

FRANCHISE DISCLOSURE DOCUMENT



N2 Franchising, Inc.
a Delaware corporation
9151 Currency Street
Irving, Texas 75063
844-343-5378

legal@n2co.com
www.strollmag.com
<https://greetmag.com/>

You will operate a business that sells advertising to businesses that wish to advertise in print magazines, newsletters, and/or directories for residential communities, cities, towns, and villages under the STROLL or GREET trade name and business system, sells digital advertising services, organizes local events, solicits and compiles content for a publication, and facilitates the publishing of a STROLL or GREET publication ("Franchised Business").

The total investment necessary to begin operation of a ~~Franchised Business ranges from~~ STROLL or GREET franchise is \$2,010 to \$12,560. This includes \$735 that must be paid to us or our affiliates.

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Note, however, that no governmental agency has verified the information contained in this document.

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

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

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

Date of Issuance: October 12, 2024, as amended February 5, 2025

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Texas than in your own state.
2. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
3. **Turnover Rate.** From July 1, 2021 through June 30, 2024, 1,140 franchised outlets were transferred, terminated, acquired by the franchisor, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.
4. **Franchisor Control Pricing of Customer Accounts.** The franchisor determines the amount to be charged for your services. You have no say in that determination. If the franchisor prices a customer's account too low, even by mistake, you still must service the customer under the price ~~the franchisor negotiates~~negotiated, even if you will lose money doing so.

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.

ITEM 2. BUSINESS EXPERIENCE

Duane Hixon: Chief Executive Officer/Director

Since October 2016, Duane Hixon has served as one of our CEO since our formation in Directors. From October 2016 to January 2025, he served as our CEO. He ~~is~~has also been one of the Directors of The N2 Company since December 2005. From December 2005 to January 2025, he was the CEO of The N2 Company and has served in that role since its inception in December 2005. Duane is based in Wilmington, North Carolina.

Earl Seals: President/Director

Since October 2016, Earl Seals has served as one of our President since our formation in Directors. From October 2016 to January 2025, he served as our President. He ~~is~~has also been one of the Directors of The N2 Company since December 2005. From December 2005 to January 2025, he was the President of The N2 Company and has served in that role since its inception in December 2005. Earl is based in Zionsville, Indiana.

JP Hamel: Chief Revenue Executive Officer and President

Since January 2025, JP Hamel has ~~served as~~been our CEO and President. From September 2022 to January 2025, he ~~was~~our Chief Revenue Officer ~~since September 2022~~. From January 2020 to August 2022, he served as Head of Franchise Development. From November 2019 to January 2020, he served as Head of Franchise Coaching and from October 2012 to January 2020 he served as Vice President of Sales for The N2 Company. JP is based in Scotch Plains, New Jersey.

Matthew B. Davis: Chief People and Legal Officer | General Counsel

Matthew B. Davis has served as Chief People and Legal Officer and General Counsel for The N2 Company since September 2022. He has served as General Counsel since July 2017. Additionally, from May 2022 to August 2022, he served as Head of Legal, Human Resources, and Franchise Administration and Compliance for The N2 Company. From July 2021 to August 2022, he served as Head of Legal and Human Resources. Matthew is based in Wilmington, North Carolina.

Domenique Schmitt: Legal and Franchise Operations Manager

Domenique Schmitt has served as Legal and Franchise Operations Manager for The N2 Company since July 2024. She served as Legal Operations Manager for The N2 Company from January 2019 to July 2024. Dominique is based in Fredericksburg, Virginia.

Doug Couillard: Senior Director of Franchise Development

Doug Couillard has been our Senior Director of Franchise Development since August 2023. Prior to that role, he was the Director of Field Operations for N2 Franchising from January 2021 to August 2023. Doug was an Area Director from November 2014 to December 2020. Doug is based in Marshfield, Massachusetts.

Bethany Mascena Tracy: National Director of Franchise Recruitment

Bethany has served as our National Director of Franchise Recruitment since May 2022. Prior to this role, she was our Launch Manager from December 2019 to May 2022. From March 2017 to October 2019, she served as one of our Region Coaches. Bethany is based in Warwick, Rhode Island.

Keith Sewell: Director of Product Growth for Stroll & Greet

approved suppliers, and we and/or our affiliates may receive payments, fees, commissions, or reimbursements from such suppliers in respect of your purchases and leases.

