest, closing on such purchase must occur within sixty (60) days from the date of notice to the seller of the election to purchase by Franchisor. Any material change in the terms of any offer prior to closing will constitute a new offer subject to the same rights of first refusal by Franchisor as in the case of an initial offer. Failure of Franchisor to exercise the option afforded by this Section 14.4 will not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 14, with respect to a proposed transfer. If the proposed sale includes assets of Master not related to the operation of the CC Franchise, Franchisor may elect to purchase only the assets related to the operation of the CC Franchise and an equitable purchase price will be allocated to each asset included in the proposed sale. An offer from a third party includes any transfer, conveyance, assignment, consolidation, merger or any other transaction in which legal or beneficial ownership of the CC Franchise granted by this Agreement is vested in someone or some entity other than Master.

14.4.2 If the consideration, terms, and/or conditions offered by a third party are such that Franchisor may not reasonably be required to furnish the same consideration,

terms, and/or conditions, then Franchisor may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within a reasonable time on the cash consideration, Franchisor shall designate an independent chartered accountant to value the Franchisee's business, and said chartered accountant's determination will be binding. The cost of such a valuation shall be evenly shared between Franchisor and Master, and Master agrees to make payment thereof before closing, or Franchisor may deduct one-half (½) of the cost of such valuation from the amount paid to seller. Franchisor shall not be liable for paying any broker's or finder's fee.

**14.5 Transfer upon Death or Mental Incapacity.** To the extent Master (or the majority owner of the Master) becomes disabled and cannot perform the operation of the CorporateConnections Master Franchise or dies, the Master (if disabled but still of sound mind), the legal representative of the Master or the descendant may do one of the following (provided notice is given to Franchisor within six (6) months of disability or death): First, they may propose to assign the CorporateConnections Master Franchise to the heirs of Master, if the proposed assignee(s) comply with all training and other requirements outlined by Franchisor within six (6) months of the date of the death or disability; assume all obligations of this Agreement or execute Franchisor's then-current master franchise agreement, as required by Franchisor; and execute a new unconditional guarantee in the form then currently used by Franchisor. Franchisor in any event shall have the right to reasonably deny such proposed assignment. Alternatively, they may sell the CorporateConnections Master Franchise pursuant to this Agreement. To the extent that the Master is not an individual and the majority owner of the CorporateConnections Master Franchise dies or becomes disabled, the Master must replace the majority owner with a person suitable to Franchisor who meets the criteria hereunder within six (6) months, or Franchisor may terminate this Agreement. If the CorporateConnections Master Franchise is not transferred or sold within six (6) months of the disability or death of the Master, Franchisor may terminate this Agreement.

**14.6 Transfer to a Corporation, Limited Liability Partnership.** If Master is an individual and desires to assign its rights under this Agreement to a corporation, limited liability partnership, or any other type of entity, and if all of the following conditions are met, Franchisor will consent to the transfer without assessing the fees set forth in Sections 14.2.2(i) and (j), and such assignment will not be subject to Franchisor's right of first refusal set forth in Section 14.4 hereof if:

14.6.1 Master shall pay to Franchisor an administrative fee, in the Specified Currency, in an amount equal to Five Thousand U.S Dollars (\$5,000);

14.6.2 The corporation or limited liability partnership is newly organized and its activities are confined to operating the Franchised Business;

14.6.3 Franchisee is, and at all times remains, the owner of at least fifty one percent (51%) of the controlling/voting shares of the corporation or at least fifty one percent (51%) controlling/voting interest in the limited liability partnership. This Section shall not be subverted by contract or otherwise.

14.6.4 Master shall reside in the Region as described herein and shall devote his personal full-time attention and efforts to the management and operation of the Franchised Business.

14.6.5 The corporation or limited liability partnership agrees in writing to assume all of Master's obligations hereunder; and

14.6.6 All shareholders of the corporation, or members and managers of the limited liability partnership, as applicable, must execute Franchisor's prescribed form of personal guaranty and be in compliance with the training requirements.

14.7 **Non-Waiver of Claims.** Franchisor's consent to a transfer of any interest in the franchise granted herein will not constitute a waiver of any claims it may have against the transferring party, nor will it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee. Any transferee of the interest in the CorporateConnections Master Franchise may be required to enter into the then current form of master franchise agreement with Franchisor, which may be materially different from the prior form.

## 15. DEFAULT AND TERMINATION

15.1 **Automatic Termination.** Master will be deemed to be in default of this Agreement, and Franchisor may, at its option, terminate this Agreement and all rights granted herein automatically without notice to Master, if Master becomes insolvent; or enters into liquidation (whether compulsory or voluntarily); or makes a general assignment for the benefit of creditors; or proceedings for a composition with creditors under any applicable law should be instituted by or against Master or a petition in bankruptcy is filed by Master or such a petition is filed against and not opposed by Master; or Master is adjudicated as bankrupt or insolvent or a bill in equity or other proceeding for the appointment of a receiver of Master or other custodian for Master's business or assets is filed and consented to by Master or a receiver or other custodian (permanent or temporary) of Master's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or Master takes any similar action in consequence of debt.

15.2 **Termination With Notice and Without Opportunity to Cure.** Master will be deemed to be in default of this Agreement, and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Master any opportunity to cure the default, effective immediately upon delivery of notice by Franchisor to Master's address listed herein (or any amended address for which Franchisor was given written notice), the last home/office address of which Master has notified Franchisor in writing, or by the last email address at which Master acknowledged receipt of email, upon the occurrence of any of the following events:

15.2.1 Failure to Comply with the Development Schedule. If Master fails to comply with its obligations as set out under the Development Schedule and fails to cure such breach within nine (9) months after Franchisor provides written notice of the default to Master.

15.2.2 Abandonment. If Master at any time ceases to operate or otherwise abandons the CorporateConnections Master Franchise without the prior written consent of Franchisor at any time during the term of this Agreement.

15.2.3 Criminal Acts. If Master or any principal, shareholder or member/manager, as applicable, of Master is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect upon the CorporateConnections Master Franchise, the Marks, the goodwill associated therewith, or Franchisor's interest therein.

15.2.4 Fraud and Misrepresentation. If Master or any of Master's principals, shareholders or members/managers, as applicable, commit any fraud or misrepresentation in the operation of the CorporateConnections Master Franchise or make any misrepresentations, misstatements or omissions in connection with Master's master franchise application, including, without limitation, any financial misrepresentation.

15.2.5 Unauthorized Transfer. If any transfer is made without Franchisor's prior written consent, contrary to the terms of Section 14 hereof.

15.2.6 False Books, Records or Reports. If Master knowingly maintains false books or records, or knowingly submits any false or fraudulent reports, statement or documents to Franchisor.

15.2.7 Failure to Complete Training. If Master fails to comply with the training requirements as provided in Section 8 hereof.

15.2.8 Misuse of Confidential Information. If, contrary to the terms of Sections 5 or 9 hereof, Master discloses or divulges the contents of the Manuals, any trade secrets, or other Confidential Information of Franchisor, or Master intentionally misuses or misappropriates any portion of the System or engages in unfair competition in violation of this Agreement.

15.2.9 Misuse of the Marks. If Master contests Franchisor's ownership of the Marks, or misuses or makes any unauthorized use of the Marks or any other identifying characteristics of the System, or otherwise materially impairs the goodwill associated therewith or Franchisor's rights therein.

15.2.10 Repeated Defaults. If Master receives two (2) or more written notices to cure pursuant to Section 15.3 in any twelve (12) month period.

15.2.11 Breach of Covenants. If Master violates any of the in-term covenants set forth in this Agreement, including, without limitation, those related to non-competition.

15.2.12 Repeated Complaints by Subfranchisees. If Master is the subject of three (3) or more complaints to Franchisor from Subfranchisees or Members in any twelve (12) month period and fails to properly and effectively handle such complaints within a thirty (30) day cure period, then Franchisor may terminate without additional notice to Master. Any such complaints must be legitimate complaints as reasonably determined by Franchisor; however, Master may request that Franchisor convene an advisory board of other CorporateConnections masters to determine the legitimacy of any such complaints.

15.2.13 Violation of Law. If Master fails to comply with Section 7.13 or any other provision of this Agreement related to Master's obligation to comply with all laws and regulations with respect to the establishment and operation of the Franchised Businesses within the Territory.

15.2.14 Liens. If a levy or writ of attachment or execution or any other lien is placed against Master or any of Master's principals, owners, shareholders or

members/managers, as applicable, or any of their assets, and such levy, writ, or lien is not released or bonded against within thirty (30) days.

15.2.15 Failure to Obtain Prior Written Approval. If Master fails or refuses to obtain Franchisor's prior written approval or consent as required by this Agreement and any other agreement between the parties hereto.

15.2.16 Breach of Other Agreements. If Master or any of Master's owners materially breach any other agreement with Franchisor or any of Franchisor's affiliates, or threaten any material breach of any such agreement, and fail to cure such breach within any permitted period for cure.

15.2.17 Master's actions, in the business judgment of Franchisor, threaten or endanger the health and safety of its Members.

**15.3 Termination Upon 30 Days' Notice to Cure.** Except as provided in Sections 15.1 and 15.2 hereof, Franchisor may terminate this Agreement only by giving written notice of termination stating the nature of such default to Master at least thirty (30) days prior to the effective date of termination. Master may avoid termination by immediately initiating a remedy to cure such default, curing it to Franchisor's satisfaction and providing proof thereof to Franchisor within the thirty (30) day period. If any such default is not cured within the specified time, this Agreement will terminate without further notice to Master, effective immediately upon the expiration of the specified time period. Master will be in default hereunder for any failure to comply with any of the requirements imposed by this Agreement, as it may from time to time be amended or reasonably be supplemented by the Manuals, or any failure to carry out the terms of this Agreement in good faith. Such defaults include, without limitation, the occurrence of any of the following events:

15.3.1 Failure to Enforce Subfranchise Agreements. Master's failure or refusal to enforce any Subfranchise Agreement according to its terms or the standards and specifications prescribed by Franchisor for the establishment and operation of Businesses.

