

FRANCHISE DISCLOSURE DOCUMENT



COBBLESTONE HOTELS, LLC

A Wisconsin Limited Liability Company
980 American Drive
Neenah, Wisconsin 54956
(920) 230-2622
www.cobblestonehotels.com
www.cobblestonefranchising.com

The franchise is for the establishment and operation of a Cobblestone Inn & Suites[®], a Cobblestone Hotel & Suites[®] or a Cobblestone Suites[®] lodging facility (collectively referred to in this document as “Cobblestone Lodging Facilities”).

The total investment necessary to begin operation of a Cobblestone Lodging Facility franchised business is between \$5,369,999 and \$23,992,003 for a newly constructed hotel. This includes between \$62,999 and \$106,003 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of a Cobblestone Lodging Facility franchised business is between \$94,999 and \$2,351,007 for the conversion of an existing hotel. This includes between \$62,999 and \$86,007 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.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in a different form, contact Josie Kilgore at jkilgore@cobblestonehotels.com 920-230-2622, 980 American Drive, Neenah, WI 54956.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, such as 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 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 specific state agencies about them.

Issuance Date: **May 31, 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:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit L.
How much will I need to invest?	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.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Cobblestone Inn & Suites or Cobblestone Hotel & Suites business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Cobblestone Inn & Suites or Cobblestone Hotel & Suites franchisee?	Item 20 or Exhibit L lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and the 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 B.

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-if-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by litigation only in Wisconsin. Out-of-state 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 Wisconsin than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both you and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
4. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
5. **Unregistered Trademark.** The primary logo that you will use in your business is not federally-registered. If the Franchisor's ability to use this trademark in your area is challenged, you may have to identify your business and its products/services by a different name. This change can be expensive and may reduce brand recognition of the products and services you offer

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.

**NOTICE REQUIRED
BY
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.

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

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

(i) 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).

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

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to:

Department of Attorney General
Consumer Protection Division (Attention: Franchise Section)
G. Mennen Williams Building, 1st Floor
525 W. Ottawa Street, Lansing, Michigan 48909
Telephone (517) 373-7117

NOTE: THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR WHO LOCATE THEIR FRANCHISES IN MICHIGAN.

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ITEM 1:

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor, its Parent, and Affiliates

Unless the context otherwise requires, all references to “we,” “our” or “us” means Cobblestone Hotels, LLC, and all references to “you” refer to the person or entity who is granted the right to operate a lodging facility identified by or associated with the trademarks listed in Item 13 of this disclosure document under a Franchise Agreement. If you are a corporation, limited liability company, partnership, or any other type of legal entity, certain of the provisions of the Franchise Agreement also will apply to, and be binding on, certain of your owners.

We are a Wisconsin limited liability company which was organized on January 7, 2012. We do not have a parent corporation. We are currently doing business under the “Cobblestone Hotel & Suites®”, “Cobblestone Inn & Suites®”, “Cobblestone Suites™”, “Boulders Inn & Suites by Cobblestone®”, “Key West™”, “Centerstone™”, and “Riverstone Suites by Cobblestone Hotels™” brand names. Our principal business address is 980 American Drive, Neenah, Wisconsin 54956.

The state agencies and our agents for service of process are listed in Exhibit B.

We began offering franchises of the type described in this disclosure document in January 2013 and have never offered franchises in any other line of business. We have never operated a business of the type described in this disclosure document; however, our affiliated companies have owned, operated and managed the operation of lodging facilities since 2002. We do not engage in any other business activities. As of December 31, 2023, there were 2 franchised Centerstone™ lodging facilities, 18 franchised Key West™ lodging facilities, 16 franchised Boulders Inn and Suites by Cobblestone®, 117 franchised Cobblestone Inn & Suites®, Cobblestone Hotel & Suites® and Cobblestone Suites™.

During fiscal years ended December 31, 2018 and December 31, 2019 we also offered franchises for “Boulders Inn & Suites®” branded lodging facilities under a marketing plan similar to the franchise offered in this document. We did not sell any of these franchises but there were 13 existing properties using the “Boulders Inn & Suites®” trademarks when we purchased the brand on October 17, 2018. During the fiscal year ended 2019 we discontinued the “Boulders Inn & Suites®” brand and the 13 existing properties converted to “Cobblestone Inn & Suite®” lodging facilities. We did not sell any “Boulders Inn & Suites®” franchises during the fiscal year ended December 31, 2023, nor do we intend to in the future.

Our affiliate, Cobblestone Hotel Group, LLC (“CHG”), is a Wisconsin limited liability company formed on March 1, 2007. Its principal business address is the same as ours. CHG owns lodging facilities and provides management and operational services to hotel and motel owners. CHG does not offer and has never offered franchises in any line of business. You are not required to use the services of CHG in the operation of your business. CHG does not offer products or services to franchisees.

Our affiliate, BriMark Builders, LLC (“BriMark”), is a Wisconsin limited liability company formed on December 3, 2007. Its principal business address is the same as ours. BriMark designs, develops, builds, and renovates hotel properties and we do use the products and services it offers. BriMark does not offer and has never offered franchises in any line of business. You may, but are not required to, use the products and services of BriMark in the development or operation of your business.

Our affiliate, BriMark Builders Construction, LLC (“BMBC”), is a Wisconsin limited liability company formed on April 6, 2020. Its principal place of business is the same as ours. BMBC designs, develops, builds, and renovates hotel properties and we do use the products and services it offers. BMBC does not offer and has never offered franchises in any line of business. You may, but are not required to, sue the products and services of BMB in the development and operation of your business.

Our affiliate, BriMark Builders LA, LLC (“BMBLA”) is a Wisconsin limited liability company formed on October 20, 2016. Its principal place of business is the same as ours. BMBLA designs, develops, builds, and renovates hotel properties and we do use the products and services it offers. BMBLA does not offer and has never offered franchises in any line of business. You may, but are not required to, sue the products and services of BMBLA in the development and operation of your business.

Our affiliate, 980 American Drive, LLC (“980”) is a Wisconsin limited liability company formed on March 16, 2011. Its principal business address is the same as ours. 980 holds title to the fixed assets (i.e. furniture, equipment, property, etc.) with which we support the franchise system. 980 does not offer and has never offered franchises in any line of business. You are not required to use the services of 980 in the development or operation of your business. 980 does not offer products or services to franchisees.

Our affiliate, Cobblestone Hotel Development, LLC (“CHD”) is a Wisconsin limited liability company formed on September 23, 2012. Its principal business address is the same as ours. CHD creates, controls and orchestrates the process of real estate development. CHD does not offer and has never offered franchises in any line of business. You are not required to use the services of CHD in the development or operation of your business. CHD does not offer products or services to franchisees.

Our affiliate, Cobblestone Supply Company, LLC (“CSC”) is a Wisconsin limited liability company formed on May 29, 2014. Its principal business address is the same as ours. CSC supplies furniture, fixtures and equipment and operating supplies and equipment and we do use the products and services it offers. CSC does not offer and has never offered franchises in any line of business. You may, but are not required to, use the products and services of CSC in the development and operation of your business.

Our affiliate, Granite Hospitality Group, LLC (“GHG”) is a Wisconsin limited liability company formed on December 31, 2018. Its principal business address is the same as ours. GHG is the parent company of BriMark, CSC and CHD. GHG does not offer and has never offered franchises in any line of business. You are not required to use the products and services of GHG in the development and operation of your business.

Our affiliate, Neenah Hospitality Group, LLC (“NHG”) is a Wisconsin limited liability company formed on January 1, 2018. Its principal business address is the same as ours. NHG is the parent company of CHG. NHG does not offer and has never offered franchises in any line of business. You are not required to use the products and services of NHG in the development and operation of your business.

Our affiliate, Wissota Franchising, LLC (“Wissota Franchising”) is a Wisconsin limited liability company formed on January 26, 2022. Its principal business address is the same as ours. Wissota Franchising does business under the “Wissota Chophouse” marks and offers franchises for the operation of steakhouse restaurants. Wissota Franchising has never offered franchises in any other line of business.

Our affiliate, Slate Hospitality Group, LLC (SHG) is a Wisconsin limited liability company formed on June 29, 2021. Its principal business address is the same as ours. SHG provides management and operational services to hotel and motel owners. SHG does not offer and has never offered franchises in any other line of business. You may, but are not required to, use the services of SHG in the operation of your business.

Our affiliate, SHG Management, LLC (“SHGM”) is a Wisconsin limited liability company formed on June 29, 2021. Its principal business address is the same as ours. SHGM provides management and operational services to hotel and motel owners. SHGM does not offer and has never offered franchises in any other line of business. You may, but are not required to, use the services of SHGM in the operation of your business.

All of our affiliates provide or may provide services to each other and our franchisees. Consequently, our internal departments and personnel may provide substantially similar services to lodging facilities owned, operated, managed and franchised by our affiliates and may provide such services on a combined basis (i.e. combined system support, reservations systems, marketing programs).

The Franchised Business

Recognizing a need for high quality lodging facilities in underserved markets, we offer to qualified individuals and entities the right to own and operate a Cobblestone Lodging Facility franchise at an agreed-upon location under our standard form franchise agreement, attached to this disclosure document as Exhibit D (the “Franchise Agreement”). We offer the opportunity for you to build a new Cobblestone Lodging Facility or to convert an existing hotel property.

Cobblestone Lodging Facilities are upper-midscale, high-quality lodging and accommodation services meeting the needs of communities all over the country. They are commonly located in communities with populations in excess of 3,000 that are lacking quality accommodations, as well as in the suburbs of larger communities. Current Cobblestone Lodging Facilities are available in different sizes with the minimum number of required guest rooms being 35. There is no maximum guest room requirement. The market for your services will depend upon the location of your Cobblestone Lodging Facility as well as its size and other amenities. You will offer services to a broad range of the travelers, customers and businesses, local community members, and will solicit business from conventions and tour and travel groups. At any time during the term of the Franchise Agreement, we have the right to require you to hire a management company approved by us to manage and operate your hotel.

Competition

The businesses with which you will have to compete include national chains and franchises, as well as independently owned hotels and motels offering similar facilities to the same business and leisure travelers. The market for hotel and motel services is developed and the lodging industry is highly competitive. ~~Your ability to compete in your market will depend upon certain factors, including: the location of your hotel, the location of competing lodging properties, your financial and managerial capabilities, general economic conditions, and other factors.~~ Depending upon the location of your lodging facility, your sales may be seasonal.

Industry Specific Laws and Regulations

Cobblestone Lodging Facilities are subject to laws and regulations which generally apply to all businesses, and it will be your obligation to investigate those laws and regulations and abide by them. In addition, you will need to investigate and abide by all federal and state laws regarding the operation of motels and hotels, including those laws relating to: the liability of innkeepers, the posting of room rates, the registration of guests, and the accessibility to and use of motels and hotels

by persons with disabilities. You will also be required to comply with laws and regulations regarding food storage, handling, and preparation. In addition, the payment card industry Data Security Standard is the current standard of security requirements for all merchants or service providers that store, process, or transmit cardholder data. You are responsible for compliance with this standard. You will also need to investigate and determine the existence of local laws and regulations which may apply to your hotel, and which may affect the cost to you of constructing and/or operating your lodging facility. Consult with your lawyer about all laws that will apply to you and your lodging facility. Discuss with your architect the requirements of the Americans with Disabilities Act and all state and local accessible facilities laws.