Required Purchases

Currently, except as described below, you have no obligation to purchase or lease from us, our affiliates, or other designated third-party suppliers of the products, services, supplies, fixtures, equipment (including computer hardware and software and payment systems), inventory, or real estate used in establishing or operating your Franchised Business.

Optional Purchases

Our affiliate, The N2 Company, is approved to supply you with optional services for your Franchised Business. Currently, these optional services include client ad strategy services. The service offerings are subject to change. Additional services may become approved while others may be discontinued. To receive these optional services, you must enter into an AD Services Agreement with our affiliate. The current form of AD Services Agreement is attached to this disclosure document as Exhibit F. There are additional fees associated with these optional services. Future optional services may include premium versions of the client ad strategy services, content services, writing and editing services, business strategy coaching, social media management services, administrative services, consulting services, or client care services. This is not an exhaustive list of potential optional services and neither we nor our affiliate is obligated to make them available to our franchisees. Our affiliate may establish and change the prices for current and future services in its discretion.

The N2 Company is also approved to supply you with optional lead generation services.

Revenue Derived

Our ~~CEO~~Directors, Duane Hixon, and ~~our President~~, Earl Seals, are the owners of The N2 Company, which is approved to supply you with optional services. Neither we, our affiliate, nor any of our officers owns an interest in any other privately held suppliers or a material interest in any publicly held suppliers of our franchise system. During our fiscal year July 1, 2023 through June 30, 2024, we received no revenue or other material consideration from required purchases or leases by franchisees. During its fiscal year July 1, 2023 through June 30, 2024, The N2 Company received no revenue from our franchisees' required purchases or leases.

Requirements for Specific Goods and Services

Technology: At our option, we currently make available to you software developed by us, our affiliates, or a designated third party for the Franchised Businesses. We are not required to develop or acquire such software programs. Currently we do not assess a fee but we have the right to do so. These software programs assist with client relationship management, sales order and commission management, and Publication production management.

Signage: If you display signage at your Office location, it must comply with our specifications and standards, which we will issue to you upon request.

Business Cards: You must use the third-party provider we designate to purchase your business cards.

Digital Signature Software: We require you to use our approved vendors for digital signature software. You must not use any digital signature software we have not approved.

Insurance: You must obtain and maintain in full force and effect the levels of insurance specified in the Franchise Agreement and the Franchise Brand Standards Manual or applicable law. At a minimum, you

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
Washington	0	1	0
Totals	0	59	0

GREET PUBLICATIONS

Table No. 1
Systemwide Outlet Summary
For Years 2022 to 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	19	29	+10
	2023	29	33	+4
	2024	33	42	+9 +11
Company-Owned	2022	0	0	0
	2023	0	1	+1
	2024	1	3	+2
Total Outlets	2022	19	29	+10
	2023	29	34	+5
	2024	34	45	+11 +13

Notes: All numbers are as of our fiscal year end, which is June 30.

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2022 to 2024

State	Year	Number of Transfers
Pennsylvania	2022	0
	2023	0
	2024	1
Texas	2022	1
	2023	0
	2024	0
Washington	2022	0
	2023	0
	2024	2
Totals	2022	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
	2024	1	1	0	0	0	1	1
Rhode Island	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	1	1
South Carolina	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	1	0
	2024	0	3	0	0	0	1	2
Texas	2022	3	1	0	0	0	1	3
	2023	3	0	0	0	1	0	2
	2024	2	6	0	0	0	2	6
Utah	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	1	0
Virginia	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Washington	2022	0	6	0	0	0	0	6
	2023	6	8	0	0	0	4	10
	2024	10	<u>23</u>	0	0	1	3	<u>89</u>
Totals	2022	19	15	0	0	1	4	29
	2023	29	20	0	0	<u>1</u>	15	33
	2024	33	<u>29</u><u>30</u>	0	0	1	20	<u>41</u><u>42</u>

Notes: All numbers are as of our fiscal year end, which is June 30.

Table No. 4
Status of Company-Owned Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Colorado	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
Texas	2022	0	0	0	0	0	0
	2023	0	0	1	0	0	1
	2024	1	0	0	0	0	1

**N2 FRANCHISING, INC.
FRANCHISE AGREEMENT**

Name of Franchisee

Street Address

City _____ **State** _____ **Zip Code** _____

Telephone

Franchisee ID Number

Form dated: October 12, 2024, as amended February 5, 2025
FDD dated: October 12, 2024, as amended February 5, 2025

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the dates set forth below, each intending to be legally bound by its terms.