15.3.2 Nonpayment. Master's failure to pay when due amounts it owes Franchisor or Franchisor's Affiliates;

15.3.3 Reporting Obligations. Master's failure to submit reports or financial or other information required under this Agreement for any two (2) reporting periods within any twelve (12) month period, as described in Section 11 hereof.

15.3.4 Failure to Comply with System. Master's failure to comply with the System or the Manuals.

15.3.5 Under-reporting of Gross Revenue. Master's misreporting of Gross Revenue as revealed by an audit that shows an understatement of Royalty or other fees by more than two percent (2%).

15.3.6 Other Conduct Reflecting Adversely on the System. Conduct by any owner or guarantor which, although not criminal, reflects adversely on the System, the Proprietary Marks, or the services or products offered through the System.

15.4 **Licenses and Permits.** Master's failure to procure or maintain any licenses, certifications, or permits necessary for the operation of the CorporateConnections Master Franchise. No right or remedy herein conferred upon or reserved to Franchisor is exclusive of any other right or remedy provided or permitted by law.

15.5 **Step In Rights.** In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right or any other rights Franchisor may have against Master, upon a failure to cure any default within the applicable time period (if any), Franchisor has the right, but not the obligation, to exercise complete authority with respect to the operation of the Franchised Business until such time as Franchisor determines, in Franchisor's sole discretion, that the default has been cured and Master is otherwise in compliance with this Agreement. In the event Franchisor exercises the rights described in this Section, Master must reimburse Franchisor for all reasonable costs and overhead, if any, incurred in connection with Franchisor's operation of Master's Franchised Business including, without limitations, costs of personnel for supervising and staffing the Franchised Business and their travel and lodging accommodations. If Franchisor undertakes to operate the Franchised Business pursuant to this Section, Master agrees to indemnify and hold Franchisor (and Franchisor's representative(s) and employee(s) harmless from and against any fines, claims, suits or proceedings which may arise out of Franchisor's operation of the Franchised Business.

15.6 **Nonwaiver.** Franchisor's delay in exercising or failing to exercise any right or remedy under this Agreement or Franchisor's acceptance of any late or partial payment due hereunder shall not constitute a waiver of any of Franchisor's rights or remedies against Master.

15.7 **Cross-Default.** Any material default by Master under this Agreement, shall constitute a default under any other agreement between Master and Franchisor (including agreements between Master and Franchisor's affiliate BNI Franchising LLC), which shall entitle Franchisor to terminate any other agreement between Master and Franchisor. Furthermore, any material default of any other agreement between Master and Franchisor or any of Franchisor's affiliates and subsidiaries shall entitle Franchisor to terminate immediately this Agreement without affording Master an opportunity to cure the default, effective immediately upon delivery of notice by Franchisor to Master. To the extent that there is a conflict between any of the agreements to be terminated and this Agreement, the terms of this Agreement shall control.

15.8 **Loss of Exclusivity.** Franchisor may, in addition to any other rights under this Agreement (including under Section 15.2.1), terminate all of Master's development rights within the Territory as described in Section 1 of this Agreement (collectively, the "Development Rights") immediately if : (a) Master fails to comply with its obligations as set out under the Development Schedule and fails to cure such breach within nine (9) months after Franchisor provides written notice of the default to Master; or (b) if Master fails to timely pay any portion of the Master Franchise Fee. Upon such termination, Master shall still provide the ongoing training, assistance, and other support services set forth in this Agreement to all Company-Owned Businesses and Franchised Businesses existing within the Territory as of the date the Development Rights are terminated, and shall still collect royalties and other fees under any Subfranchise Agreement that Master enters into prior to Franchisor's termination of the Development Rights. Upon termination of the Development Rights, such rights will immediately revert back to Franchisor, at which time Franchisor may immediately exercise, or license any third party the right to exercise, such Development Rights within the Territory (subject to any territorial protection that has been granted under any valid and existing Subfranchise Agreement).

## 16. OBLIGATIONS UPON TERMINATION, EXPIRATION OR TRANSFER

16.1 Upon termination, expiration or transfer of this Agreement, all rights granted to Master hereunder immediately terminate and unless expressly agreed to by Franchisor otherwise:

16.1.1 Master shall immediately cease to operate the CorporateConnections Master Franchise and shall immediately cease to solicit or provide service to Subfranchisees, and shall not at any time thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee, developer, or master of Franchisor.

16.1.2 Master: (a) shall immediately cease to solicit prospective Subfranchisees and shall cease having contact with existing Subfranchisees; (b) shall not enter into any new Subfranchise Agreements with new Subfranchisees nor any amendments to Subfranchise Agreements with then-existing Subfranchisees; and (c) shall not exercise any right or perform any obligation under the Subfranchise Agreements except with the express prior written consent of Franchisor.

16.1.3 Master shall immediately and permanently cease to use, in any manner whatsoever, any trade secrets, confidential methods, procedures, and techniques associated with the System in the Territory, or elsewhere; the Proprietary Marks; and all other proprietary marks and distinctive forms, slogans, signs, symbols, and devices associated with the System in the Territory, or elsewhere (including, without limitation, the CorporateConnections mark, or any variation of the Proprietary Marks, including transliterations, translations, or phonetic versions). In particular, and without limiting the foregoing, Master shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms, and any other articles which display the Proprietary Marks. Master further agrees that in the event of a termination, expiration or transfer of this Agreement for whatever cause, Master shall execute and deliver such documents as may be required by Franchisor and Master shall in good faith cooperate with Franchisor to give effect to this Section 16, including without limitation, documents necessary to cancel any trademark license and/or user agreement that has been filed with any governmental body in the Territory.

16.1.4 Master shall make such modifications or alterations to any premises of the CorporateConnections Master Franchise (including, without limitation, the changing of the telephone numbers) immediately upon the termination, expiration or transfer of this Agreement as may be necessary to distinguish the appearance of any premises from that of Businesses under the System, and shall make such specific additional changes thereto as Franchisor may reasonably request for that purpose.

16.1.5 Master agrees, if it continues to operate or subsequently begins to operate any other business, not to use any reproduction, counterfeit, copy, or colorable imitation of the Proprietary Marks, in connection with either such other business or the promotion thereof, that is likely to cause confusion, mistake, or deception, or that is likely to dilute Franchisor's rights in and to the Proprietary Marks, and further agrees not to use any designation of origin or description or representation that suggests, implies, or represents a past or present association or connection with Franchisor.

16.1.6 Master shall promptly pay all sums owing to Franchisor and its Affiliates in the Specified Currency only, unless an alternate form of currency is specified by Franchisor.

16.1.7 Master shall pay Franchisor all damages, costs, and expenses, including reasonable legal fees, incurred by Franchisor subsequent to the termination, expiration or transfer of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Section 16.

16.1.8 Master shall immediately deliver to Franchisor all manuals, including the Manuals (and any translated copies of the Manuals and other copies, even if made in violation of this Agreement), and all other records and reports, correspondence, and instructions containing trade secrets or Confidential Information of Franchisor.

16.1.9 Master shall, at its own expense: (a) immediately deliver to Franchisor any and all materials, agreements, amendments, correspondence, and records relating to the Subfranchise Agreements, Subfranchisees, and any prospective Subfranchisees with whom Master has had contact; (b) cooperate fully with Franchisor, at Master's expense, in any subsequent interaction between Franchisor and the Subfranchisees; and (c) transfer to Franchisor all prepayments collected from a Subfranchisee and/or Member relating to any advertising or technology fund, any promissory note payments due pursuant to any Subfranchise Agreement, or any other prepaid deposits or other payments collected by Master from Subfranchisees and/or Members. Master must also immediately contact and work with Franchisor to prepare a statement or notice that Franchisor approves to all Subfranchisees regarding the termination or expiration of this Agreement, which may not be distributed or communicated in any manner without Franchisor's prior consent.

16.1.10 At Franchisor's option, Master must assign or otherwise transfer all of its interests, rights in all existing Subfranchise Agreements and any supplier contracts to Franchisor or its designee without payment of any compensation.

16.1.11 At Franchisor's option, Franchisor or its designee will have the right to purchase any Company-Owned Business(es) operated by an Affiliate of Master.

16.1.12 Master agrees to execute such documents, as Franchisor deems necessary in order to implement this Section 16 (including all assignments required under Sections 14).

16.1.13 Franchisor may, if Master fails or refuses to do so, execute in Master's name and on its behalf, any and all documents necessary to affect the Attorney-in-Fact Obligations of Master under this Agreement, and Master hereby irrevocably appoints Franchisor as its attorney-in-fact to do so. While it is difficult to address every situation where such a measure would be required, by way of example only, "Attorney-in-Fact Obligations" shall include Master's obligations following termination of this Agreement.

**16.2 Franchisor's Rights Not Prejudiced.** The expiration, termination or non-renewal of this Agreement for any reason shall be without prejudice to Franchisor's rights against Master and such expiration, termination or non-renewal shall not relieve Master of any of its obligations to Franchisor existing at the time of expiration, termination or non-renewal, including claims for

damages arising directly or indirectly out of any breach or default, nor shall it terminate those obligations of Master which by their nature survive the expiration, termination or non-renewals of this Agreement.

16.3 **Survival.** This Article shall survive the termination or expiration of this Agreement.

## 17. COVENANTS

17.1 **Covenants Not to Compete Reasonable.** Master acknowledges that, as a participant in the CorporateConnections franchise system, Master will receive business and confidential information and materials, trade secrets, and the unique methods, procedures and techniques developed by Franchisor. Therefore, to protect Franchisor and all CorporateConnections Franchisees of every type and kind, Master agrees that the provisions in this Section 17 are reasonable and necessary, and constitutes Franchisor's protectible business interest.