ITEM 2: BUSINESS EXPERIENCE

Co-Owner & Chief Financial Officer – Kim Wogernese

Ms. Wogernese has served as ~~our~~the Chief Financial Officer of our affiliate, Cobblestone Hotel Group, LLC since 2007– and has served as our Chief Financial Officer since our creation in 2012.

Co-Owner – Jeremy Griesbach

Mr. Griesbach has been our co-owner since November 2017. Mr. Griesbach has also served as the President of Development for our affiliate, BriMark, since February of 2015. Prior to that, Mr. Griesbach was a Regional Developer for BriMark since 2011.

Brand President – Josie Kilgore

Ms. Kilgore has served as Brand President since January 2018. Prior to that, Ms. Kilgore served as our Vice President of Franchise Services since February of 2012. Prior to January of 2016, Ms. Kilgore was also our Vice President of Procurement since February of 2012. Prior to that Ms. Kilgore served in various roles for us since 2007.

ITEM 3: LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4: BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5: INITIAL FEES

Initial Fee and Application Fee

Upon signing the franchise agreement (the “Franchise Agreement”), you must pay us an initial fee of \$40,000 (the “Initial Fee”) for a Cobblestone Lodging Facility. All prospective franchisees must complete an application (the “Application”) and forward it to us for our review. A copy of the Application is attached to this disclosure document as Exhibit A. When you submit your Application to us, you must pay us an application fee of \$2,500. (the “Application Fee”). The Application Fee is non-refundable; however, if we approve your Application, the Application Fee

will be credited against your Initial Fee. If we reject your Application, your Application Fee will not be refunded.

We will approve or reject your Application within 30 days of the date we receive all of the information we require. If we reject your Application, we will send you a letter notifying you of the rejection. If we approve your Application, we will send you a letter of approval along with copies of the Franchise Agreement. You will be required to sign and return the Franchise Agreement to us, along with the remaining balance of the Initial Fee, (i.e. the portion of the Initial Fee in excess of the Application Fee), within 30 days of the date we send the approval letter. If you do not sign and return the Franchise Agreement and any remaining balance of the Initial Fee due within this 30-day period, our approval of your Application will be automatically withdrawn and the Application Fee will be forfeited. If you then elect to continue with your project, you must complete a new Application and pay another Application Fee to us.

The Initial Fee is fully earned upon receipt and is non-refundable. However, we may, in our discretion, give a full or partial refund of the Application Fee and/or Initial Fee under unique circumstances or agree to credit the Application Fee and/or Initial Fee towards the Application Fee and/or Initial Fee of any future application you submit, although we are not required to do so. Refunds are not based on any quantifiable data. We have the absolute right to evaluate each situation on an individual basis.

We may in our discretion agree to reduce or waive the Initial Fee and/or the Application Fee based upon factors we determine justify a reduced fee under the circumstances. We reserve the right to charge an Initial Fee below our standard Initial Fee based on factors we determined to justify a reduced fee under the circumstances, such as the size and type of the hotel facility, the location of the hotel site, and the experience and creditworthiness of the applicant. During our fiscal year ended December 31, 2023 the Initial Fee paid by franchisees were between \$0 and \$40,000.

Interior Design Review Fee

If you wish to use an interior design package that is not our standard, we may charge you up to \$5,000 to review it. This fee is typically not refundable. If charged, this fee is due prior to receiving the services.

Signage Review Fee

If you wish to use exterior signage that is not our standard in size, width, height, location, or type (i.e. monument, pole, chain letters), we may charge you up to \$5,000 to pay for the expense of an architect and market specialist to evaluate whether the proposed signage is acceptable. This fee is typically not refundable. If charged, this fee is due prior to receiving the services.

Construction Review Fee

If, due to inspections of your construction site, variations in your plans and specifications from our standards, the necessity to involve our architects, continual delays in the construction schedule, or your request that we review your construction documents and/or visit your construction site, we incur expenses associated with the construction of your lodging facility we may charge you up to \$20,000 to review your construction plans and specifications and monitor construction progress to ensure that our standards are being met by your contractor. If you are converting an existing hotel, you will not be charged this fee. This fee is typically not refundable. In addition to the Construction Review Fee you must also pay all travel, wages, lodging and other related expenses for our staff when they conduct on-site progress inspections. If charged, this fee is due prior to receiving the services.

Training Fees

You must participate in our Training Program (defined in Item 11) before you open your lodging facility for business as a Cobblestone Lodging Facility. Pre-opening training fees are \$499 per person up to \$1,497 (3 people) for opening training at our corporate headquarters and \$500 per day up to a maximum of \$4,500 (9 days) for on-site training. Training fees are subject to periodic changes by us in our sole discretion. Your General Manager (defined in Item 15) must successfully complete our Training Program before your hotel opens for business as a Cobblestone Lodging Facility. If your General Manager oversees more than one hotel, one or more assistant managers must also successfully complete the Training Program. You must pay us our Training Fees for each person (including your initial manager and each new manager) who attends our Training Program within thirty (30) days of receiving our invoice. Your payment for this is typically not refundable.

Property Management System

You must pay to us \$15,000 for the Property Management System software and its installation. This fee does not include the hardware you must purchase from third-party suppliers. This fee is typically not refundable. This fee is due prior to receiving the software.

Reservation System Fees

You must pay to us \$2,000 for the Central Reservation System software and its installation. This fee does not include the hardware you must purchase from third-party suppliers. This fee is typically not refundable. This fee is due prior to receiving the software.

Call Center System Fees

You must pay to us \$1,000 for the Call Center System software and its installation. This fee does not include the hardware you must purchase from third party suppliers. This fee is typically not refundable. This fee is due prior to receiving the software.

Cobblestone Rewards Program Initialization Fee

You must pay to us \$2,000 for our expenses associated with initializing your property's access to the Cobblestone Rewards Program. This fee is typically not refundable. This fee is due prior to the initialization of the program.

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ITEM 6: OTHER FEES

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Monthly Fee	\$3.75 per day multiplied by the number of guest rooms at the Franchised Location, calculated based on a 30-day month (i.e. for a 54 room location the fee would be $\$3.75 * 54 * 30 = \$6,075/mn$).	Payable on or before the 15 th of each month for the previously closed month	You must pay this fee in order to operate your hotel using the “Cobblestone Inn & Suites®”, “Cobblestone Hotel & Suites®” or “Cobblestone Suites®” brand name.
Marketing Fund Fee	\$0.75 per day multiplied by the number of guest rooms at the Franchised Location, calculated based on a 30-day month (i.e. for a 54 room location the fee would be $\$0.75 * 54 * 30 = \$1,215/mn$).	Payable on or before the 15 th of each month for the previously closed month	These fees are contributed to the Marketing Fund.
Interest	18% Annual Percentage Rate	Immediately upon receiving invoice	You must pay interest on any delinquent sums owed to us.
Transfer Fee	\$5,000	Prior to our approval of the transfer	You must generally pay a transfer fee to us if you transfer your Franchise Agreement, the material asset associated with your Cobblestone Lodging Facility, or controlling interest in your stock or other outstanding ownership interests.

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Quality Assurance Inspections	You must pay for all lodging expenses incurred by our inspectors when conducting a quality assurance inspection. This cost ranges from \$500 to \$1,000 per inspection.	Immediately upon receiving invoice	We have the right to inspect your Cobblestone Lodging Facility at all reasonable times to evaluate whether you are complying with the Rules and Regulations.
Guest Complaint Resolution Fee	Cost to compensate a dissatisfied guest, plus a processing fee of \$180 for every complaint received by us.	Immediately upon receiving invoice	You will be billed a \$180 processing fee for every complaint received by us.
Administrative Expenses Associated with Advisory Services	Will vary under circumstances	Immediately upon receiving invoice	We will render, upon written request by you, advisory services pertaining to guest service and operation of your Cobblestone Lodging Facility. You will be responsible for all reasonable administrative and out-of-pocket expenses and other fees for certain services or training that are incurred by us in rendering such advisory services.
Re-evaluation Fee	\$1,750	On or before the date established by us	If we or our agent are refused access to conduct a quality assurance evaluation, or if your Cobblestone Lodging Facility fails a quality assurance evaluation you must pay us our then current reevaluation fee for each follow-up inspection conducted by us or our agent and reimburse agent for the out of pocket travel expenses incurred. This fee is subject to change.

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Re-Instatement Fee	\$2,000 if your right to access to any intranet or extranet system or other computer network or system which we have established or administer (such as the central reservations system or property management system) is disabled due to your breach of your Franchise Agreement.	Before reconnection.	If your access to intranet, extranet or other computer networks is suspended as provided in Article 6(V)(9) of your Franchise Agreement you will be required to pay the reconnect fee once you have remedied your breach.
Conference Meeting Attendance	Currently the cost for each person to attend our conference is \$899. In addition, you must pay for travel, lodging, meals, and incidental expenses incurred by your employees and you in attending the conference. These fees are subject to change at our discretion.	The per person fee payable to us is due 30 days after receipt of our invoice and the balance is payable as required by entities providing travel, lodging, meals, and associated services to your employees and you.	Your managers must, at your expense, attend certain meetings, webinars, and conference. Your manager is required to attend our annual conference. You must pay us our prescribed fees for these meetings and conference regardless of whether your manager attends.
General Manager Training Fee	Currently, \$499 per person for General Manager Training at our corporate headquarters. You must pay all travel, wages, lodging, and other related expenses for trainees. These additional costs may range between \$1,000 to \$5,000.	The General Manager Training Fee is payable to us within 30 days after receipt of our invoice. Travel, wages, lodging and other related expenses for trainees are payable as negotiated with third-party providers.	Ongoing training is generally optional; however, we reserve the right to institute mandatory training programs as we determine to be necessary.

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Onsite Training Fee	Currently, \$500 per person for onsite training. You must pay all travel, wages, lodging, and other related expenses for trainers and on-site training. These additional costs may range between \$1,000 to \$5,000.	The Onsite Training Fee is payable to us within 30 days after receipt of our invoice. Travel, wages, lodging and other related expenses for trainers are payable as negotiated with third-party providers.	Ongoing training is generally optional; however, we reserve the right to institute mandatory training programs as we determine to be necessary.
E-mail Platform & Microsoft Office Subscription	\$15-\$45 per month per license	Immediately upon receiving invoice	The email platform and Microsoft office subscription we provide, you will pay a monthly fee to us. The amount of the fee can vary based on the services you choose to receive.
Cobblestone Rewards Program	\$2,000 set up fee plus \$300 per month or 15% of usage per month, whichever is greater plus \$0.045 per manual point.	Immediately upon receiving invoice	You must participate in the Cobblestone Rewards Program. Usage means all revenue related to room bookings by guests that are members of the Cobblestone Rewards Program including all items such as breakfast and service fees but does not include vat and sales tax. You are required to sign a Cobblestone Rewards Program Technology Addendum for this purpose at the time you sign the Franchise Agreement.