FRANCHISOR:

N2 Franchising, Inc.

FRANCHISEE:

[Insert name of Franchisee entity here]

By: _____

~~Duane Hixon~~ JP Hamel, CEO

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT B
TERRITORY & INITIAL FRANCHISE FEE

Franchisee has the right to distribute the Publication to Communities and Industry Groups located within the Territory described below, and only in the Territory described below, for purposes of operating the Franchised Business.

Franchisee's Territory is defined as:

Check one:

- ☐ The Initial Franchise Fee of \$735 is waived.
- ☐ The Initial Franchise Fee is due and payable upon execution of the Franchise Agreement because Franchisee is purchasing a franchise for a Bridge Publication. The Initial Franchise Fee is not refundable upon any circumstances.

Acknowledged by:

FRANCHISOR:
N2 Franchising, Inc.

FRANCHISEE:
[Insert name of Franchisee entity here]

By: _____
~~Duane Hixon~~ JP Hamel, CEO
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISOR:

N2 Franchising, Inc.

By: _____

~~Duane Hixon~~ JP Hamel, CEO

Date: _____

COVENANTOR:

By: _____

Name: _____

Title: _____

Date: _____

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISOR:

N2 Franchising, Inc.

By: _____

~~Duane Hixon~~ JP Hamel, CEO

Date: _____

COVENANTOR:

By: _____

Name: _____

Title: _____

Date: _____

powers, including full power of substitution and execution or completion of any documents required or requested by any Provider to transfer or modify such Listings, and Franchisee ratifies every act that Franchisor may lawfully perform in exercising those powers. This power of attorney shall be effective for a period of two (2) years from the date of expiration or termination of Franchisee's rights under the Franchise Agreement for any reason. Franchisee intends that this power of attorney be coupled with an interest. Franchisee declares this power of attorney to be irrevocable and renounces all rights to revoke it or to appoint another person to perform the acts referred to in this instrument. This power of attorney shall not be affected by the subsequent incapacity of Franchisee. This power is created to secure performance of a duty to Franchisor and is for consideration.

5. The parties agree that the Providers may accept Franchisor's written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor's exclusive rights in and to the Listings upon such termination or expiration of the Franchise Agreement and that such assignment shall be made automatically and effective immediately upon a Providers' receipt of such notice from Franchisor or Franchisee. The parties further agree that if the Providers require that the parties execute the Providers' assignment forms or other documentation at the time of termination expiration of the Franchise Agreement, Franchisor's execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement.

6. The validity, construction and performance of this Assignment is governed by the laws of Texas. All agreements, covenants, representations and warranties made in this Agreement survive the signing of this Assignment. All Franchisor's rights inure to Franchisor's benefit and to the benefit of Franchisor's successors and assigns.

FRANCHISOR:

N2 Franchising, Inc.

FRANCHISEE:

[Insert name of Franchisee entity here]

By: _____

~~Duane Hixon~~ JP Hamel, CEO

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

(e) Further Assurance. The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the intent of this Agreement.

(f) Complete Defense. Franchisee acknowledges that this Agreement shall be a complete defense to any claim released under the terms of Section 1, of this Agreement and hereby consents to the entry of a temporary or permanent injunction to end the assertion of any such claim.

(g) Attorneys' Fees. In the event that Franchisor institutes legal proceedings of any kind to enforce this Agreement, Franchisee agrees to pay all costs and expenses associated therewith, including, but not limited to, all attorneys' fees.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representative as of the date indicated below.

FRANCHISOR:
N2 Franchising, Inc.

FRANCHISEE:
[Insert name of Franchisee entity here]

By: _____
~~Duane Hixon~~ JP Hamel, CEO
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

[Add signature blocks for any additional parties identified pursuant to Section 1.]

ILLINOIS ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

1. Illinois law governs the Franchise Agreement.
2. In conformance with section 4 of the Illinois Franchise Disclosure Act, any provision in a Franchise Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Franchise Agreement may provide for arbitration to take place outside of Illinois.
3. 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.
4. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or **any other law of Illinois** is void.
5. 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.
6. By reading this disclosure document, you are not agreeing to, acknowledging, or making any representations whatsoever to the Franchisor and its affiliates.