17.2 **Manuals and Confidential Information.** During the Term of this Agreement or any time thereafter, Master shall not (except as otherwise contemplated by this Agreement) communicate, divulge or use for itself or for the benefit of any other person, persons, partnership, association, corporation or entity any information, knowledge or know-how concerning the Directors Materials, any manuals provided by Franchisor to Master associated with the CorporateConnections Franchise or the CorporateConnections System. Master acknowledges that the Directors Materials, any manuals provided by Franchisor to Master associated with the BNI Franchise and the CorporateConnections System are confidential, proprietary and contain trade secrets and shall not contest the confidentiality of the information in them or Franchisor's sole ownership of them. During the Term of this Agreement or any time thereafter, Franchisor shall not (except as otherwise contemplated by this Agreement) communicate, divulge or use for itself or for the benefit of any other person, persons, partnership, association, corporation or entity any confidential information concerning Master and Franchisor shall take reasonable steps to protect such confidential information to the same extent that Master protects such confidential information. Master shall execute the Confidentiality and Restrictive Covenant Agreement attached hereto.

17.3 **In-Term Covenant Not to Compete.** During the Term, Master, its owners, officers, and guarantors will not engage in any Competitive Business.

17.4 **Post-Term Covenant Not to Compete.** For a period of two (2) years immediately following the later of the expiration, termination, or non-renewal of this Agreement for any reason, Master and its owners, officers, and guarantors will not engage in a Competitive Business with Franchisor within: (1) the Territory granted to Master; (2) seventy-five (75) miles extending out from the border of the Territory granted to Master; (3) any other CorporateConnections franchisee's region or territory then in existence at the time of the termination of this Agreement; (4) seventy-five (75) miles extending out from the border of any other CorporateConnections franchisee's region or territory then in existence at the time of the termination of this Agreement; (5) any region or territory where Franchisor or its affiliates operate a CorporateConnections-branded business at the time of the termination, expiration, or non-renewal of this Agreement; or (6) seventy-five (75) miles extending out from the border of any region or territory where Franchisor or its affiliates operate a CorporateConnections-branded business at the time of the termination, expiration, or non-renewal of this Agreement.

17.5 **Ancillary to Agreement.** Master acknowledges that the restrictive covenants set forth in this Section 17 are ancillary to this Agreement and are reasonable and necessary for the protection of Franchisor's legitimate interests in the goodwill of the business operated by Franchisor, but, if it is determined that the covenants not to compete set forth in this Article are not enforceable for any reason (including but not limited to being unenforceable for the full stated period of time or the stated geographic region), such covenants shall not be stricken, but shall be reformed to the extent required to be enforceable under and comply with applicable law and as reformed will be fully enforceable.

17.6 **Scope.** The parties have attempted in this Section 17 to limit Master's right to compete only to the extent necessary to protect Franchisor from unfair competition by Master. Franchisor shall have the right to reduce the scope of either, or both, of said provisions without the Master's consent, at any time or times, effective immediately upon notice to Master.

17.6.1 **Definitions.** For purposes of this Section 17, the term Competitive Business shall include any of the following: engaging in any business that is the same, or is materially the same as the Franchised Business; encompasses a business-to-business referral concept; encompasses a business networking concept; encompasses a word-of-mouth marketing business concept; or otherwise competes with Franchisor;

17.6.2 Operating as a franchisee or franchisor in any business referred to in Section 17.7.1;

17.6.3 working in a management or executive level position for any business referred to in Section 17.7.1;

17.6.4 Providing consulting services, or any other services or material support for any business referred to in Section 17.7.1;

17.6.5 Performing the same or materially the same services for any business referred to in Section 17.7.1 that the Master previously performed as a franchisee of Franchisor; or

17.6.6 Interfering or attempting to interfere with any of the business relationships of Franchisor or any other CorporateConnections Franchisee(s);

17.7 **Intent and Enforcement.** It is the parties' intent that the provisions of this Section 17 be judicially enforced to the fullest extent permissible under applicable law. Accordingly, the parties agree that any reduction in scope or modification of any part of the noncompetition provisions contained herein shall not render any other part unenforceable. In the event of the actual or threatened breach of this Section 17, Franchisor shall be entitled to an injunction restraining such person from any such actual or threatened breach. Master agrees that in the event of the actual or threatened breach of this Section 17, Franchisor's harm will be irreparable, and that Franchisor has no adequate remedy at law to prevent such harm. Master acknowledges and agrees on Master's own behalf and on behalf of the persons who are liable under this Section 17 that each has previously worked or been gainfully employed in other careers and that the provisions of this Section 17 in no way prevent any such person from earning a living. Master further acknowledges and agrees that the time limitation of this Section 17 shall be tolled during any default under this Section.

17.8 **Confidentiality and Restrictive Covenant Agreement.** Master shall ensure that the Key Person, Master Trainer and Master's other key employees and members of their immediate families who have access to Franchisor's Confidential Information execute a Confidentiality and Restrictive Covenant Agreement, in the form attached hereto as Exhibit F, or as Franchisor, in Franchisor's sole discretion, otherwise prescribes. Master must furnish Franchisor with a copy of each executed agreement. Master agrees to submit this documentation via an electronic system/database to the extent Franchisor notifies Master of the availability of such a submission method.

17.9 **No Defense.** Master hereby agrees that the existence of any claim Master may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to Franchisor's enforcement of the covenants contained in this Section 17. Master agrees to pay all costs and expenses (including reasonable attorneys' fees) which Franchisor incurs in connection with the enforcement of this Section 17.

## 18. TAXES, PERMITS, AND INDEBTEDNESS

18.1 **Payment of Taxes.** Master shall promptly pay when due all taxes levied or assessed, including, without limitation, sales taxes and payroll taxes, goods and services taxes, and all accounts and other indebtedness of every kind incurred by Master in the operation of the CorporateConnections Master Franchise (including for example, and without limitation, sales and value-added taxes and goods and services taxes that may be imposed if and when Master buys goods or services from Franchisor or its affiliates).

18.2 **Dispute.** In the event of any bona fide dispute as to Master's liability for taxes assessed or other indebtedness, Master may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law, but in no event shall Master permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the premises of the CorporateConnections Master Franchise or any Company-Owned Business, or any improvements thereon.

18.3 **Legal Operation of Master Franchise.** Master shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper operation of the CorporateConnections Master Franchise prior to commencing operation, including, without limitation, licenses to do business, labor law licenses, registration and tax permits.

18.4 **Government Charges.** Any and all governmental charges relating to or arising out of this Agreement, or any amendment hereto, in the form of registration fees, surtax, stamp duties, or any other similar governmental rates, taxes, or charges of any nature whatsoever shall be paid by Master when such charges are due under any national or local law in effect in the Territory.

18.5 **Notification.** Master shall notify Franchisor in writing within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of the CorporateConnections Master Franchise within the Territory.

## 19. APPROVALS AND WAIVERS

19.1 **Franchisor Approval.** Whenever this Agreement requires Franchisor’s prior approval or consent, Master shall make a timely written request to Franchisor therefor and shall obtain such approval or consent in writing. Franchisor shall neither unreasonably withhold nor unduly delay its approval or consent.

19.2 **No Waiver.** No delay, waiver, omission, or forbearance on the part of Franchisor to exercise any right, option, duty, or power arising out of any breach or default by Master under any of the terms, provisions, covenants, or conditions hereof will constitute a waiver by Franchisor to exercise any such right, option, duty, or power as against Master, or as to subsequent breach or default by Master. Subsequent acceptance by Franchisor of any payments due to it hereunder will not be deemed to be a waiver by Franchisor of any preceding breach by Master of any terms, provisions, covenants, or conditions of this Agreement.

## 20. NOTICES

Any and all notices required or permitted under this Agreement must be in writing and must be delivered by any means which affords the sender evidence of delivery or of attempted delivery, to the respective parties at the addresses designated on the signature page of this Agreement unless and until a different address has been designated by written notice to the other party. Any notice by a means which affords the sender evidence of delivery, or rejected delivery, will be deemed to have been given at the date and time of receipt or rejected delivery.

Notices under this Agreement should be provided by certified mail, a recognized courier service (e.g., UPS or FedEx) or other means of service offering a delivery receipt to the following addresses:

To Franchisor: Corporate Connections Franchising, LLC  
8240 Ballantyne Commons Pkwy,  
PO Box #49248,  
Charlotte, NC 28277

With a copy to: Corporate Connections Global LLC  
8240 Ballantyne Commons Pkwy,  
PO Box #49248,  
Charlotte, NC 28277  
mary@bni.com

To Master:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## 21. SEVERABILITY AND CONSTRUCTION

21.1 **Severability.** Except as expressly provided to the contrary herein, each portion, section, part, term, and/or provision of this Agreement will be considered severable; and if, for any reason, any portion, section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such determination shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions of this Agreement as may remain

otherwise intelligible. The latter will continue to be given full force and effect and bind the parties hereto, and the invalid portions, sections, parts, terms, and/or provisions will be deemed not to be a part of this Agreement.

**21.2 Rights and Remedies.** Except as expressly provided to the contrary herein, nothing in this Agreement is intended or will be deemed to confer upon any person or legal entity other than Master, Franchisor, Franchisor's Affiliates, and Franchisor's and its Affiliates', officers, directors, and employees, and such of Master's and Franchisor's respective successors and assigns as may be contemplated (and, as to Master, permitted) by Section 14 hereof, any rights or remedies under or by reason of this Agreement.

**21.3 Provisions Surviving Termination, Expiration or Transfer.** All covenants, obligations, and agreements hereunder that by their terms or by reasonable implication are to be performed, in whole or in part, after the termination, expiration or transfer of this Agreement, will survive such termination, expiration or transfer.

**21.4 English Language.** All notices, reports, records, materials, and other communications between the parties hereto, required or permitted hereunder, must be in the English language.

**21.5 Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which will be considered an original but all of which together constitute one and the same instrument, provided that each party receives a copy fully executed by the other party. It shall be necessary to account for only one (1) such fully executed counterpart in proving this Agreement. This Agreement is made in the English language and the English language version of this Agreement will prevail in the event that this Agreement is translated into any other language.

**21.6 Registration of this Agreement.** Master agrees and acknowledges that it may not register this Agreement with any governmental authority within the Territory or otherwise without Franchisor's prior written consent or approval, which Franchisor will not unreasonably withhold if such registration is an actual requirement as interpreted by Franchisor's legal counsel, in order for this Agreement to be effective under applicable laws and/or regulations. Master shall bear the costs registering this Agreement with the applicable governmental agency, if necessary.