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Marketing Platform Fee	15% of all revenue derived through the Sojern marketing platform.	Immediately upon receiving invoice	You must participate in the Sojern marketing platform. The fee is payable monthly and is based on the number of bookings your property receives through the platform.
Promotional Programs	Will vary under the circumstances	Immediately upon guest booking or invoice	You must participate in and honor the terms of any discount or promotional program (including any room discounts or discount rate codes) that are applicable to your Cobblestone Lodging Facility, or any other lodging facilities we own, operate, manage or franchise.
Reservation Fees for the Central Reservations System or "CRS"	One-time set-up fee of \$2,000 and ongoing monthly fees of \$820.	Immediately upon receiving invoice	You must use SynXis for connectivity to GDS/IDS, Guest Connect Booking Engine, Mobile Booking Engine and integration with your PMS. You are required to sign a CRS Technology Addendum for this purpose at the time you sign the Franchise Agreement.

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Central Travel Agent Commission Program	Will vary under the circumstances and is charged as negotiated with third-party providers and is subject to change.	Payable through Automated Clearing House (ACH) or Electronic Funds Transfer (EFT), bi-monthly. Frequency of commission process is subject to change.	You must make certain payments to our designated service provider for participation in the Cobblestone centralized travel agent commission payment program. You must enter into an agreement with the third-party travel agent commission payment service provider designated by us and purchase these commission services. Our designated travel agent commission payment program and your cost of participation and use may be periodically changed by us.
Reservation Call Center (Toll Free Reservation Line)	\$1,000 initial set up fee, and 16% of revenue derived from each booked reservation transferred from the call center	Immediately upon receiving invoice	You must use the call center provider we require.
Shift4 (credit card processing)	As negotiated with third-party vendor	Immediately upon receiving invoice	You must use the credit card processing provider and payment gateway we require.
Maintenance, Support, and Training for Guest High-Speed Internet Access Hardware and Software	As negotiated with third-party providers and is subject to change.	Per service provider	You must make complimentary wireless high-speed Internet access available in the guest rooms, lobby, meeting rooms, and hospitality rooms of your Cobblestone Lodging Facility. This requires you to enter into a Property Service Agreement for the purchase of hardware, software, maintenance, support, and training from, and to make certain payment to, third-party vendor.

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Interior Design Review Fee	Up to \$5,000	Immediately upon receiving invoice	If (i) you request us to do an interior design review during the term of your Franchise Agreement or (ii) your hotel is not compliant with the Cobblestone Lodging Facility Rules and Regulations Manual, you will be required to pay for our review of the hotel and assessment of expenditures necessary to bring the hotel into compliance with the then-current image intended to be portrayed by Cobblestone Lodging Facility.
Property Management System Fees (“PMS”)	One-time initial fee of \$15,000. Ongoing fees are \$4.85 per room/per month plus a flat integration fee of \$195 per month.	Immediately upon receiving invoice.	You must use Stayntouch The PMS may include but is not limited to property management services, point of sale service, CRM services, reservation management, hotel interfaces, and housekeeping management. You are required to sign a PMS Technology Addendum for this purpose at the time you sign the Franchise Agreement.
Attorneys’ Fees and Costs	Will vary under the circumstances	On demand	If we prevail in any judicial proceeding, you must pay our costs and expenses, including attorneys’ fees.
Indemnification	Will vary under the circumstances	On demand	You must reimburse us for claims and expenses arising out of your hotel operations.

Type of Fee	Amount	Due Date	Remarks (See Note 1)
Insurance	Will vary under the circumstances	On demand	If you fail to obtain insurance coverage required by us for your hotel, we may obtain coverage at your expense.
Liquidated Damages	Up to 36 months of the Monthly Fees	On demand	See Note 2. You must pay us liquidated damages if your Franchise Agreement is terminated for reasons set forth in Article 8 of the Franchise Agreement.

Note 1: All amounts are uniformly imposed by and are payable to us unless otherwise noted. All fees are nonrefundable.

Note 2: Liquidated damages are calculated using your Monthly Fees multiplied by thirty-six (36) monthly payments or, if you are within thirty-six (36) months of the end of the term of your Franchise Agreement. Liquidated Damages calculations do not take into account any discounts given to any fees throughout the term of the Agreement

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ITEM 7: ESTIMATED INITIAL INVESTMENT
COBBLESTONE INN & SUITES AND COBBLESTONE HOTEL & SUITES®

CONVERSION

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Fee	\$40,000	Payment in cash, by ACH, or by check	An Application Fee of \$2,500 is due upon submission of your Franchise Application, but is credited against the Initial Fee when your Franchise Agreement is signed	Us
Initial Training Fee	\$1,999 to \$10,999	Payment in cash, by ACH, or by check	As incurred	Us
Travel, and Living Expenses while Training (Note 2)	\$1,000 to \$5,000	Payment in cash, by ACH, or by check	30 days after invoice	Us
Furniture, Fixtures & Equipment (See Note 3)	\$0 - \$1,800,000	As required by suppliers	As incurred	Suppliers. \$0 if property is in no need of updates to be accepted into the Cobblestone Lodging Facilities brand. \$500,000 would be the max of \$2,500 per room in a property with 200 rooms

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Opening Inventory (See Note 4)	\$20,000 - \$60,000	As required by supplier	As incurred	Suppliers
Contactless Check-In and Digital Authorizations	\$0-\$4.00 per room per month	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Interior Design Review Fee (See Note 6)	\$0-\$5,000	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Exterior Signage	\$10,000 - \$50,000	As required by suppliers	As incurred	Suppliers
Hardware, Software, and Installation	\$0 - \$20,000	As required by suppliers	As incurred	Suppliers - \$0 if conversion and property's current hardware and software meets our brand requirements.
Property Management System Set-Up and Installation	\$15,000	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Reservation System Set-Up and Integration	\$2,000	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Call Center System Initial Set Up and Installation	\$1,000	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
High-Speed Internet Access Hardware, Software, and Installation	\$0 - \$35,000	As required by suppliers	As incurred	Suppliers

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Cobblestone Rewards Initial Fee	\$2,000	Payment in cash, by ACH, or by check	Due Prior to Opening	Us
Signage Review Fee (See Note 6)	\$0-\$5,000	Payment in cash, by ACH, or by check	As incurred	Us
Contactless Check-In and Digital Authorizations	\$0-\$4.00 per room per month	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Insurance	\$2,000 - \$150,000	As required by supplier	Due Prior to Opening	Your Insurance Carriers
Additional Funds – Pre-Opening and 3 Months (See Note 5)	\$0-\$150,000	As incurred	As incurred	Employees, Suppliers, Utilities
Totals (See Note 9)	\$94,999 to \$2,351,007*			*Totals do not include Real Estate cost (Note 1)

COBBLESTONE HOTEL & SUITES® AND COBBLESTONE INN & SUITES®

NEW CONSTRUCTION

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Fee	\$40,000	Payment in cash, by ACH, or by check	An Application Fee of \$2,500 is due upon submission of your Franchise Application, but is	Us

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
			credited against the Initial Fee when your Franchise Agreement is signed	
Initial Training Fee (Note 1)	\$1,999 to \$10,999	Payment in cash, by ACH, or by check	As incurred	Us
Travel, and Living Expenses while Training (Note 1)	\$1,000 to \$5,000	Payment in cash, by ACH, or by check	30 days after invoice	Us
Real Estate and Site Preparation (See Note 2)	Not Determined	As negotiated with real estate seller and contractors	As incurred	Real Estate Seller and Contractors
Building Improvements, including Architect, MES (i.e. contractor or construction team), Civil and Aquatic Engineers, Design Fees (See Note 3)	\$4,375,000 - \$11,250,000	As negotiated with contractors, suppliers, architects, and engineers	As incurred	Contractors, Suppliers, Architects, MES, Civil and Aquatic Engineers
Furniture, Fixtures and Equipment (See Note 4)	\$700,000 - \$11,800,000	As required by suppliers	As incurred	Suppliers
Opening Inventory (See Note 5)	\$20,000 - \$60,000	As required by suppliers	As incurred	Suppliers

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Interior Design Review Fee (See Note 6)	\$0-\$5,000	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Exterior Signage	\$12,000 - \$50,000	As required by supplier	As incurred	Supplier
Hardware, Software, and Installation	\$8,000 - \$20,000	As required by suppliers	As incurred	Suppliers
Property Management System and Installation	\$15,000	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Reservation System Set-Up and Integration	\$2,000	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Call Center System Initial Set Up and Installation	\$1,000	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
High-Speed Internet Access Hardware, Software, and Installation	\$6,000 - \$35,000	As required by suppliers	As incurred	Supplier
Closing Costs	\$59,000 - \$171,000	As incurred	Due Prior to Opening	Third Parties
Contingencies	\$50,000 - \$200,000	As contingencies arise	As agreed with Contractor and Suppliers	Contractors and Suppliers
Signage Review Fee (See Note 7)	\$0-\$5,000	Payment in cash, by ACH, or by check	Prior to receiving the services	Us

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Construction Review Fee (See Note 8)	\$0-\$20,000 plus expenses	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Cobblestone Rewards Initial Fee	\$2,000	Payment in cash, by ACH, or by check	Due Prior to Opening	Us
Contactless Check-In and Digital Authorizations	\$0-\$4.00 per room per month	Payment in cash, by ACH, or by check	Prior to receiving the services	Us
Insurance	\$2,000 - \$150,000	As required by supplier	Due Prior to Opening	Your Insurance Carriers
Additional Funds – Pre-Opening and 3 Months (See Note 9)	\$75,000 - \$150,000	As incurred	As incurred	Employees, Suppliers, Utilities
Totals (See Note 10)	\$5,369,999 to \$23,992,003*	*Totals do not include Real Estate cost (Note 1)		

Note 1: The cost of the Initial Training Program for up to three (3) individuals at our corporate headquarters is calculated to \$499 per person per day up to a maximum of \$1,497 (3 people) and \$500 per day up to a maximum of \$4,500 (9 days) for on-site training. The chart estimates the costs for transportation, lodging, and meals for your trainees. These incidental costs are not included in the Initial Franchise Fee. Your costs will depend on the number of people attending training, their point of origin, method of travel, class of accommodation and living expenses. You must also provide our staff with complimentary rooms at your hotel for onsite training following your Initial Training Program.

Note 2: The cost of acquiring and developing a site for a new Cobblestone Lodging Facility has not been estimated and is not included in the Item 7 table. This cost will vary depending on such factors as location, size, and the local real estate market. For a conversion property, we assume you already own or lease the real estate.

Note 3: We have not built a new prototypical Cobblestone Lodging Facility; therefore, we do not have actual construction costs based on current actual experience. This is an estimate of the cost required to construct and open a new construction hotel and the estimate provided is based on our affiliate's experience constructing our prototype designs. The estimate is based on a 35 to 90 guestroom hotel. The cost of constructing each hotel has the potential to vary greatly and will depend on factors unique to your situation and your hotel. Therefore, your actual costs may fall

outside the estimated ranges provided. Unusually high development fees or prevailing wage rates might impact initial expenses. The table does not include the cost of purchasing or leasing real estate, which cannot be estimated with any certainty due to variables such as location, acreage, terms and whether leased or purchased.