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

State	Effective Date
California	October 21, 2024
Hawaii	October 12, 2024
Illinois	pending <u>October 11, 2024</u>
Indiana	October 18, 2024
Maryland	pending
Michigan	October 18, 2024
Minnesota	pending <u>January 2, 2025</u>
New York	November 13, 2024
North Dakota	October 11, 2024
Rhode Island	October 24, 2024
South Dakota	October 11, 2024
Virginia	October 15, 2024
Washington	pending
Wisconsin	October 11, 2024

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.

ITEM 23
RECEIPT

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

If N2 Franchising, Inc. 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, or sooner if required by applicable state law. Applicable state laws in (a) Michigan requires us to provide you the disclosure document at least 10 business 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, (b) New York requires us to provide you the disclosure document at the earlier of the first personal meeting or 10 business 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, and (c) Iowa requires us to provide you the disclosure document at the earlier of the first personal meeting or 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.

If N2 Franchising, Inc. 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, DC 20580 and any applicable state agency (as listed in Exhibit I to this disclosure document).

The name, principal business address, and telephone number of the franchise seller offering the franchise is provided in the attached Franchise Sellers' Information document.

Issuance Date: October 12, 2024, as amended February 5, 2025

Our agents for service of process are identified on Exhibit J to this disclosure document. Our agent for service of process in Delaware is National Registered Agents, Inc., 1209 Orange Street, Wilmington, Delaware, 19801.

I received a disclosure document dated October 12, 2024, as amended February 5, 2025. The disclosure document included the following Exhibits:

Exhibit A – Financial Statements
Exhibit B – Franchise Agreement (with Attachments and State Specific Amendments)
Exhibit C – List of Franchised Outlets
Exhibit D – List of Franchisees Who Have Left the System
Exhibit E – Franchise Brand Standards Manual
Table of Contents
Exhibit F – AD Services Agreement

Exhibit G – Form of General Release
Exhibit H-1 – Sample Transfer Agreement and Consent
Exhibit H-2 – Sample Assignment and Assumption Agreement
Exhibit I – List of State Administrators
Exhibit J – Agents for Service of Process
Exhibit K – State Specific Addenda to Franchise Disclosure Document

Dated: _____
Individually and as an Officer of the company designated below or of a company to be formed and designated below on formation

Printed Name
of _____
(a _____ Corporation)
(a _____ Limited Liability Company)

(Keep this page for your records.)

RECEIPT

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

If N2 Franchising, Inc. 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, or sooner if required by applicable state law. Applicable state laws in (a) Michigan requires us to provide you the disclosure document at least 10 business 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, (b) New York requires us to provide you the disclosure document at the earlier of the first personal meeting or 10 business 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, and (c) Iowa requires us to provide you the disclosure document at the earlier of the first personal meeting or 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.

If N2 Franchising, Inc. 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, DC 20580 and any applicable state agency (as listed in Exhibit I to this disclosure document).

The name, principal business address, and telephone number of the franchise seller offering the franchise is provided in the attached Franchise Sellers' Information document.

Issuance Date: October 12, 2024, as amended February 5, 2025

Our agents for service of process are identified on Exhibit J to this disclosure document. Our agent for service of process in Delaware is National Registered Agents, Inc., 1209 Orange Street, Wilmington, Delaware, 19801.

I received a disclosure document dated October 12, 2024, as amended February 5, 2025. The disclosure document included the following Exhibits:

Exhibit A – Financial Statements
Exhibit B – Franchise Agreement (with Attachments and State Specific Amendments)
Exhibit C – List of Franchised Outlets
Exhibit D – List of Franchisees Who Have Left the System
Exhibit E – Franchise Brand Standards Manual
Table of Contents
Exhibit F – AD Services Agreement

Exhibit G – Form of General Release
Exhibit H-1 – Sample Transfer Agreement and Consent
Exhibit H-2 – Sample Assignment and Assumption Agreement
Exhibit I – List of State Administrators
Exhibit J – Agents for Service of Process
Exhibit K – State Specific Addenda to Franchise Disclosure Document

Dated: _____
Individually and as an Officer of the company designated below or of a company to be formed and designated below on formation

Printed Name _____
of _____
(a _____ Corporation)
(a _____ Limited Liability Company)

(Sign and return this page to N2 Franchising, Inc.)