## **22. ENTIRE AGREEMENT**

This Agreement and the documents referred to herein constitute the entire agreement between Franchisor and Master concerning the subject matter hereof and supersede any and all prior agreements concerning the same subject matter. Except for those permitted to be made unilaterally by Franchisor hereunder, no amendment, change, or variance from this Agreement will be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

## **23. APPLICABLE LAW; DISPUTE RESOLUTION**

**23.1 Choice of Law.** This Agreement will be interpreted and construed exclusively under the laws of the State of North Carolina (United States), which laws shall prevail in the event of any conflict of law (without regard to, and without giving effect to North Carolina's principles of conflicts of law).

**23.2 Mandatory Meet and Confer.** In case of any dispute arising during the Term of this Agreement, Master agrees that, prior to commencing any mediation or arbitration proceeding as contemplated by Sections 23.3 and 23.4 below, Master will first attempt in good faith to resolve the dispute through confidential non-binding negotiation without legal advisors or third-party mediators present. The parties shall meet and confer in Charlotte, North Carolina at Corporate Connections' headquarters or at another location in Charlotte, North Carolina as determined by Franchisor, and the meeting will last at a minimum one full business day. The parties agree that negotiation shall be conducted on an individual basis and may not be consolidated with any other negotiation between Franchisor and any other third party, unless Franchisor, at its sole discretion, allows for consolidated negotiation. The parties agree that any statements made by either party during the meeting will not be admissible in any subsequent mediation, arbitration or legal proceeding. Each party shall bear its own costs and expenses related to the meeting, including but not limited to travel and accommodation. If the dispute has not been settled within thirty (30) days after conclusion of the meeting and confer, then, upon prior notice by either party to the other, the dispute may be submitted for non-binding mediation.

**23.3 Non-Binding Mediation.** Except for disputes relating to the collection of past due fees owed under this Agreement and as provided in Section 23.5 below, in case of any dispute arising during the Term of this Agreement, which cannot be settled by reasonable discussion among the parties, the parties agree that, prior to commencing any arbitration proceeding as contemplated by Section 23.4 they will first engage the services of a professional mediator agreed upon by the parties and attempt in good faith to resolve the dispute through confidential non-binding mediation. If the parties cannot agree upon a mediator before the expiration of thirty (30) days from the date that the dispute has been referred to mediation, then the parties will use the American Arbitration Association's ("AAA") rules for choosing a mediator. The mediation shall take place in Charlotte, North Carolina unless otherwise mutually agreed to by the parties. The parties agree that mediation should be conducted on an individual basis and may not be consolidated with any other mediation between Franchisor and any other third party, unless Franchisor, at its sole discretion, allows for consolidated mediation. The parties agree that any statements made by either party in any mediation proceeding will not be admissible in any subsequent arbitration or legal proceeding. Each party shall bear one-half (1/2) of the mediator's fees and expenses and shall pay all of its own attorneys' fees and expenses related to the mediation. If the dispute has not been settled within thirty (30) days after referring this matter to mediation, then, upon notice by either party to the other, the dispute shall be submitted for and finally settled by arbitration.

#### **23.4 Arbitration.**

**23.4.1 Institution of Arbitration Proceedings.** Any dispute between the parties arising out of or relating to this Agreement, whether brought forth under breach of contract, tort, restraint of trade or other theory of statutory or common law, whether brought forth during the Term of this Agreement or post termination of this Agreement will be settled by arbitration before the American Arbitration Association ("AAA") under its International Arbitration Rules (the "Rules") in Charlotte, North Carolina by one (1) arbitrator who has at least five (5) years' experience in the areas franchise or distribution, licensing, or commercial contract law, and must not be related to or affiliated with Franchisor, Master or their respective affiliates, principals, agents or representatives. The parties may jointly agree upon the choice of an arbitrator but if they cannot agree upon one within thirty (30) days from the date of the filing of the arbitration then the parties shall use the process set forth in the Rules. The arbitrator chosen to resolve the dispute will be bound exclusively

by the laws of the State of North Carolina without regard to its principles of choice of law. The arbitrator shall have the power to rule on his or her own jurisdiction, including, but not limited to the issue of jurisdiction over non-signatories to this Agreement. If either party deems it necessary, it can seek interim or injunctive relief in aid of arbitration in accordance with the Rules. Judgment upon the award rendered by the arbitrator and/or such interim relief rendered by the arbitrator or the emergency arbitrator may be entered in any court having jurisdiction thereof pursuant to applicable law.

23.4.2 Arbitrator Fees and Costs. The parties shall initially share equally all fees and costs of the arbitrator in any arbitration proceeding conducted pursuant to section 23.4 of this Agreement, but at the conclusion of such arbitration proceeding, the prevailing party shall be reimbursed by the losing party for all such fees and costs (including, without limitation, reasonable attorneys' fees). All other costs and expenses in connection with the arbitration will be borne initially by the party who incurs such expense or who requests a service (including, without limitation, a transcript of a deposition or of the arbitration proceeding). At the conclusion of the arbitration proceeding, all costs and expenses (including, without limitation, reasonable attorneys' fees) of the prevailing party shall be reimbursed by the party that does not prevail at the discretion of the arbitration panel. If a party prevails on some but not all issues, the arbitrator will determine the manner in which such costs and expenses (including attorneys' fees) will be borne. The arbitrator has the right to award or include in his or her award any relief which he or she deems proper including, but not limited to, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, to the prevailing party provided that the arbitrator may not declare any mark generic or otherwise invalid or award any consequential, punitive or exemplary damages against either party. For purposes hereof, prevailing party means the party in whose favor final judgment or final award, after appeal (if any), is rendered by a court or arbitrator with respect to the specific claim(s) asserted by such party in any such litigation or arbitration.

23.4.3 Payment. Any award rendered by the arbitrator will be paid promptly, without deduction or offset and judgment upon the award may be entered by any public courthouse in accordance with North Carolina law regarding arbitration. .

23.4.4 Confirmation of Award. Any award rendered by the arbitrator may be confirmed in any public courthouse of North Carolina. If the award is confirmed by such court, a party challenging the award or resisting enforcement of a judgment entered upon the award will pay, to the extent permitted by law, all costs, attorneys' fees and expenses incurred by the other party in defending the award or seeking enforcement of the judgment.

23.4.5 No Collateral Estoppel. The decision of the arbitration panel will have no collateral estoppel effect with respect to a claim by or against any person or business entity who is not a party to the arbitration.

23.4.6 Binding on the Parties. The decision of the arbitration panel will be final and binding on the parties, and the arbitration panel's award will be the exclusive remedy between the parties with respect to all claims and issues arising out of the transaction(s) or occurrence(s) at issue, whether or not presented or pled to the arbitrator. Notwithstanding the foregoing, either party may appeal the decision of the arbitration panel to the AAA in accordance with Rules.

23.4.7 Limitation of Adjudicative Proceedings. Each of the parties irrevocably waives trial by jury in any action, proceeding or counterclaim, whether at or in equity, relating to this Agreement, whether there are other parties in such action or proceeding.

23.4.8 Injunctive Relief. Notwithstanding anything in this Section 23, each party recognizes that the failure of the other party to comply with the terms of this Agreement could cause the non-breaching party irreparable damage for which monetary damages would be insufficient. Therefore, it is mutually agreed that in the event of a breach or threatened conduct that may cause a party to breach and is likely to result in any irreparable loss or damage according to the equity rules, the non-breaching party may seek interim injunctive relief from a court, until such time as a final and binding determination is made by the arbitration panel. If interim injunctive relief is sought from a court, it shall be sought in a court of competent jurisdiction. Application to a court for interim injunctive relief shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate. The foregoing right to seek interim injunctive relief is in addition to, and not in lieu of, all other remedies or rights that the non-breaching party might otherwise have by virtue of any breach of this Agreement by the other party. Notwithstanding anything to the contrary in this Agreement, Franchisor will have the right to commence a civil action in any court of competent jurisdiction against Master or take other appropriate action to compel Master's compliance with standards related to intellectual property owned by Franchisor and/or its Affiliates or requirements to protect the goodwill of the intellectual property owned by Franchisor and/or its Affiliates.

23.5 **Jurisdiction.** Master and Franchisor stipulate to and submit themselves to the jurisdiction of the State of North Carolina, United States of America, with regard to any and all controversies.

23.6 **Third Party Beneficiaries.** Franchisor's and its Affiliate's and their officers, directors, shareholders, agents and/or employees are express third party beneficiaries of the provisions of this Agreement, including the dispute resolution provisions set forth in this Section 23, each having authority to specifically enforce the right to arbitrate claims asserted against such person(s) by Master.

23.7 **Attorneys' Fees.** If Master is in breach or default of any monetary or non-monetary material obligation under this Agreement or any related agreement between Master and Franchisor and/or Franchisor's affiliates, and Franchisor engages an attorney to enforce Franchisor's rights (whether or not formal judicial proceedings are initiated), Master must pay all reasonable attorneys' fees, court costs and litigation expenses Franchisor incurs, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of Master's personal property, equipment, signs and inventory related to the operation of the CorporateConnections Master Franchise. If Master institutes any legal action to interpret or enforce the terms of this Agreement, and Master's claim in such action is denied or the action is dismissed, Franchisor is entitled to recover Franchisor's reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against same, and to have such an amount awarded as part of the judgment in the proceeding.

23.8 **Prior Notice to Franchisor.** As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, Master must notify Franchisor within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

**23.9 No Right to Offset.** Master shall not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of Franchisor's alleged nonperformance or as an offset against any amount Franchisor or any of Franchisor's affiliates allegedly may owe Master under this Agreement or any related agreements.

**23.10 Limitation of Action.** Master further agrees that no cause of action arising out of or under this Agreement may be maintained by Master against Franchisor unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one (1) year after the Master becomes aware of facts or circumstances reasonably indicating that Master may have a claim against Franchisor hereunder, whichever occurs sooner, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off. Master agrees that its recovery in connection with any action against Franchisor shall not exceed the amount of the Master Franchise Fee.