Note 4: The estimated cost for furniture, fixtures, and equipment excludes the Property Management System.

Note 5: This estimate is for inventory items such as towels, linens, guest room amenities, paper good and maintenance supplies and equipment.

Note 6: If you use our standard interior design package, you will not be charged any additional fees for us to review.

Note 7: If you wish to use exterior signage that is not our standard in size, width, height, location, or type (i.e. monument, pole, chain letters), we may charge you up to \$5,000 to pay for the expense of an architect and market specialist to evaluate whether the proposed signage is acceptable. This fee is typically not refundable. If charged, this fee is due prior to receiving the services.

Note 8: If, due to inspections of your construction site, variations in your plans and specifications from our standards, the necessity to involve our architects, continual delays in the construction schedule, or your request that we review your construction documents and/or visit your construction site, we incur expenses associated with the construction of your lodging facility we may charge you up to \$20,000 to review your construction plans and specifications and monitor construction progress to ensure that our standards are being met by your contractor. This fee is typically not refundable. In addition to the Construction Review Fee you must also pay all travel, wages, lodging and other related expenses for our staff when they conduct on-site progress inspections. If charged, this fee is due prior to receiving the services.

Note 9: If you are converting an existing lodging facility, we do not anticipate that you will incur any additional funds during the first three-months that you do not normally incur in the continuing operation of your lodging facility. If you are constructing a new lodging facility, the estimated additional funds are based on our affiliates' experience of owning, operating, and managing Cobblestone Lodging Facilities, of your pre-opening expenses related to supplies and utilities, including travel, wages, lodging, and other related expenses, and working capital requirements for the first 3 months after your Cobblestone Lodging Facility opens for business. Working capital for the first 3 months includes general operating expenses such as lease payments, payroll, payroll expenses, facility expenses, pest control, security, and maintenance. ~~Your actual costs will depend on factors which include your management skill, experience and business acumen; local economic conditions; the prevailing wage rates; competition in the marketplace; and sales levels reached during the start-up phase of your business.~~ These amounts do not include any estimates for debt service.

Note 10: We do not offer direct or indirect financing. We do not guarantee your note, lease or obligations (See Item 10).

~~**Except as otherwise noted, none of these costs and expenses are refundable. These costs and expenses associated with converting or building a Cobblestone Lodging Facility are only estimates and your costs may be higher depending on your particular circumstances. You should review these figures carefully with a business advisor, accountant, or attorney before making any decision to purchase a franchise.~~

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General Obligations

You must operate your Cobblestone Lodging Facility according to our standards and specifications as we may establish from time to time in our Cobblestone Rules and Regulations Manual. We will provide you with the Rules and Regulations Manual, as well as any updates to it, in hard copy, electronic format or otherwise by written communication from us. We will provide you with drawings of our interior and exterior Cobblestone Lodging Facility prototypical requirements in hard copy or electronic format.

You must purchase your Cobblestone Lodging Facility's Central Reservation System ("CRS"), Property Management System ("PMS"), Call Center Reservation Services ("CCR"), Cobblestone Rewards Program ("Rewards Program"), and credit card processing system from our approved suppliers. We do not grant approval of alternative suppliers for the CRS, PMS, CCR, Rewards Program, or credit card processing system.

You will have the right and option to purchase all other goods and services from any suppliers you choose, provided that these goods and services conform to our standards of quality and uniformity.

When approving suppliers, including architects, contractors and insurance carriers, our criteria is that the goods and services provided comply with our standards of quality and uniformity. While we do not have written criteria for the approval of architects and contractors, we will provide written criteria regarding our standards of quality and uniformity to you or the suppliers you choose at their request.

The process by which you must request approval of your chosen supplier, architects and contractors begins with you submitting to us information regarding the supplier in writing. Our approval will not be unreasonably withheld if the supplier's products or services meet our standards of quality and uniformity. You will generally receive written notification from us of our determination regarding your proposed supplier within 30 days of receipt of your request.

If, during the term of your Franchise Agreement, a supplier that you are using no longer complies with our standards of quality and uniformity we may revoke our approval and give you no less than 30 days to find a different supplier that is able to bring your Cobblestone Lodging Facility into compliance with our standards.

To ensure that the goods and services you are using comply with our standards, we may charge you an Interior Design Review Fee of up to \$5,000, a Signage Review Fee of up to \$5,000, and a Construction Review Fee of up to \$20,000.

Except for the Cobblestone Rewards Program, credit card processing system, the CRS, the PMS and the CCR, you do not have to purchase or lease anything from us or any of our affiliates and neither we nor are our affiliates are the only approved suppliers of any products or services you must purchase; however, we and our affiliates can be suppliers for any goods and services we offer.

Ownership in Suppliers

Our officers and/or owners, Kim Wogernese and Jeremy Griesbach, own interests in GHG, which is the parent and sole member of BriMark, CSC, BMBC, and BMBLA.

Central Reservation System

You must use the central reservation system provider that we select. Currently we require franchisees to use SynXis, but we may change providers at any time. In exchange for us arranging for these services to be provided to you, you must execute a Central Reservation System Technology

Addendum (see Exhibit E to this disclosure document) and you must pay us the Reservation Fees described in Item 6 of this disclosure document. The CRS services include connectivity to global distribution systems (GDS), online travel agents, website and mobile booking engines, reservation call centers, managing rates and content and revenue management. You must participate in third party reservation systems that we make available, including AMADEUS, GALILEO/APOLLO, SABRE, WORLDSPAN, various Internet reservation services (any of which may change), and all third party reservation services, which include direct connections into our central reservation system. ~~As of the date of this disclosure document~~ Currently, Synxis is the only approved supplier of the CRS services. Neither we nor any affiliate is an approved supplier of this CRS service. No alternative suppliers of the CRS will be considered and there are no criteria for approving alternative suppliers.

Property Management System

You must use the property management system provider that we select. Currently, we require the franchisees to use Stayntouch™, but we may change providers at any time. In exchange for us arranging for these services to be provided to you, you must execute a Property Management System Technology Addendum (see Exhibit F to this disclosure document) and you must pay us the Property Management Fees described in Item 6 of this disclosure document. The PMS may include but is not limited to property management services, point of sale service, CRM services, reservation management, hotel interfaces, and housekeeping management. ~~As of the date of this disclosure document~~ Currently, Stayntouch™ is the only approved supplier of the PMS services. Neither we nor any affiliate is an approved supplier of the PMS services. No alternative suppliers of the PMS will be considered and there are no criteria for approving alternative suppliers.

Call Center Reservation Services

You must use the Call Center Reservation Services provider that we select. Currently, we require the franchisees to use Sabre, but we may change providers at any time. In exchange for us arranging for these services to be provided to you, you must execute a Call Center Reservation Services Technology Addendum (see Exhibit G to this disclosure document) and you must pay us the Call Center Reservation Service Fees described in Item 6 of this disclosure document. The CCR services include all inbound and outbound calls in. ~~As of the date of this disclosure document~~ Currently, Sabre is the only approved supplier of the CCR services. Neither we nor any affiliate is an approved supplier of the CCR services. No alternative suppliers of the CCR will be considered and there are no criteria for approving alternative suppliers.

Cobblestone Rewards Program

You must participate in the Cobblestone Rewards Program. We administer the Rewards Program. In exchange for us administering the Rewards Program, you must execute a Cobblestone Rewards Program Technology Addendum (see Exhibit H to this disclosure document) and you must pay us the Cobblestone Rewards Program Fees described in Item 6 of this disclosure document. The Rewards Program services include administration and management of guest points and redemptions. ~~As of the date of this disclosure document~~ Currently, Cendyn is the only approved supplier of the Rewards Program services. Neither we nor any affiliate is an approved supplier of the Rewards Program services. No alternative suppliers of the Rewards Program will be considered and there are no criteria for approving alternative suppliers.

Contactless Check-In and Digital Authorizations

~~As of the date of this disclosure document~~ Currently, Contactless Check-In and Digital Authorizations are optional services, but we may make them mandatory at any time. There is currently no preferred provided for these services, but we may designate one at any time. Neither we nor any affiliate is an approved supplier of Contactless Check-In and Digital Authorization

Services. No alternative suppliers of the Contactless Check-In and Digital Authorizations will be considered and there are no criteria for approving alternative suppliers.

Credit Card Processing & Payment Gateway System

You must use the credit card processing and payment gateway system provider that we select. In exchange for us arranging for these services to be provided to you must pay the fees described in Item 6 of this disclosure document. ~~As of the date of this disclosure document~~ Currently, Shift4 is the only approved supplier of credit card processing services, but we change providers at any time. Neither we nor any affiliate is an approved supplier of the credit card processing services. No alternative suppliers of the credit card processing will be considered and there are no criteria for approving alternative suppliers.

Hardware and Software

You are required to have computer hardware at your Cobblestone Lodging Facility to use the CRS, CCR, PMS, Rewards Program, Contactless Check-In and Digital Authorizations, and credit card processing system; however we do not currently require that this be purchased or leased from us, our affiliates, or an approved supplier. At a minimum the computer hardware you are required to purchase consists of one (1) computer terminal for every 50 rooms. These terminals can be used for the CRS, CCR, PMS, Rewards Program, Contactless Check-In and Digital Authorizations, and credit card processing system (described above).

Proportion of Your Initial Investment and Ongoing Expenses

We estimate that your required purchases and leases from the approved and designated suppliers of the Cobblestone Rewards Program, Central Reservation System, Property Management System and Call Center Reservation Services will represent (i) approximately 0.1% to 0.5% of your initial investment for a newly constructed hotel and approximately 1.5% to 18% for a conversion; and (ii) approximately 15% to 30% of your ongoing monthly expense for either a newly constructed hotel or a conversion.

Items We Derive Revenue From

For the year ended December 31, 2023, our revenues and our affiliates revenues from the sale of goods and services to franchisees was \$3,368,675, or 40.83% of our total revenues of \$8,250,061. Except for the Cobblestone Rewards Program, the CRS, the CCR, and the PMS, you do not have to purchase or lease anything from us.

Other than as disclosed above, we derived no revenue or other material consideration as a result of required franchisee purchases or leases during the fiscal year ended December 31, 2023. Similarly, other than as disclosed above, no suppliers make payments to us from franchisee purchases.

If we do receive funds from unaffiliated third-party suppliers as a result of purchases franchisees are required to make, it will be used to offset the expenses of our Annual Conference.

Purchasing or Distribution Cooperatives

Neither we nor our franchisees have established any purchasing or distribution cooperatives ad of the fiscal year ended December 31, 2023.

Material Benefits

We attempt to negotiate purchase arrangements with third party suppliers (including price terms) for the benefit of all Cobblestone Lodging Facilities, “Boarders Inn & Suites by Cobblestone[®]”, “Key West[™]”, “Centerstone[™]”, and “Riverstone Suites by Cobblestone Hotels [™]” branded lodging facilities. We do not provide material benefits to you (including renewal rights or the right to open additional Cobblestone Lodging Facilities) based on your purchase of particular goods and services

or on your purchases of particular products or services or your use of particular suppliers. However, purchases of goods or services that do not meet our standards in violation of the Franchise Agreement will entitle us to, among other things, terminate your Franchise Agreement.