23.10.1 Master hereby waives the right to bring any action against any individual owner, officer, director or employee of the Franchisor entity or of the Franchisor's Affiliates.

23.10.2 Master hereby waives the right to obtain any remedy based on alleged fraud, misrepresentation, or deceit by Franchisor, including, without limitation, rescission of this Agreement, in any mediation, judicial, or other adjudicatory proceeding arising hereunder, except upon a ground expressly provided in this Agreement, or pursuant to any right expressly granted by any applicable statute expressly regulating the sale of franchises, or any regulation or rules promulgated thereunder.

**23.11 Waiver of Punitive Damages.** Master hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, that Master's recovery is limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions will continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages. Nothing in this Section or any other provision of this Agreement will be construed to prevent Franchisor from claiming and obtaining expectation or consequential damages, including lost future profits for the balance of the term of this Agreement if it is terminated due to Master's default, which the parties agree and acknowledge Franchisor may claim under this Agreement.

**23.12 JURY TRIAL WAIVER.** THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR MASTER'S PURCHASE FROM FRANCHISOR OF THE MASTER FRANCHISE AND/OR ANY GOODS OR SERVICES.

**23.13 INDIVIDUAL ACTION.** THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE MASTER FRANCHISE, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN MASTER, MASTER'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

**23.14 LIABILITY CAP AND CLAIMS LIMITATION.** IN NO EVENT SHALL THE FRANCHISOR'S AGGREGATE LIABILITY TO MASTER FOR ALL CLAIMS, WHETHER IN CONTRACT, TORT OR ANY OTHER THEORY OF LIABILITY, EXCEED THE AMOUNT OF FEES ACTUALLY PAID TO FRANCHISOR UNDER THIS AGREEMENT. THIS LIMITATION SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. IN NO EVENT SHALL MASTER BRING CLAIMS, WHETHER IN CONTRACT, TORT OR ANY OTHER THEORY OF LIABILITY, AGAINST ANY PARTIES BEYOND FRANCHISOR (INCLUDING, BUT NOT LIMITED TO FRANCHISOR'S OWNERS, OFFICERS, DIRECTORS OR EMPLOYEES).

## **24. FORCE MAJEURE**

If either party is precluded by acts of God, authority of laws, strikes, lockouts, casualties, or other causes beyond its reasonable control from performance hereunder, such performance will be excused to the extent that it is necessitated by such causes. If such an event occurs, then the party seeking to rely on this provision will promptly give written notice to the other party of the nature and consequence of the cause. The provisions of this Section 24 will not apply to monetary obligations owed by either party to the other. If such period during which the performance is excused exceeds one hundred and eighty (180) days, then Franchisor, upon written notice to Master, may terminate this Agreement and demand payment of all outstanding amounts from Master. Upon receipt of Franchisor's notice of termination and demand for payment, Master shall immediately pay all money due to Franchisor and otherwise comply with the post-termination obligations contained in Section 16.

## **25. GOVERNMENTAL APPROVALS**

**25.1 Application for Approval.** Franchisor shall apply, at Master's sole expense, to the appropriate authorities of the government of the appropriate nation in the Territory for any approvals that Franchisor or its counsel deems necessary concerning this Agreement under the applicable laws in the Territory.

**25.2 Modification of This Agreement.** If any government agency should require, as a condition for its approval of the initial effectiveness of this Agreement, any alteration or modification of any term or condition of this Agreement, or of the performance of the parties thereunder, any such alteration or modification must be approved by both parties, and if either of the parties consider the requested alteration or modification to be material and adverse to it, then such party may terminate this Agreement by giving written notice of termination to the other party within twenty (20) days of notice of such governmental requirement. In the event of such a termination, Franchisor shall return all amounts paid by Master hereunder, and the parties shall immediately execute a general release, in a form reasonably prescribed by Franchisor.

**25.3 Additional Information.** If any government agency requires information, documents, or evidence in connection with the application for approval referred to in this Section 25, or in connection with Franchisor's proof of ongoing compliance with government requirements, Master agrees to provide such information, documents, or evidence.

## **26. REASONABLE BUSINESS JUDGMENT**

Reasonable business judgment (as defined herein) applies in all circumstances involving or requiring Franchisor's approval or consent, unless provided otherwise in the Agreement. Reasonable business judgment means that Franchisor's determinations or choices shall prevail,

even if other alternatives are also reasonable or arguably preferable, if Franchisor is acting in a way that could benefit the CorporateConnections System by, for example, enhancing the value of the CorporateConnections Marks increasing customer satisfaction, minimizing possible customer confusion as to the CorporateConnections marks or location, or increasing the financial strength of CorporateConnections. Except where otherwise indicated in this Agreement, Franchisor agrees to use reasonable business judgment when discharging its obligations and exercising its rights and discretion. Franchisor shall not be required to consider Master's economic or other circumstances when exercising its reasonable business judgment. Master acknowledges that Franchisor has a legitimate interest in seeking to maximize the return to its shareholders and the fact that Franchisor benefits economically from an action will not be relevant to showing that Franchisor did not exercise reasonable business judgment. Neither Master nor any third party (including but not limited to any third party acting as a trier of fact) shall substitute its judgment for Franchisor's reasonable business judgment.

## **27. SPECIAL ACKNOWLEDGEMENTS**

Master acknowledges that, prior to the execution of this Agreement, Master has had the opportunity to contact existing CorporateConnections franchisee. Master acknowledges that Master had the opportunity to independently investigate and analyze both the business opportunity being offered hereunder and the terms and provisions of this Agreement itself, and has engaged the services of such independent attorneys, accountants, or other advisers as Master elects. Master acknowledges that no representation or statement has been made by CorporateConnections or any employee, agent or salesman thereof regarding the future growth of CorporateConnections 's franchise system, the anticipated income, earnings and growth of Master, the actual sales or income of existing CorporateConnections businesses or the viability of the business opportunity conveyed under this Agreement. Master acknowledges and understands that the successful operation of Franchisor's business format is dependent upon the state, local, regional and national laws, regulations and rules in the Territory.

Master further acknowledges and understands that it is Master's sole responsibility for determining the laws and regulations relating to all of the operations of its business in the Territory and Master furthermore acknowledge that it is Master's responsibility to fully comply with all such laws and regulations.

**IN WITNESS WHEREOF**, the parties hereto have duly executed, sealed, and delivered this Agreement in duplicate, by their duly authorized representatives, intending to be legally bound, on the day and year first above written.

[Signature page follows]

**FRANCHISOR**

**CORPORATE CONNECTIONS  
FRANCHISING, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MASTER**

**INSERT NAME**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Schedule 1**  
**Map of Territory**

**Schedule 1.4  
Development Schedule**

<b>Year of Contract</b>	<b>End Date of the Development Period</b>	<b>Number of Active Members</b>
<b>Current #</b>		
<b>Year 1*</b>		
<b>Year 2</b>		
<b>Year 3</b>		
<b>Year 4</b>		
<b>Year 5</b>		
<b>Year 6</b>		
<b>Year 7</b>		
<b>Year 8</b>		
<b>Year 9</b>		
<b>Year 10</b>		

**EXHIBIT A**

**Proprietary Marks**

<b>Mark</b>	<b>Class</b>	<b>Registration Number</b>	<b>Registration Date</b>
CorporateConnections	35/41	87/505264	28-May-2019
CorporateConnections (design mark)	41	87/438634	07-Nov-2017
Where Leaders Connect	41	87/438870	03-Oct-2017

## EXHIBIT B

### **Guarantee, Indemnification, and Acknowledgment**

As an inducement to Corporate Connections Franchising LLC, a limited liability company formed in Delaware (“Franchisor”), to execute the Master Franchise Agreement between Franchisor and INSERT NAME OF MASTER, a INSERT TYPE OF ENTITY organized under the laws of INSERT STATE OF ENTITY FORMATION (“Master”), dated \_\_\_\_\_ (the “Agreement”), the undersigned, jointly and severally, hereby unconditionally guarantee to Franchisor and Franchisor’s successors and assigns that all of Master’s monetary and other obligations under the Agreement will be punctually paid and performed.

Upon demand by Franchisor, the undersigned shall immediately make each payment required of Master under the Agreement. The undersigned hereby waive any right to require Franchisor to: (a) proceed against Master for any payment required under the Agreement; (b) proceed against or exhaust any security from Master; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against Master, before making any claims under this Guaranty. Without affecting the obligations of the undersigned under this Guarantee, Franchisor may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Master, or settle, adjust, or compromise any claims against Master. The undersigned waive notice of amendment of the Agreement and notice of demand for payment by Master, and agree to be bound by any and all such amendments and changes to the Agreement.

The undersigned shall defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including, without limitation, reasonable attorney’s fees, reasonable costs of investigation, court costs, and arbitration fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Master to perform any obligation of Master under the Agreement, any amendment thereto, or any other agreement executed by Master referred to therein.

The undersigned hereby acknowledge and agree to be individually and personally bound by all of the covenants, obligations and other terms contained in Agreement, including without limitation, those contained in Sections 4, 5, 9, 13, and 17 thereof; however, nothing in this Guarantee affords the undersigned the right to exercise any of Master’s development or other rights under the Agreement.

This Guarantee terminates upon the termination or expiration of the Agreement, except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination will remain in full force and effect until satisfied or discharged by the undersigned, and all covenants which by their terms continue in force after the termination or expiration of the Agreement will remain in force according to their terms. Upon the death of an individual guarantor, the estate of such guarantor will be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other guarantors will continue in full force and effect.

Unless specifically stated otherwise, the terms used in this Guarantee have the same meaning as in the Agreement, and is to be interpreted and construed in accordance with Section 21 of the Agreement. The provisions in the Agreement regarding governing law, venue, dispute resolution and other language regarding the rights, waivers and remedies of each party will also apply to this Guarantee as if such provisions were fully set forth herein.

The undersigned expressly represents and warrants that this Guarantee is entered into for its commercial benefit and for a commercial purpose, and the undersigned expressly waives all rights, remedies and defenses which are or may be otherwise available to the undersigned under the laws of North Carolina, United States of America, including without limitation any rights it may otherwise have under any franchise-related laws or regulations thereof.

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

**GUARANTOR(S):**

Signed: \_\_\_\_\_  
(In his/her individual capacity, under seal)

Printed Name:  
Address:

Signed: \_\_\_\_\_  
(In his/her individual capacity, under seal)

Printed Name:  
Address:

Signed: \_\_\_\_\_  
(In his/her individual capacity, under seal)

Printed Name:  
Address:

**EXHIBIT C**

**Sample Form of Subfranchise Agreement**

**EXHIBIT D**

\*The Initial Supply List is subject to change

Electronic copies of the following;

New Member Application Brochure  
Stand Up Banner Leadership Team Manuals

**Exhibit E**

**Name and Address of Each Partner, Shareholder, Beneficial Owner and/or Stakeholder of  
Non-Individually Owned Master**

<b>Name</b>	<b>Title</b>	<b>Address</b>	<b>Ownership Shares/% of Master</b>	<b>Date Last Trained as Director/Director Consultant</b>	<b>Date Last Trained as Executive Director</b>
_____ Printed  _____ Signature					
_____ Printed  _____ Signature					

## EXHIBIT F

### CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT

*(For key employees, shareholders, officers, directors,  
partners, members and managers)*

In consideration of my being a \_\_\_\_\_ of \_\_\_\_\_ (the "Master"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged (the "Agreement"), I hereby acknowledge and agree that Master has acquired the right from Corporate Connections Franchising LLC (the "Company") to establish and operate a Master Franchise (defined below) and the right to use in the operation of the Master Franchise the Company's trade names, trademarks and service marks (the "Proprietary Marks") and the Company's unique and distinctive format and system (the "System") relating to the establishment and operation of Subfranchises (the "Master Franchise") for the establishment and operation of a referral-based networking business (each, a "Business"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only within the designated area (the "Territory") of \_\_\_\_\_.

1. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes customer information, as well as certain trade secrets and copyrighted materials including, without limitation: (i) methods, format, specifications, standards, systems, procedures, the Operations Manual, any other proprietary materials, the sales and marketing techniques used, and knowledge of and experience in developing and operating the Master Franchise and Businesses; (ii) sales, marketing and advertising programs and techniques for the Master Franchise and Businesses; (iii) knowledge of specifications for and suppliers of certain equipment, products, materials and supplies; (iv) knowledge of the operating results and financial performance of the Company's Master Franchises and Businesses other than the Master Franchise; (v) methods of training and management relating to the Master Franchise and Businesses; (vi) computer system and software programs used or useful in Businesses; and (vii) any and all other information related to the Master Franchise or any Business generally that is labeled proprietary or confidential, which includes, without limitation, all customer and membership lists and information for the Franchised Business generally (the "Confidential Information").

2. Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

3. I acknowledge that the Company and Master will disclose the Confidential Information to me in furnishing to me the training program and subsequent ongoing training, the operations manual for Master's, operations manual for Subfranchisees and other general assistance during the term of this Agreement.

4. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Master Franchise during the term hereof, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

5. The Confidential Information is proprietary, involves trade secrets of the Company,

and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Master under the Master Franchise Agreement.

6. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Master, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company, own, maintain, engage in, be employed by, or have any interest in any other business which operates or licenses any other Competing Business, as that term is defined in Section 17.1.2.2 of the Master Franchise Agreement, except a Business operating under the System and Proprietary Marks.

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

8. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

9. The Company is a third party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Subfranchisee. I am aware that my violation of this Agreement will cause the Company and the Master irreparable harm; therefore, I acknowledge and agree that the Master and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Master and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Master and the Company, any claim I have against the Master or the Company is a separate matter and does not entitle me to violate, or justify any violation, of this Agreement.

10. This Agreement shall be construed under the laws of North Carolina. The only way this Agreement can be changed is in writing signed by both the Master and me.

**SIGNATURES APPEAR ON THE FOLLOWING PAGE**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

## CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT

*(For key employees, shareholders, officers, directors,  
partners, members and managers)*

In consideration of my being a of (the "Master"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged (the "Agreement"), I hereby acknowledge and agree that Master has acquired the right from Corporate Connections Franchising, LLC (the "Company") to establish and operate a Master Franchise (defined below) and the right to use in the operation of the Master Franchise the Company's trade names, trademarks and service marks (the "Proprietary Marks") and the Company's unique and distinctive format and system (the "System") relating to the establishment and operation of Subfranchises (the "Master Franchise") for the establishment and operation of a referral-based networking business (each, a "Business"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only within the designated area (the "Territory") of \_\_\_\_\_.

1. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes customer information, as well as certain trade secrets and copyrighted materials including, without limitation: (i) methods, format, specifications, standards, systems, procedures, the Operations Manual, any other proprietary materials, the sales and marketing techniques used, and knowledge of and experience in developing and operating the Master Franchise and Businesses; (ii) sales, marketing and advertising programs and techniques for the Master Franchise and Businesses; (iii) knowledge of specifications for and suppliers of certain equipment, products, materials and supplies; (iv) knowledge of the operating results and financial performance of the Company's Master Franchises and Businesses other than the Master Franchise; (v) methods of training and management relating to the Master Franchise and Businesses; (vi) computer system and software programs used or useful in Businesses; and (vii) any and all other information related to the Master Franchise or any Business generally that is labeled proprietary or confidential, which includes, without limitation, all customer and membership lists and information for the Franchised Business generally (the "Confidential Information").

2. Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

3. I acknowledge that the Company and Master will disclose the Confidential Information to me in furnishing to me the training program and subsequent ongoing training, the operations manual for Master's, operations manual for Subfranchisees and other general assistance during the term of this Agreement.

4. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Master Franchise during the term hereof, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

5. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the

Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Master under the Master Franchise Agreement.

6. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Master, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company, own, maintain, engage in, be employed by, or have any interest in any other business which operates or licenses any other Competing Business, as that term is defined in Section 17.1.2.2 of the Master Franchise Agreement, except a Business operating under the System and Proprietary Marks.

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

8. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

9. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Subfranchisee. I am aware that my violation of this Agreement will cause the Company and the Master irreparable harm; therefore, I acknowledge and agree that the Master and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Master and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Master and the Company, any claim I have against the Master or the Company is a separate matter and does not entitle me to violate, or justify any violation, of this Agreement.

10. This Agreement shall be construed under the laws of the State of North Carolina (United States). The only way this Agreement can be changed is in writing signed by both the Master and me.

**SIGNATURES APPEAR ON THE FOLLOWING PAGE**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

## RELEASE

This Release ("Release") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between CORPORATE CONNECTIONS FRANCHISING, LLC, a Delaware limited liability company with a principal office address at 3430 Toringdon Way, Suite 300 Charlotte, North Carolina 28277 (the "Franchisor"), and \_\_\_\_\_ with a principal address at \_\_\_\_\_ and [Shareholder names] (collectively hereinafter referred to as "Releasor"), wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Release, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction or country for any matter or claim arising before execution of this Release. In the event Releasor breaches any of the promises covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys' fees.

2. Releasor represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.

3. Each party acknowledges and warrants that his, her or its execution of this Release is free and voluntary.

4. North Carolina law shall govern the validity and interpretation of this Release, as well as the performance due thereunder, without regard to North Carolina's provisions for conflicts of laws. This Release is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

5. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, said action must be settled by arbitration to be conducted in accordance with the Arbitration Rules of the American Arbitration Association (the "Rules") and the terms of this Section. The following procedure applies to such arbitration:

a. The tribunal must consist of a single arbitrator who the parties shall appoint in accordance with the Rules ("the Arbitrator"), with the additional qualification that the Arbitrator must have at least three (3) years of experience in franchise relationships and franchise law;

b. The arbitration must take place in Charlotte, North Carolina (in the United States). Franchisor and Releasor stipulate to and submit themselves to the jurisdiction of the State of North Carolina, United States of America, with regard to any and all controversies;

c. The language of the arbitration must be English. Any document not in English must be translated into English by and at the expense of the party submitting it;

d. If the Arbitrator dies, resigns, or becomes unable to act, the parties shall appoint a new Arbitrator in accordance with the provisions of Section 5(a) of this Agreement;

e. Upon conclusion of the arbitration, the Arbitrator must issue his/her award in writing;

f. The Arbitrator may make an order for the payment of interest on any amount claimed and an order for the payment of costs;

g. The costs and expenses of arbitration (including the Arbitrator's fees and expenses, the cost of hiring premises for hearings and the cost of related facilities, the cost of shorthand writers and typists if transcripts of hearings are to be taken) will be borne 50% by Franchisor and 50% by Releasor, except that each party shall be responsible for any costs associated with traveling and lodging and their own legal fees;

h. The parties agree and acknowledge that the Arbitrator may issue an award in favor of the prevailing party and against the non-prevailing part that includes the prevailing party's costs incurred in connection with the arbitration proceeding, including reasonable attorneys' fees and expenses; and

i. Any matter relating to the conduct of the arbitration or to the interpretation of this Section must be determined by the Arbitrator, whose decision will be final and binding upon the parties.

j. The parties shall keep the entire arbitration proceeding, including all claims, materials and disputes involved therewith, strictly confidential, unless Franchisor agrees otherwise in writing. Each party hereby acknowledges that any and all awards made against it by the Arbitrator will be binding on, and enforceable against, . it in a public courthouse in accordance with North Carolina law regarding arbitration.

6. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

7. Releasor acknowledges that he/she/or it may later discover claims or facts in addition to or different from those set forth in this release and which, if known or suspected at the time of executing this release, may have materially affected this Agreement. Nonetheless, for the purpose of implementing a full and complete release and discharge of all claims, Releasor expressly acknowledges that this Release is also intended to include in its effect, without limitation, all claims which they do not know or expect to exist in their favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claim or claims. Releasor waives any rights, claims or causes of action that might arise as a result of such different or additional claims or facts.