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Insurance

Each Cobblestone property is required to adhere to all the following insurance related terms, limits, coverage, policies and procedures, which we reserve the right to change at any time in our discretion:

Carrier Requirements:	Minimum AM Best Rating, Alpha Rating: A- Financial Category: VI
Insurance Coverage and Limit Requirements:	General Liability
	(a) All General Liability Limits Apply on a Per-Location Basis (b) Per Occurrence: \$1,000,000 (c) Additional Insured listing for Cobblestone Hotels, LLC (d) Cyber Liability and Data Breach coverage: \$500,000 (e) Waiver of Subrogation Cobblestone Hotels, LLC
	Worker’s Compensation
	(a) Statutory Limits i. Employee: \$500,000 ii. Each Accident: \$500,000 iii. Disease Policy Limit: \$500,000 (b) Waiver of Subrogation listing for Cobblestone, LLC
	Employment Practice Liability
	(a) Each Occurrence: \$250,000
	Automobile Liability
	(a) Hired and Non-Owned Auto Coverage: Combined Single Limit \$1,000,000 (b) If property has an owned-auto: Commercial Auto Liability: Combined Single Limit: \$1,000,000
	Liquor Liability
(a) Required on any property that charges in any way for alcoholic beverages. (b) Each Occurrence: \$1,000,000 (Subject to state statute)	
Umbrella Policy	
(a) \$5,000,000	
Additional Insured Wording	“Cobblestone Hotels, LLC, its affiliates, subsidiaries, and its and their respective employees, agents, officers, and directors are named as additional insured.”

Additional Requirements/Notes	<p>(a) Additional insured in favor of the above for all liability policies.</p> <p>(b) Waiver of subrogation in favor of the above referenced additional insured for worker’s compensation policies</p> <p>(c) Thirty (30) days written notice of cancellation</p> <p>(d) Notify in writing if liquor availability is not applicable</p> <p>(e) Notify in writing when only one location is covered in policy</p> <p>(f) Limit requirements can be achieved with the combination of underling and umbrella limits</p> <p>(g) If personal property and/or sign are leased from Cobblestone Hotels, LLC an evidence of property insurance naming Cobblestone Hotels, LLC as loss payee or Mortgagee must be provided.</p>
Certificate of Insurance Requirements	<p>Each property is required to provide Cobblestone Hotels, LLC with a Certificate of Insurance on the Acord form. The certificate must show all the required elements noted above as well as the following items:</p> <p>(a) Certificate must show location and property code. Certificates received without referencing the property code will not be accepted.</p> <p>(b) Certificate of Holder is to be named as <u>Cobblestone Hotels, LLC</u>.</p> <p>(c) Certificate of Insurance is to be emailed, mailed or faxed to:</p> <p style="text-align: center;">Cobblestone Hotels, LLC Attn: Insurance Compliance 980 American Drive, Neenah, WI 54956 Fax: 866-403-7287 Email: insurance@staycobblestone.com</p>

All insurance policies must be issued by carriers approved by us. Such carriers will be approved in the same way suppliers are approved (see above). Your insurance must contain such types and minimum amounts of coverage, exclusions and maximum deductibles as we prescribe from time to time, must name us and our affiliates as additional insureds, must provide for 30 days’ prior written notice to us of any material modification, cancellation or expiration of such policy and must include such other provisions as we may require periodically.

ITEM 9: FRANCHISEE’S OBLIGATIONS

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

	Obligation	Section in Franchise Agreement	Disclosure Document Item
a.	Site Selection and acquisition/lease	Art. 18	Items 11 and 12
b.	Pre-Opening purchases/lease	Art. 18	Items 5, 8, and 11

	Obligation	Section in Franchise Agreement	Disclosure Document Item
c.	Site development and other pre-opening requirements	Art. 18	Items 6, 7, 11, and 12
d.	Initial and ongoing training	Art. 11	Items 6, 7, and 11
e.	Opening	Art. 11(D)	Item 11
f.	Fees	Art. 4(A), 5(A), 5(B), 5(C), 6(E), 6(F), 6(P), 6(V), 6(W), 6(Z), 6(AA), 6(BB), 11(A), 13(A) and 18(G) Also, Technology Addendums, Exhibits E, F, G, H and I to the disclosure document	Items 5, 6, and 11 Exhibits E, F, G, H and I
g.	Compliance with standards and policies/operating manual	Art. 6	Item 11
h.	Trademarks and proprietary information	Art. 3, 7(D), 7(E)	Items 13 and 14
i.	Restriction on products/services offered	Art. 6(J)	Items 8 and 16
j.	Warranty and customer service requirements	Art. 11, 12	Item 11
k.	Territorial development and sales quotas	Not Applicable	Not Applicable
l.	Ongoing product/service purchases	Art. 6(J) and 6(K) Also, Technology Addendums, Exhibits E, F, G, H and I to the disclosure document,	Items 6, 8, 16, and Exhibits E, F, G, H and I
m.	Maintenance, appearance, and remodeling requirements	Art. 6(F),6(L),6(P)	Item 11
n.	Insurance	Art. 14	Item 8
o.	Advertising	Art. 6(A), 6(Z) and 6(BB)	Item 11
p.	Indemnification	Art. 15	Item 8
q.	Owner's Participation/Management/Staffing	Art. 6(O)	Item 15

	Obligation	Section in Franchise Agreement	Disclosure Document Item
r.	Records and Reports	Art. 16	Item 15
s.	Inspections and Audits	Art. 16 and 18	Items 11 and 15
t.	Transfer	Art. 17	Item 17
u.	Renewal	Art. 2(B)	Item 17
v.	Post-termination obligations	Art. 10, 15(c)	Item 17
w.	Non-competition covenants	Not Applicable	Item 17
x.	Dispute resolution	Art. 19(F), 21	Item 17
y.	Other: Hospitality Portal	Art. 6(Y)	Item 11
z.	Rewards Program	Art. 6(C)	Item 6

ITEM 10: FINANCING

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

ITEM 11: FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, Cobblestone Hotels, LLC is not required to provide you with any assistance.

Pre-Opening Assistance

Before you open your Cobblestone Lodging Facility, we will provide you with the following assistance:

- (1) We will negotiate your Protected Area (Franchise Agreement §1(A)).
- (2) Before signing the Franchise Agreement, we will approve your site in our sole and absolute discretion. We will determine whether to accept or reject your proposed site after considering factors as we deem appropriate, including the general site and neighborhood, demographic information, traffic patterns, access, visibility, site of other lodging businesses (including Cobblestone Lodging Facilities), and size, condition, configuration, appearance and other physical characteristics of the site.

Typically, we will approve or reject your site within 30 days of receiving your application and Application Fee.

The Application Fee is currently \$2,500 (see Item 5) and will be credited against your Initial Fee if we approve your application. If we accept the site and your franchise application, we will send you written notice of our acceptance decision.

If we reject your application, your Application Fee will not be refunded.

We do not generally own the site and lease it to you.

(3) We will provide you with a copy of, or access to, our Rules and Regulations Manual (consisting of 53 pages) which contains the system standards and specifications for your Cobblestone Lodging Facility, including standards for the furniture, fixtures, and certain equipment used to furnish your Cobblestone Lodging Facility and which contains the mandatory and suggested specifications when using our logo and trademarks to market your Cobblestone Lodging Facility (Franchise Agreement §§ 1(C), 6(H) and 12(A)).

(4) We will provide you with a copy of our approved standard plans for your Cobblestone Lodging Facility (Franchise Agreement §§6(E), 12(A), and 18(C)).

(5) We have the right to approve or reject the architect and contractor which you propose to use to design and/or construct your Cobblestone Lodging Facility (Franchise Agreement §18(C)).

(6) If you are constructing a new Cobblestone Lodging Facility, we will review and approve the detailed plans and specifications for your Cobblestone Lodging Facility which will be prepared at your expense by your architect who has been approved by us. Your approved architect will be required to conform your Cobblestone Lodging Facility to local ordinances and building codes. In addition, you or your contractor will be required to obtain any required permits for the construction or operation of your Cobblestone Lodging Facility. We are not required to assist you in conforming your Cobblestone Lodging Facility to local ordinances and building codes or in obtaining any required permits (Franchise Agreement §18(C)).

(7) If you wish to deviate from one of our standard interior design packages or to use a custom design package, we will review, approve, or provide comments on your interior design package and, following our approval, any subsequent modifications to your package (Franchise Agreement §§6(P) and 18(C)). We may charge you an Interior Design Review Fee of up to \$5,000 for this service (Franchise Agreement § 6(E)) (see Item 5).

(8) We may, in our discretion, periodically inspect your Cobblestone Lodging Facility during construction or conversion, as applicable. However, we are not required to provide assistance in constructing, remodeling, or decorating your Cobblestone Lodging Facility (Franchise Agreement §§6(P) and 18(C)).

(9) We will inspect your Cobblestone Lodging Facility prior to opening (Franchise Agreement §§6(P) and 18(C)).

(0) Provide you with an initial Training Program (see below) (Franchise Agreement §11(A)).

Post-Opening Assistance

During the operation of your Cobblestone Lodging Facility, we will provide you with the following assistance:

(1) We will loan you a copy or give you access to our confidential operations materials (the Cobblestone Rules and Regulations) via a private extranet the Cobblestone Portal (Franchise Agreement §§6(E), (Y) and 12(A)).

(2) We may inspect your Cobblestone Lodging Facility as often as we deem appropriate (Franchise Agreement §6(P)).

(3) We may, in our discretion, protect the “Cobblestone” name, trademarks and/or copyrights as well as the distinguishing characteristics of a Cobblestone Lodging Facility. We will indemnify and hold you harmless from any damages assessed against you in any action commenced against you if you have been named as a defendant in the action solely as a result of your use of our trademarks and service marks in compliance with your obligations under our Rules and Regulations Manual (Franchise Agreement §3(E)).

(4) We may, in our discretion, hold annual conferences and/or training and motivational programs designed to generate and foster employee awareness, sensitivity, and responsiveness to the customers who patronize your Cobblestone Lodging Facility. Your General Manager is required to attend our conference. You must pay the registration fees established by us for these conferences and programs regardless of whether you attend. Currently the cost for each person to attend our conference is \$899. In addition, you must pay all of the travel, living, and employment-related expenses for you or your staff attending these conferences and programs. These conferences and programs will be held at the location or locations selected by us in our discretion (Franchise Agreement §11(A)).

(5) We may, in our discretion, sponsor one or more loyalty programs to promote and reward the frequent and regular guests of Cobblestone Lodging Facilities. You must, at your expense, participate in all these programs, including our current program, “Cobblestone Rewards” (Franchise Agreement §6(C)).

(6) We will, upon your request, provide you with advisory services related to guest service, property sales, and the operation of your Cobblestone Lodging Facility. You must reimburse us for all reasonable administrative and out-of-pocket expenses incurred by us in providing these services and provide lodging to our representatives at no charge (Franchise Agreement §12(A)).

(7) We will provide you with access to a central reservation system, (comprised of certain centralized reservation services, including Global Distribution Services, email/Internet, generic voice reservation services for your hotel and credit card processing. (Franchise Agreement §6(V)(1) - (3)).