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

Releasor

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Individually

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT C

### [FORM OF RELEASE]

This Release (“Release”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between CORPORATE CONNECTIONS FRANCHISING, LLC, a Delaware limited liability company with a principal office address at 3430 Toringdon Way, Suite 300 Charlotte, North Carolina 28277 (the “Franchisor”), and \_\_\_\_\_ with a principal address at \_\_\_\_\_ and [Shareholder names] (collectively hereinafter referred to as “Releasor”), wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Release, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction or country for any matter or claim arising before execution of this Release. In the event Releasor breaches any of the promises covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys’ fees.
2. Releasor represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys’ fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.
3. Each party acknowledges and warrants that his, her or its execution of this Release is free and voluntary.

4. North Carolina law shall govern the validity and interpretation of this Release, as well as the performance due thereunder, without regard to North Carolina's provisions for conflicts of laws. This Release is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

5. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, said action must be settled by arbitration to be conducted in accordance with the Arbitration Rules of the American Arbitration Association (the "Rules") and the terms of this Section. The following procedure applies to such arbitration:

1. The tribunal must consist of a single arbitrator who the parties shall appoint in accordance with the Rules ("the Arbitrator"), with the additional qualification that the Arbitrator must have at least three (3) years of experience in franchise relationships and franchise law;

2. The arbitration must take place in Charlotte, North Carolina (in the United States). Franchisor and Releasor stipulate to and submit themselves to the jurisdiction of the State of North Carolina, United States of America, with regard to any and all controversies;

3. The language of the arbitration must be English. Any document not in English must be translated into English by and at the expense of the party submitting it;

4. If the Arbitrator dies, resigns, or becomes unable to act, the parties shall appoint a new Arbitrator in accordance with the provisions of Section 5(a) of this Agreement;

5. Upon conclusion of the arbitration, the Arbitrator must issue his/her award in writing;

6. The Arbitrator may make an order for the payment of interest on any amount claimed and an order for the payment of costs;

7. The costs and expenses of arbitration (including the Arbitrator's fees and expenses, the cost of hiring premises for hearings and the cost of related facilities, the cost of shorthand writers and typists if transcripts of hearings are to be taken) will be borne 50% by Franchisor and 50% by Releasor, except that each party shall be responsible for any costs associated with traveling and lodging and their own legal fees;

8. The parties agree and acknowledge that the Arbitrator may issue an award in favor of the prevailing party and against the non-prevailing part that includes the prevailing party's costs incurred in connection with the arbitration proceeding, including reasonable attorneys' fees and expenses; and

9. Any matter relating to the conduct of the arbitration or to the interpretation of this Section must be determined by the Arbitrator, whose decision will be final and binding upon the parties.

10. The parties shall keep the entire arbitration proceeding, including all claims, materials and disputes involved therewith, strictly confidential, unless Franchisor agrees otherwise in writing. Each party hereby acknowledges that any and all awards made

against it by the Arbitrator will be binding on, and enforceable against, . it in a public courthouse in accordance with North Carolina law regarding arbitration.

6. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

7. Releasor acknowledges that he/she/or it may later discover claims or facts in addition to or different from those set forth in this release and which, if known or suspected at the time of executing this release, may have materially affected this Agreement. Nonetheless, for the purpose of implementing a full and complete release and discharge of all claims, Releasor expressly acknowledges that this Release is also intended to include in its effect, without limitation, all claims which they do not know or expect to exist in their favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claim or claims. Releasor waives any rights, claims or causes of action that might arise as a result of such different or additional claims or facts.

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

Releasor

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Individually

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT D

### STATE SPECIFIC ADDENDA

#### CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

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

OUR WEBSITE ([www.corporateconnections.com](http://www.corporateconnections.com)) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AND COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT ITS WEBSITE ADDRESS [WWW.DFPI.CA.GOV](http://WWW.DFPI.CA.GOV).

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

THE REGISTRATION OF THIS FRANCHISE OFFERING BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE COMMISSIONER. IT IS UNLAWFUL TO SELL ANY FRANCHISE IN THIS STATE THAT IS SUBJECT TO REGISTRATION UNDER THIS LAW WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 14 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 14 DAYS PRIOR TO THE RECEIPT OF ANY CONSIDERATION, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

#### Item 3, Additional Disclosure:

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

#### Item 6, Additional Disclosure:

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

Item 17, Additional Disclosures:

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

Professions Code Sections 20000 – 20043).

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

The franchise agreement contains a liquidated damages clause. Under California Civil Code

§1671, certain liquidated damages clauses are unenforceable.

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

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

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

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

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.

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## CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT

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

1. Notwithstanding anything to the contrary contained in the Master Franchise Agreement, to the extent that the Master Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

The Franchise Agreement requires application of the laws of North Carolina. This provision may not be enforceable under California law.

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

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. The Federal Bankruptcy Code also provides rights to franchisee concerning termination of the Master Franchise Agreement upon certain bankruptcy-related events. If the Master Franchise Agreement is inconsistent with the law, the law will control.

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

You will not receive an exclusive territory. You may face competition from

other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

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

Notwithstanding anything stated to the contrary in the Master Franchise Agreement, 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.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement

3. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

HAWAII ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

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

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

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

TRANSFER FEES ARE COLLECTABLE TO THE EXTENT THAT THEY REFLECT THE FRANCHISOR'S REASONABLE ESTIMATED OR ACTUAL COSTS IN EFFECTING A TRANSFER.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813

Its: \_\_\_\_\_  
Date: \_\_\_\_\_

ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. Illinois law governs the Master Franchise Agreement.
2. The following statements are added to Item 17, Additional Disclosures: The Illinois Franchise Disclosure Act governs the Master Franchise Agreement.

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

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

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

3. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. Under 200.604(a) of the Illinois Administrative Rules.

5. **FRANCHISOR is required** to amend its disclosure document within 90 days of any material change to the Franchise Disclosure Document such as changes regarding required advertising; changes to insurance requirements; new computer/POS system components; new/additional software license agreements & fees; all proprietary product/service developments; implementation of loyalty (gift card) programs and the implementation & transaction fees thereof; required participation in promotional events and marketing campaigns; and all **required** operational aspects that will increase a franchisee's expenses.

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ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

1. Illinois law governs the Master Franchise Agreement.
2. The following provisions are hereby amended:

The Illinois Franchise Disclosure Act governs the Master Franchise Agreement.

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

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

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

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement.

4. 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

5. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

STATE ADDENDUM FOR THE STATE OF INDIANA

1. To be added to Item 3 of the Disclosure Document, is the following statement:  
There are presently arbitration proceedings to which the Franchisor is a party.
2. Item 17 of the Disclosure Document is amended to reflect the requirement under Indiana Code 23-2-2.7-1 (9), which states that any post term non-compete covenant must not extend beyond the franchisee's exclusive territory.
3. Item 17 is amended to state that this is subject to Indiana Code 23-2-2.7-1 (10).
4. Under Indiana Code 23-2-2.7-1 (10), jurisdiction and venue must be in Indiana if the franchisee so requests. This amends Article 21.3 of the Master Franchise Agreement.
5. Under Indiana Code 23-2-2.7-1 (10), franchisee may not agree to waive any claims or rights.

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MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

Item 17, Additional Disclosures:

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

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

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

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

-

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

Exhibit D-12

## MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

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

1. Notwithstanding anything to the contrary contained in the Master Franchise Agreement, to the extent that the Master Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Nothing in the Master Franchise Agreement prevents the franchisee from bringing a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Nothing in the Master Franchise Agreement operates to reduce the 3-year statute of limitations afforded to a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Further, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Federal Bankruptcy laws may not allow the enforcement of the provisions for termination upon bankruptcy of the franchisee.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement.

3. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

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

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

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

### Item 6, Additional Disclosure:

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

### Item 13, Additional Disclosures:

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

### Item 17, Additional Disclosures:

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

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

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01 – 80C.22.

The limitations of claims section must comply with Minn. Stat. Sec. 80C.17, subd. 5.

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## MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Master Franchise Agreement, to the extent that the Master Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 4 which requires that except for certain specified cases, that franchisee be given 180 days' notice for non-renewal of this Franchise Agreement.

The Minnesota Department of Commerce requires that franchisor indemnify franchisees whose franchise is located in Minnesota against liability to third parties resulting from claims by third parties that the franchisee's use of franchisor's trademarks ("Marks") infringe upon the trademark rights of the third party. Franchisor does not indemnify against the consequences of a franchisee's use of franchisor's trademark but franchisor shall indemnify franchisee for claims against franchisee solely as it relates to franchisee's use of the Marks in accordance with the requirements of the Master Franchise Agreement and franchisor's standards. As a further condition to indemnification, the franchisee must provide notice to franchisor of any such claim immediately and tender the defense of the claim to franchisor. If franchisor accepts tender of defense, franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 3 which requires that except for certain specified cases, a franchisee be given 90 days' notice of termination (with 60 days to cure). Termination of the franchise by the franchisor shall be effective immediately upon receipt by franchisee of the notice of termination where its grounds for termination or cancellation are: (1) voluntary abandonment of the franchise relationship by the franchisee; (2) the conviction of the franchisee of an offense directly related to the business conducted according to the Master Franchise Agreement; or (3) failure of the franchisee to cure a default under the Master Franchise Agreement which materially impairs the goodwill associated with the franchisor's trade name, trademark, service mark, logo type or other commercial symbol after the franchisee has received written notice to cure of at least twenty-four (24) hours in advance thereof.

According to Minn. Stat. Sec. 80C.21 in Minnesota Rules or 2860.4400J, the terms of the Master Franchise Agreement shall not in any way abrogate or reduce your rights as provided for in Minn. Stat. 1984, Chapter 80C, including the right to submit certain matters to the jurisdiction of the courts of Minnesota. In addition, nothing in this Franchise Agreement shall abrogate or reduce any of franchisee's rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedy provided for by the laws of the State of Minnesota.

Any claims franchisee may have against the franchisor that have arisen under the Minnesota Franchise Laws shall be governed by the Minnesota Franchise Law.

The Master Franchise Agreement contains a waiver of jury trial provision. This provision may not be enforceable under Minnesota law.

Franchisee consents to the franchisor seeking injunctive relief without the necessity of showing actual or threatened harm. A court shall determine if a bond or other security is required.