(8) We reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum or other pricing requirements with respect to the prices you may charge for products and services. You must participate in and honor the terms of any discount or promotional program (including any room discounts or discount rate codes) that are applicable to your Cobblestone Lodging Facility, or any other lodging facilities we own, operate, manage or franchise, that we offer to the public on your behalf and any room rate quoted to any guest at the time the guest makes an advance reservation. You will take all action necessary to participate in any discount or promotional programs (Franchise Agreement §6(J)).

(9) We will provide you with information regarding our standards of quality and uniformity upon request by a supplier or you (Franchise Agreement §6(K)).

Time of Opening

We estimate the time from the date you sign the Franchise Agreement to the date you open your Cobblestone Lodging Facility for business to be between 15 to 18 months if your facility is to be newly constructed and 2 to 4 months if you are converting an existing hotel to a Cobblestone Lodging Facility. However, this time estimate may vary depending on numerous factors, including location, construction or renovation schedules, permits, zoning and local ordinances, weather conditions, shortages, delayed installation of equipment, fixtures, and signage, and financing. Your Cobblestone Lodging Facility must be open for business within 4 months of signing your Franchise Agreement if you are converting an existing hotel and within 18 months of signing your Franchise Agreement if you are constructing a new hotel. We may grant you an extension of completion in our discretion.

Training

Your General Manager must successfully complete our full Training Program ~~to our satisfaction~~ before you open your hotel for business. If your General Manager oversees more than one hotel, one or more assistant managers must also successfully complete our Training Program. You or other individuals you designate may also attend the Training Program but are not required to do so. The

Training Program consists of up to five (5) days of classroom and on-the-job training for your General Manager on the basic management and operations of a Cobblestone Lodging Facility, including CARE training. Currently we charge \$499 per person for the Opening Training that is conducted at our corporate headquarters and \$500 per day for on-site training, which can be up to 9 days. You are responsible for all travel, wages, lodging, and other related expenses for the trainees and, during on-site training, our staff (Franchise Agreement §11(A)).

~~As of the date of this disclosure document~~Currently, training is conducted under the supervision of our Brand Services Team. Members of our Brand Services team have no less than 3 years' experience in the operation of lodging facilities. The materials used in the Training Program currently include our Rules and Regulations Manual. Our Training Program must be completed by your General Manager no more than one hundred twenty (120) days prior to the opening of your Cobblestone Lodging Facility and requires that your General Manager be present at our corporate headquarters for up to 5 days.

After your Cobblestone Lodging Facility opens for business, we may require additional training on an as-needed basis if your Cobblestone Lodging Facility is not operating in compliance with our standards, we institute new standards, or you hire employees that are unfamiliar with our standards.

Our Training Program consists of the following:

OPENING TRAINING

TRAINING PROGRAM	Hours of Classroom Training	Hours of On-The-Job Training	Location
Subject Taught			
Front Desk Application	16	Up to 20	On Property
Building Management & Operations	2	Up to 5	On Property
Safety and Security	1	Up to 2	On Property
Revenue Management	2	Up to 4	On Property
Guest Relations	4	Up to 5	On Property
Brand Standards	4	Up to 8	On Property
Total Hours	29	Up to 44	On Property

GENERAL MANAGER BRAND TRAINING (Including CARE Training)

Subject Taught	Hours of Classroom Training	Hours of On-The-Job Training	Location
Systems	24	NA	On Property
Building Management	30 min	NA	On Property
Safety and Security	1	NA	On Property
Revenue Management	8	NA	On Property
Guest Relation	4	NA	On Property

Brand Standards	8	NA	On Property
eCommerce & Marketing	4	NA	On Property
Total Hours	Up to 49.5	NA	

* The Cobblestone Corporate Headquarters is located at 980 American Drive, Neenah, WI 54956

All Training classes include CARE training and are held when necessary.

After you or your General Manager(s) have successfully completed our management training program, one or more of our representatives will provide (a) up to five (5) days of opening assistance and staff training at your Cobblestone Lodging Facility, and (b) up to four (4) additional days of onsite training as we determined to be necessary. You must either provide complimentary rooms or pay all lodging expenses incurred by our personnel in providing this assistance and training. We will only provide this assistance and training if you have provided us with a copy of the certificate of occupancy for your Cobblestone Lodging Facility. In addition, if your Cobblestone Lodging Facility is not ready to be opened for business when our representative arrives to provide this assistance and training, you must reimburse us for all salary, expenses, and other costs incurred by us and our personnel while they are delayed in providing this opening assistance and on-site training (Franchise Agreement §11(D)).

Computer System

You must use the central reservation system (“CRS”) provider that we select. In exchange for us arranging for these services to be provided to you, you must execute a Central Reservations System Technology Addendum (see Exhibit E to this disclosure document) and you must pay us the Reservation Fees described in Item 6 of this disclosure document. The CRS services include connectivity to global distribution systems (GDS), online travel agents, website and mobile booking engines, reservation call centers, managing rates and content and revenue management. You must pay us a set-up fee of \$2,000 and \$820.00 per month for your use of the Synxis CRS services.

You must use the property management system (“PMS”) provider that we select. In exchange for us arranging for these services to be provided to you, you must execute a Property Management System Technology Addendum (see Exhibit F to this disclosure document) and you must pay us the Property Management Fees described in Item 6 of this disclosure document. The PMS services include The PMS may include but is not limited to property management services, point of sale service, CRM services, reservation management, hotel interfaces, and housekeeping management.. Currently, excluding hardware, the cost of purchasing, installing, and maintaining the PMS is a one-time setup fee of \$15,000, \$4.85 per room per month, and ongoing monthly fees of \$195 for the interfaces required to connect the PMS to the Point-of-Sale system. We reserve the right to require additional interfaces, which will range in cost from \$55 to \$85 per month per integration.

You must use the call center reservation services (“CCR”) provider that we select. In exchange for us arranging for these services to be provided to you, you must execute a Call Center Reservation Services Technology Addendum (see Exhibit G to this disclosure document) and you must pay us the Call Center Reservation Services Fees described in Item 6 of this disclosure document. The CCR services include initial set up and implementation of the CCR at the Franchised Location, standard telecom/system set-up and/or line re-routing to start the Call Center services, training for agents and inbound/outbound call routing and assistance. Currently, excluding hardware, the cost of purchasing, installing, and maintaining the CCR service is a one-time setup fee of \$1,000 plus 11% of revenue derived from each booked reservation transferred from the Call Center.

Every Cobblestone Lodging Facility and the “Key West™,” “Centerstone™,” “Riverstone Suites by Cobblestone Hotels™” and “Boarder’s Inn & Suites by Cobblestone®” lodging facilities must also participate in our Cobblestone Rewards Program, and any other rewards or frequent traveler program we may initiate. Our Cobblestone Rewards Program provides member guests with rewards points that they can apply to a variety of products and services such as airline tickets, hotel stays, and gift cards. Stays are tracked through members’ rewards account and redeemed through us. Cobblestone Rewards Program expenses are funded through a separate charge to each Cobblestone Lodging Facility and the “Key West™,” “Centerstone™,” “Riverstone Suites by Cobblestone Hotels™” and “Boarders Inn & Suites by Cobblestone®” branded lodging facilities. In exchange for us administering the Rewards Program, you must execute a Cobblestone Rewards Program Technology Addendum (see Exhibit H to this disclosure document) and you must pay us the Cobblestone Rewards Program Fees described in Item 6 of this disclosure document. The Rewards Program services include administration and management of guest points and redemptions. Currently, excluding hardware, the cost of purchasing, installing and maintaining the Rewards Program is a one-time set-up fee of \$2,000 plus the greater of \$300 per month or 15% of usage per month, whichever is greater, plus \$0.045 per manual point.

You must use the credit card processing services provider that we select and you must pay the fees described in Item 6 for these services. Currently, the cost of the credit card processing services varies and is negotiable with Shift4, the approved supplier of the services.

At a minimum the computer hardware you are required to purchase for the CRS, PMS, CCR, Rewards Program, Contactless Check-In and Digital Authorizations, and credit card processing consists of one (1) computer terminal at the front desk and one (1) computer terminal for the back office. The hardware you are required to purchase can be used for all of the services and initial cost of hardware, in addition to any set-up fees is between \$8,000 and \$20,000 for a newly constructed Cobblestone Lodging Facility and between \$0 and \$20,000 for a conversion.

You must make complimentary wireless high-speed Internet access available in the guest rooms, lobby, meeting rooms, and hospitality rooms of your Cobblestone Lodging Facility. We estimate that this will cost you between \$0 and \$15,000. You must also use e-mail service that we designate.

In connection with our current CRS, PMS, CCR and Rewards Program you must sign a Central Reservation System Technology Addendum (see Exhibit E to this disclosure document), a Property Management System Technology Addendum (see Exhibit F to this disclosure document), a Call Center Reservation Services Technology Addendum (see Exhibit G to this disclosure document) and a Cobblestone Rewards Program Technology Addendum (see Exhibit H to this disclosure document). If we make future modifications to our CRS, PMS, CCR, and/or Rewards Program, we may require you to enter into one or more agreements with us or one or more third-party vendors designated by us, which agreements shall be in a form established by us from time to time. You may not use any other third-party reservation services or programs or a property management system, except those services and programs approved by us. If you default in your obligations under the Franchise Agreement, we have the right to suspend your participation in the CRS, PMS and CCR (and other services provided by us) for the duration of your default (Franchise Agreement §§6(V)-(AA) and 12(B)).

These requirements may require you to enter into an agreement for the purchase of hardware, software, maintenance, support, and training from, and to make certain payments, as negotiated by you, to third-party vendors. You are required to periodically upgrade your hardware and software to maintain compliance with these standards. We have no control over such third-party vendors and cannot anticipate when such third-party vendors will assess a fee, or what that fee will be for such maintenance, updating, upgrading or support. There are no contractual limitations on the frequency or cost of maintenance or required upgrades or updates. We have independent access to information

and data on your computer system. There are no contractual limitations to our right to receive and access this information.

There are no contractual limitations on the frequency and cost of your obligation to purchase or lease computer systems or maintain, repair, upgrade or update your hardware and software.

You must register and actively use our Hospitality Information Portal, C-Street/Cobblestone Portal. This electronic media is the primary method for chain wide communications. Time sensitive information and important correspondence may be provided through the C-Street/Cobblestone Portal and, therefore, must be actively accessed on at least a daily basis by your manager(s) or staff (Franchise Agreement §§6(V) - (AA), and 12(B)).

Advertising

Other than the materials we develop with the Marketing Fund Fees, we are not obligated to provide you with marketing or advertising materials. You are permitted and encouraged to develop advertising and promotional materials at your own expense for your own use in local and regional advertising. We must approve the use, style, and form of the word “Cobblestone” or other registered trademarks or variations of our marks in any advertising, marketing, website, home page, or other presence on the Internet, public relations, telemarketing or promotional campaign or program. You may not use any advertising or promotional materials or methods until they have received our approval and must immediately discontinue the use of any previously approved advertising or promotional materials or methods we subsequently disapprove. We will not unreasonably withhold our approval. We will generally make a decision on your advertising materials within 14 days after receipt (Franchise Agreement §6(A), (B), (H), and (Z)).

Franchise Advisory Board

The Cobblestone Franchise Advisory Board (“Board”) is an advisory group which provides input to us on various matters, including advertising. The Board consists of corporate and franchisee members and provides a forum for the exchange of ideas and information. The purpose of the Board is to enhance revenue, profits and the perception of the brands for all properties. The Board serves in an advisory capacity only and has no operational or decision-making power. Franchisee members of the Board are elected by franchisees within the regions they represent. Corporate members of the Council are appointed by us. We have the power to change or dissolve the Board at any time. Other than the Board, there is no advertising council composed of franchisees.

Marketing Services - Sojern Platform

We have entered into an agreement with Sojern, Inc. to provide marketing services which includes, but is not expressly limited to directing guest traffic to our hotels through Sojern’s proprietary marketing program. We require you to participate in the Sojern Marketing Platform, and you will be invoiced a monthly fee of 15 percent of your gross revenues derived from the Sojern platform.

Cooperative Advertising and Marketing Programs

We or our designee will however administer a Marketing Fund for the entire Cobblestone system, including “Boarders Inn & Suites by Cobblestone[®],” “Cobblestone Hotel & Suites[®],” “Cobblestone Inn & Suites[®],” “Cobblestone Suites[™],” “Key West[™],” “Centerstone[™],” and “Riverstone Suites by Cobblestone Hotels[™]” branded lodging facilities. The purpose of the Marketing Fund is the creation and development of marketing, advertising, and related programs and materials for the purpose of maximizing general recognition and patronage of the Marks (as defined in Item 13) for the benefit of all properties franchised by us. You must contribute to the Marketing Fund a monthly marketing fee equal to \$0.75 per day multiplied by the number of guest rooms at the Franchised Location, calculated based on a 30-day month.

Currently we use the Marketing Fund for Search Engine Optimization on the Internet. We will have sole control over the creative concepts, content, form, and media placement of all advertising and promotional materials developed with Marketing Fund contributions, and the allocation of Marketing Fund monies to production, placement, or other costs. We may create and place advertising and promotions, and allocate funds, for conducting sales, advertising and marketing programs on a national, regional, or local basis. We may use Marketing Fund contributions in our sole discretion for any purpose relating to sales, marketing or advertising initiatives or programs that we may adopt periodically, including developing, producing, distributing, and placing advertising, engaging in telemarketing/Internet activities, establishing, maintaining, updating and upgrading one or more Web sites, obtaining sponsorships and endorsements, and conducting public relations activities. Advertising and promotional materials developed with Marketing Fund contributions may be either created in-house by our marketing department, or we may retain the services of a national or regional advertising agency. The Marketing Fund will not be used to defray any of our general operating expenses, except for reasonable salaries, administrative costs and overhead we may incur in activities related to the administration of the Marketing Fund and its programs, including preparing advertising and marketing materials and collecting and accounting for contributions to the Marketing Fund.

Although one of the goals of the Marketing Fund is to maximize general recognition and patronage of the Marks (as defined in Item 13) for the benefit of all Cobblestone branded hotels, we cannot assure you that your Cobblestone Lodging Facility will benefit directly or pro rata from the placement of advertising or other expenditure of funds from the Marketing Fund. Although we do not currently do so, we may use Marketing Fund contributions for creating or placing advertisements principally for the solicitation of new franchisees. In addition, we may include in all advertising prepared from Marketing Fund contributions (including Internet advertising and Web site development) information concerning franchise opportunities, and a portion of Marketing Fund contributions may be used to create and maintain one or more Web sites or interior pages on a Web site devoted to advertising franchise opportunities and identifying and screening inquiries and applications submitted by franchise candidates.

The Marketing Fund will be accounted for separately from our other funds but may be deposited in any of our general accounts and commingled with our other funds. We do not credit the Marketing Fund with interest. We may spend in any fiscal year an amount greater or less than the aggregate contributions of all Cobblestone branded hotels to the Marketing Fund in that year. The Marketing Fund may borrow from us or other lenders to cover deficits in the Marketing Fund. The Marketing Fund may invest any surplus for future use by the Marketing Fund or use Marketing Fund contributions to repay loans made by us or other lenders to the Marketing Fund. The Marketing Fund is not audited, but we will prepare annually a statement of monies collected and costs incurred by the Marketing Fund and furnish you a copy upon your written request. Except as otherwise provided above, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the Marketing Fund. We do not act as trustee or in any other fiduciary capacity with respect to the Marketing Fund.

Neither we nor our affiliates have any corporate owned locations that contribute to the Marketing Fund. If at any time we, or our affiliates, do have corporate owned locations, those locations will contribute equally to the Marketing Fund at the same rate required by franchisees.

During the fiscal year ended December 31, 2023, the Marketing Fund was allocated 100% for media, advertising, promotions, and marketing programs.

You must participate in and honor the terms of any discount or promotional program (including any room discounts or discount rate codes) that are applicable to your Cobblestone Lodging Facility, or any other lodging facilities we own, operate, manage or franchise, that we offer to the

public on your behalf and any room rate quoted to any guest at the time the guest makes an advance reservation. You agree that you will take all action necessary to participate in any discount or promotional programs.

We require that you offer the Cobblestone Breakfast Program Menu (the “Menu”) to your customers at no charge. The content of this Menu may be periodically changed by us in our discretion.

Other than the Marketing Fund, Cobblestone Breakfast Program and any promotional programs we may offer, there are currently no other advertising funds we require participation in and you will not be required to participate in any local or regional advertising cooperatives.

Rules and Regulations Manual

We provide all Cobblestone Lodging Facilities with a copy of, or access to, our Rules and Regulations Manual, which contains a total of 53 pages of information regarding the system standards and specifications for the operation of a Cobblestone Lodging Facility, including standards for furniture, fixtures, and equipment and the mandatory and suggested specifications when using our logo and trademarks to market your Cobblestone Lodging Facility. The table of contents to our Rules and Regulations Manual is attached to this disclosure document as Exhibit K. (Franchise Agreement §§6(E), 12(A), and 18(C))

ITEM 12: TERRITORY

Protected Area

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 own. We and our affiliates have the right both within and outside of your Protected Area (see next paragraph) to: (1) distribute products or services through alternative channels of distribution (including the Internet or any other existing or future form of electronic commerce) under the Cobblestone Lodging Facility trademarks; and (2) license or operate other lodging properties using trade names other than “Cobblestone Inn & Suites®”, “Cobblestone Hotel & Suites®” or “Cobblestone Suites™” either within your Protected Area, or outside of the Protected Area, even if such lodging properties offer services similar to those offered in your Cobblestone Lodging Facility.

Each Cobblestone Lodging Facility is granted a 5 mile radius, your “Protected Area,” in one specific location, which is described in Exhibit A of the Franchise Agreement before it is signed. For as long as your Cobblestone Lodging Facility contains at least the minimum of 35 guest rooms listed on Exhibit A to the Franchise Agreement and you are not in default of the Franchise Agreement, we will not operate or grant a license or franchise to any third party to operate another Cobblestone Lodging Facility within the geographic region listed as the Protected Area on Exhibit A of your Franchise Agreement until the expiration or earlier termination of the Franchise Agreement. The Protected Area granted under your Franchise Agreement is the only territorial protection granted to you and does not in any way expressly or implicitly grant any other area, market, territorial, or development rights to you or restrict us or our affiliates in any way in the manner in which we and our affiliates may conduct or operate our respective businesses outside the Protected Area. We and our affiliates have the right to issue competing franchises and to directly or indirectly develop and operate competing company-owned businesses under the Cobblestone Lodging Facility trademarks for or at any locations outside of your Protected Area, including locations near the boundaries of your Protected Area.

You may not use alternative channels of distribution such as the Internet, World Wide Web, or other computer networks to solicit reservations without our consent. There are no other restrictions on your advertising or soliciting customers outside your Protected Area. There are no restrictions

on us, our affiliates, or other franchisees from advertising or soliciting customers within your Protected Area, and you will not be entitled to any compensation if this occurs.

In determining (i) the minimum number of guest rooms acceptable to remain compliant with the Franchise Agreement, and (ii) the Protected Area, there are no precise objective criteria which can be reviewed and, other than our policy that Cobblestone Lodging Facilities have a minimum of 38 guest rooms, we have no set policy regarding the establishment of the minimum number of guest rooms for your market or Protected Area. There is not a standard minimum Protected Area or number of guest rooms that we grant. We will establish your required minimum number of guest rooms, which will be no less than 38, and Protected Area in our sole and absolute judgment based on a variety of factors, including the location and size of your hotel and development patterns and trends in the vicinity of your hotel. If you do not approve of the minimum number of guest rooms or Protected Area established by us, you may, prior to signing your Franchise Agreement, submit information to us supporting your position. If we determine it appropriate, we will then negotiate with you to establish the minimum number of guest rooms and Protected Area to be granted in the Franchise Agreement.

Any 1 or more lodging facilities owned, operated, managed or franchised by our affiliates and other brands of lodging facilities which we may establish or acquire may compete directly with your Cobblestone Lodging Facility and with each other. We will have no liability for any adverse effects these businesses may have on your Cobblestone Lodging Facility. See below, under “Other Channels of Distribution”.

We do not grant you any options, rights of first refusal, or similar rights to acquire additional Cobblestone Lodging Facility within your Protected Area or elsewhere. We do not grant you any option to relocate your franchised business.

Continuation of any Protected Area does not depend on the achievement of a certain sales volume, market penetration, or other contingency and, except in a situation where the number of guest rooms at your Cobblestone Lodging Facility do not meet the minimum requirements listed on Exhibit A to your Franchise Agreement, or you are in default under your Franchise Agreement, we may not alter your Protected Area without your agreement to do so.

Other Channels of Distribution

We and our affiliates operate and/or have licensed others to operate lodging facilities which are identified by the marks “Boarders Inn & Suites by Cobblestone[®],” “Cobblestone Inn & Suites[®],” “Cobblestone Hotel & Suites[®],” “Cobblestone Suites[™],” “Key West[™],” “Riverstone Suites by Cobblestone Hotels[™],” and “Centerstone[™].” Our affiliates also own, operate, and/or manage, and/or have licensed, hotels that operate under other third-party brands and marks owned by companies not affiliated with us or our affiliates. Hotels operating under these brands and marks, may solicit and accept reservations from close proximity of your Cobblestone Lodging Facility, including within your Protected Area. Certain of these hotels are currently or may in the future be located within close proximity to your Cobblestone Lodging Facility.

Competing Businesses

As disclosed in Item 1, we do offer franchises for lodging facilities selling products and services similar to those sold at your Cobblestone Lodging Facility under the “Boarders Inn & Suites by Cobblestone[®],” “Cobblestone Inn & Suites[®],” “Cobblestone Hotel & Suites[®],” “Cobblestone Suites[™],” “Key West[™],” “Riverstone Suites by Cobblestone Hotels[™]” and “Centerstone[™]” brand names and our affiliates own, operate, or manage other types of lodging facilities under other trademarks.