The Master Franchise Agreement contains a liquidated damages provision. This provision may not be enforceable under Minnesota law.

Any action pursuant to Minnesota Statutes, Section 80C.17, Subd. 5 must be commenced no more than 3 years after the cause of action accrues.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement.

3. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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## NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

### Cover Page, Additional Disclosure.

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT H OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU , 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10001. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

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

Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, is subject to any currently effective injunctive or restrictive order or decree relating to franchises, or under any federal, state, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity

as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

Item 17, Additional Disclosures.

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

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

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

Franchise Questionnaires and Acknowledgements--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.

Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 *et seq.*), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

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NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Master Franchise Agreement, to the extent that the Master Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any provision in the Master Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.

Any provision in the Master Franchise Agreement requiring franchisee to sign a general release of claims against franchisor does not release any claim franchisee may have under New York General Business Law, Article 33, Sections 680-695.

The New York Franchise Law shall govern any claim arising under that law.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement.

3. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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DISCLOSURES REQUIRED BY NORTH CAROLINA LAW

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

If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled. (N.C.G.S. §66-95)

Effective Date: \_\_\_\_\_

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## NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

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

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

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

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

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

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

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

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

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

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

## NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

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

1. Notwithstanding anything to the contrary contained in the Master Franchise Agreement, to the extent that the Master Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any release executed in connection with a renewal shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

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

The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law.

The waiver of trial by jury may not be enforceable under the North Dakota Franchise Investment Law.

The requirement that arbitration be held outside the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. Any mediation or arbitration will be held at a site agreeable to all parties.

The requirement that a franchisee consent to termination or liquidated damages has been determined by the Commissioner to be unfair, unjust and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement may not be enforceable under North Dakota law.

The Master Franchise Agreement states that franchisee must consent to the jurisdiction of courts located outside the State of North Dakota. This requirement may not be enforceable under North Dakota law.

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

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

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement.

3. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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RHODE ISLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

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

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

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RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

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

1. Notwithstanding anything to the contrary contained in the Master Franchise Agreement, to the extent that the Master Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement.

3. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

Item 17, Additional Disclosures:

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

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

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VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

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

1. Notwithstanding anything to the contrary contained in the Master Franchise Agreement, to the extent that the Master Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement.

3. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## WASHINGTON ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

### Item 17, Additional Disclosure:

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

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

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

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

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

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

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.

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## WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT

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

1. Notwithstanding anything to the contrary contained in the Master Franchise Agreement, to the extent that the Master Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

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

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

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

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

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

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement.

3. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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WISCONSIN ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

Item 17, Additional Disclosures:

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

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

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WISCONSIN ADDENDUM TO FRANCHISE AGREEMENT

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

1. Notwithstanding anything to the contrary contained in the Master Franchise Agreement, to the extent that the Master Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

To the extent any of the provisions regarding notice of termination or change in dealership are in conflict with Section 135.04 of the Wisconsin Fair Dealership Law, the Wisconsin law shall apply.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Master Franchise Agreement.

3. Except as expressly modified by this Addendum, the Master Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Master Franchise Agreement. In the event of any conflict between this Addendum and the Master Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

**FRANCHISOR:**

**MASTER:**

**Corporate Connections Franchising, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT E

### LIST OF STATE ADMINISTRATORS

California:	Department of Financial Protection and Innovation (DFPI) 320 West 4th St., Suite 750 San Francisco, CA 90013-2344 213-576-7500
Hawaii:	Director of Commerce & Consumer Affairs 335 Merchant St., Suite 203 Honolulu, Hawaii 96813 808-586-2727
Illinois:	Illinois Attorney General's Office Franchise Bureau 500 South Second Street Springfield, Illinois 62706 217-782-2538
Indiana:	Indiana Securities Division 302 West Washington, Room E-111 Indianapolis, Indiana 46204 317-232-6681
Maryland:	Maryland Division of Securities Office of the Attorney General 200 Saint Paul Place Baltimore, Maryland 21202 410-576-6360
Michigan:	Michigan Dept. of Attorney General Consumer Protection Division Franchise Section 525 West Ottawa Street G. Mennen Williams Bldg., 1st Floor Lansing, Michigan 48909 517-373-7117; Fax: 517-335-1935
Minnesota:	Minnesota Department of Commerce Securities Section 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 651-539-1500
New York:	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222
North Dakota:	North Dakota Securities Department 600 East Boulevard Ave. State Capitol - 5th Floor, Dept. 414 Bismarck, North Dakota 58505-0510 701-328-4712

Rhode Island: Department of Business Regulation  
Securities Division  
John O. Pastore Complex  
1511 Pontiac Ave., Building 69-1  
Cranston, RI 02920  
401-462-9500; Fax: 401-462-9532

South Dakota: South Dakota Division of Insurance  
Securities Regulation  
124 S. Euclid Suite 104  
Pierre, South Dakota 57501-3185  
605-773-3563 Fax: 605-773-5953

Utah: Department of Commerce Division of Consumer Protection  
160 East 300 South, 2nd Floor  
PO Box 146704  
Salt Lake City, Utah 84144-6704  
801-530-6601; Fax: 801-530-6001

Virginia: State Corporation Commission  
Division of Securities and Retail Franchising  
1300 East Main Street, 9th Floor  
Richmond, Virginia 23219  
804-371-9051; Fax: 804-371-9911

Washington: Washington Department of Financial Institutions  
Securities Division 150 Israel Road  
Tumwater, Washington 98501  
360-902-8760

Wisconsin: Wisconsin Department of Financial Institutions Franchise  
Registration  
Division of Securities  
201 W. Washington Ave., Suite 300  
Madison, Wisconsin 53703  
608-266-8557

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**EXHIBIT F**

**LIST OF CURRENT FRANCHISE LOCATIONS**

**As of December 31, 2023**

None.

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## EXHIBIT G

### LIST OF AGENTS FOR SERVICE OF PROCESS

California: Department of Financial Protection and Innovation (“DFPI”)  
320 West 4th St., Suite 750  
San Francisco, CA 90013-2344

Hawaii: Commissioner of Securities  
Department of Commerce & Consumer Affairs Securities  
Compliance Branch  
335 Merchant St., Suite 203  
Honolulu, HI 96813

Illinois: Illinois Attorney General  
500 South Second Street  
Springfield, IL 62706

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

Maryland: Maryland Securities Commissioner  
200 St. Paul Place  
Baltimore, MD 21202-2020

Michigan: Michigan Department of Commerce Corporations and Securities  
Bureau  
525 West Ottawa, G. Mennen Williams Bldg., 7th Floor  
Lansing, MI 48909

Minnesota: Minnesota Commissioner of Commerce  
85 7th Place East, Suite 280  
St. Paul, Minnesota 55101-2198

New York: Secretary of State  
99 Washington Avenue  
Albany, NY 12231  
(518) 473-2492

North Dakota: Securities Commissioner  
North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol Fifth Floor Dept 414  
Bismarck, ND 58505-0510  
701-328-4712

Rhode Island: Director, RI Dept. of Business Regulation  
1511 Pontiac Ave.  
Cranston, RI 02920

South Dakota: Division of Insurance Securities Regulation  
124 S. Euclid Suite 104  
Pierre, SD 57501-3185

Virginia: Clerk of the State Corporation Commission  
1300 East Main St., 1st Floor  
Richmond, VA 23219

Washington: Administrator of Securities  
State of Washington, Department of Financial Institutions  
150 Israel Road SW  
Tumwater, WA 98501  
360-902-8760

Wisconsin: Department of Financial Institutions Division of Securities  
345 W. Washington Ave., 4th Floor  
Madison, WI 53703

All other states: Mary Kennedy Thompson, CEO  
Corporate Connections Franchising, LLC  
3430 Toringdon Way, Suite 300  
Charlotte, North Carolina 28277

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**EXHIBIT H**

**LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM WITHIN THE MOST  
RECENTLY COMPLETED FISCAL YEAR**

None.

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## EXHIBIT I

### State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

<b>State</b>	<b>Effective Date</b>
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**EXHIBIT J**

**RECEIPT (Our Copy)**

This Disclosure Document summarizes certain provisions of the Master Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Corporate Connections Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Iowa and New York require that Corporate Connections Franchising, LLC gives you this disclosure document at the earlier of the first personal meeting or 10 business days (or 14 calendar days in Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that FADS gives 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 Corporate Connections Franchising, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency listed on Exhibit F.

The issuance date of this Disclosure Document is July 23, 2024

The franchise sellers for this offering are Corporate Connections Franchising, LLC, 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277, (704) 248-4800, and Robert Gervais, Corporate Connections Franchising, LLC, 3430 Toringdon Way, Suite 300, Charlotte, North Carolina 28277, (514) 912-7161.

Corporate Connections Franchising, LLC authorizes the respective state agencies identified on Exhibit H to receive service of process for it in the particular state.

I received a Disclosure Document dated July 23, 2024, that included the following Exhibits:

A.	Financial Statements	G.	List of Agents for Service of Process
B.	Master Franchise Agreement	H.	List of Franchisees Who Have Left the System
C.	Form of General Release	I.	State Effective Dates
D.	State Specific Addenda	J.	Receipt
E.	List of State Administrators		
F.	List of Current Franchise Locations		

Date: \_\_\_\_\_  
(Do Not Leave Blank)

\_\_\_\_\_  
Signature of Prospective Franchisee

\_\_\_\_\_  
Print Name

Exhibit J-1

**EXHIBIT J**

**RECEIPT (Your Copy)**

This Disclosure Document summarizes certain provisions of the Master Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Corporate Connections Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Iowa and New York require the Corporate Connections Franchising, LLC gives you this disclosure document at the earlier of the first personal meeting or 10 business days (or 14 calendar days in Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that FADS gives 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 Corporate Connections Franchising, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency listed on Exhibit F.

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E.	List of State Administrators		
F.	List of Current Franchise Locations		

Date: \_\_\_\_\_  
(Do Not Leave Blank)

\_\_\_\_\_  
Signature of Prospective Franchisee

\_\_\_\_\_  
Print Name