ITEM 13: TRADEMARKS

We grant you a nontransferable, non-exclusive license to use the Cobblestone Hotel & Suites®, Cobblestone Inn & Suites® and Cobblestone Hotel® trade names and service marks and the other Marks. You must follow our rules when you use the Marks. You cannot use the Marks as part of a corporate name or with modifying words, designs, or symbols except for those which we license to you. You may not use the Marks in any manner that we have not authorized in writing.

Cobblestone Hotels, LLC registered the following trademarks on the United States Patent and Trademark Office (“USPTO”) Principal Register.

Mark	Registration No.	Registration Date
COBBLESTONE HOTEL & SUITES 	4210510	September 18, 2012
COBBLESTONE INN & SUITES 	3412423	April 15, 2008
COBBLESTONE HOTEL	4382295	August 13, 2013
COBBLESTONE SUITES	7279118	January 16, 2024

All required affidavits relating to these Marks have been filed. We intend to renew the registrations and to continue to file all appropriate affidavits at the appropriate times.

We also grant you a nontransferable, non-exclusive license to use the following trade name and service mark.



While we intend on registering this trademark on the USPTO Principal Register during fiscal year 2024, we currently do not have a federal registration for this principal trademark. Therefore, this trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or Trademark Administrator of any state, or of any court, nor any pending interference, opposition, or cancellation proceedings or material litigation involving the Marks.

On February 29, 2014, we entered into an agreement with Cobblestone Lodge, Inc. (“CL”) (“TM Agreement”) pertaining to the mark “Cobblestone.” CL owns a resort known as the Cobblestone Lodge located in Steelville, Missouri. The TM Agreement geographically divides use of the trademark “Cobblestone”, granting to CL the exclusive right to use the mark “Cobblestone” in connection with facilities located within a 50-mile radius of 52 Cobblestone Lane, Steelville, MO 65565 (“Protected Area”). The TM Agreement will remain in effect until such time as Cobblestone Lodge ceases to do business for a period of time exceeding eighteen (18) consecutive months or the name of Cobblestone Lodge is modified to a name that no longer includes the term “Cobblestone.” The TM Agreement does not contain provisions regarding its modification or cancellation.

Other than the TM Agreement described above, there are no agreements which significantly limit our rights to use or license the Marks in any manner material to the franchise. We have no actual knowledge of either superior prior rights or infringing uses that could materially affect your use of the Marks.

You may only use the Marks in the manner prescribed, directed, and approved by us in writing. If, in our judgment, your use of our Marks infringes upon or demeans the goodwill, standards of quality or uniformity, or business standing associated with our Marks, you will be required to immediately modify your use of the Marks in the manner prescribed by us in writing. You will not use the words “Key West,” “Centerstone,” “Boarders,” “Riverstone Suites by Cobblestone Hotels,” or “Cobblestone” in your corporate, partnership, limited liability company, or sole proprietorship name and you will not attempt to register or otherwise obtain an interest in any Internet domain name containing any of our trademarks or any other word, name, or symbol which is similar to or likely to cause confusion with any of our trademarks. If it becomes advisable at any time for us and/or you to modify or discontinue use of any of our Marks and/or use one or more additional or substitute trademarks, service marks, or trade dress, you must comply with our directions within a reasonable time after notice. We will have no liability or obligation with respect to any such required modification or discontinuance of any Mark or the promotion of a substitute trademark, service mark, or trade dress.

You must give us prompt written notice of any and all claims or complaints made against or associated with our Marks and will, without compensation, cooperate in all respects with us in any lawsuits or other proceedings involving our Marks. We will have sole discretion to take such action as we deem appropriate and will have the right to control exclusively any litigation or USPTO proceeding arising out of any such infringement, challenge or claim or otherwise relating to our Marks. You must sign any and all documents, render such assistance and do such things as may be advisable in the opinion of our legal counsel to protect our interests in any litigation or USPTO proceeding or otherwise to protect our interest in our Marks.

We will indemnify you against and hold you harmless from any damages for which you are held liable as a result of a claim that your authorized use of our Marks according to and in compliance with your Franchise Agreement infringes on the rights of another person provided that you have timely notified us of such claim as required in your Franchise Agreement.

Except as described above, we are not obligated to protect your rights to use our Marks or to protect you against claims of infringement or unfair competition.

ITEM 14: PATENTS, COPYRIGHTS, AND PROPRIETARY

INFORMATION There are no patents or pending patent applications that are material to the franchise.

We own certain copyrights in the Cobblestone Rules and Regulations Manual, marketing materials and other copyright protected items that we use. While we claim copyrights in these and similar items, we have not registered these copyrights with the United States Copyright Office but need not do so to protect them. You may use these items as we specify with your franchise and must stop using them if we direct you to do so. Our right to use or license copyrighted items is not materially limited by any other agreement or any known infringing use.

The Franchise Agreement provides that the Cobblestone Rules and Regulations Manual, our trade secrets, copyrighted materials, methods, techniques and other know-how are proprietary to us and are provided to you in confidence (the “Confidential Information”). You may use the Confidential Information only for the purposes of operating your franchise. You may not contest our ownership of the Confidential Information.

You will divulge the Confidential Information only to employees who will need to know it to operate your franchise and who agree to maintain such confidentiality. All information, knowledge and know-how which we designate as confidential will be deemed confidential for purposes of the Franchise Agreement, except information which you can demonstrate lawfully came to your attention before our disclosure of it; or which, at the time of our disclosure to you, had lawfully become a part of the public domain, through publication or communication by others; or which, after our disclosure to you, lawfully becomes a part of the public domain, through publication or communication by others.

You may not use our Confidential Information in any other business or capacity other than for your operation of the franchise. You may not make unauthorized copies of our Confidential Information and you must implement all reasonable procedures we prescribe periodically pertaining to the proper use of and to prevent unauthorized use or disclosure of the Confidential Information.

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

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the Confidential Information and no agreements currently are in effect that significantly limit our right to use or authorize you to use the Confidential Information. Further, there are no infringing uses actually known to us that could materially affect your use of the Confidential Information in any state.

By signing the Franchise Agreement, you assign to us all tangible media of expression derived from any of our trademarks and Confidential Information, and agree to sign any further assignments that we may request.

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

You (or an individual appointed by you that meets our requirements for experience and management employees (the “General Manager”)) must actively participate in the management and supervision of your Cobblestone Lodging Facility. Your Lodging Facility must at all times be under your (or your Manager’s) direct, on premises supervision. Your Lodging Facility must also be staffed by a sufficient number of competent and properly trained employees. Although we currently do not have specific educational and experience requirements for the on-site Manager of your Cobblestone Lodging Facility, you or your Manager must attend and successfully complete the required Training Programs prior to commencing to manage your Cobblestone Lodging Facility (see Item 11). At any time during the term of the Franchise Agreement, we have the right to require you to hire a management company approved by us to manage and operate your hotel. As a condition to approving a management company, we may require a representative of the management company to attend our management training program, including our Training Program at your expense. If you choose to not hire a management company, the Manager chosen by you must have at least five (5) years of hotel general management experience. Your manager does not have to have any equity interest in your business.

You must implement all reasonable procedures we prescribe periodically to prevent unauthorized use or disclosure of our trademarks and Confidential Information, including the use of nondisclosure agreements with your officers, directors, managers, assistant managers, and other employees. Further, your owners or spouse must personally guaranty your obligations under the Franchise Agreement and otherwise.

ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The Franchise Agreement provides that you must sell all goods and services that we require. We may, in our discretion and from time to time, change the types of authorized goods and services which you must sell. There are no limits on our rights to make these changes. Furthermore, you are prohibited from offering or selling any goods or services not authorized by us and from using the premises for any other purposes other than the operation of a Cobblestone Lodging Facility. You are not limited in the customers to whom you may sell goods and services. We require that you comply with the standards in our Cobblestone Rules and Regulations Manual and any other standards we may from time to time modify or implement.

We require that you offer the Cobblestone Breakfast Program Menu (the “Menu”) to your customers at no charge. The content of this Menu may be periodically changed by us in our discretion.

You must comply with all of our standards as modified periodically (whether contained in the Cobblestone Rules and Regulations or any other communication) relating to the appearance, function, cleanliness or operation of a Cobblestone Lodging Facility, including (a) advertising and promotional programs; (b) reservation systems; (c) appearance and dress of employees; (d) services and products offered to guests; (e) safety, maintenance, appearance, cleanliness, sanitation, standards of services and operation of your Facility; (f) days and hours of operation; and (g) bookkeeping, accounting and recordkeeping systems and forms. Your internet marketing activities must conform to your Franchise Agreement and our Rules and Regulations Manual. You must operate your Cobblestone Lodging Facility in full compliance with all applicable laws, ordinances and regulations, including all laws relating to the safety and security of the guests of your Cobblestone Lodging Facility, and must not discriminate, directly or indirectly, against any guests or potential guests due to their race, color, religion, sex, national origin, or other legally protected classification.

We reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum or other pricing requirements with respect to the prices you may charge for products and services.

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

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.

THE FRANCHISE RELATIONSHIP

	Provision	Section in Franchise or Other Agreement	Summary
a.	Length of the Franchise Term	Franchise Agreement: §2(A)	The term is for 20 years from the date that your Cobblestone Lodging Facility opens for business.
b.	Renewal or Extension of the Term	Franchise Agreement: §2(B)	You have no right to renew your Franchise Agreement or to extend the term upon the expiration of its term unless such rights are granted under applicable law. After the expiration of your Franchise Agreement, the Agreement will automatically renew for additional terms of two 2 years until terminated by either party in the manner prescribed in the Agreement
c.	Requirements for you to renew or extend	Franchise Agreement: §2(B)	You have no right to renew your Franchise Agreement or to extend the term upon the expiration of its term unless such rights are granted under applicable law. If you wish to continue operating as a Cobblestone Lodging Facility after the expiration of your Franchise Agreement you must sign a new Franchise Agreement, the terms and conditions of which may differ materially from your original Franchise Agreement.
d.	Termination by you	Franchise Agreement: §9	You may terminate the Franchise Agreement by giving written notice of termination to us if we: (1) violate any material provision of the Franchise Agreement, (2) fail to pay any material and uncontested obligation owed to you, (3) voluntarily file, or have filed against us involuntarily a petition in bankruptcy, or (4) make an assignment for the benefit of our creditors, so long as, in each case, you (a) first give written notice to us setting forth the nature of the alleged violation, and (b) we fail to... [continues on following page]

	Provision	Section in Franchise or Other Agreement	Summary
d.	Termination by you (continued)	Franchise Agreement: §9	Correct the alleged violation within 30 days of receiving your notice of violation.
e.	Termination by us without cause	Not Applicable	Not Applicable
.	Termination by us with “Cause”	Franchise Agreement: §8	We may terminate the Franchise Agreement by giving written notice setting forth the basis for termination to you and you fail to correct this basis within 60 days of receiving the notice. This 60-day period is reduced to 10 days where the basis for termination is your failure to pay any amounts due and owing to us and is further reduced to 24 hours where the basis for termination is conduct or acts by you which materially impair the goodwill associated with the “Cobblestone” name or any of our trademarks or the Cobblestone business system. We may terminate immediately by giving written notice of termination where the basis for termination is the conviction or entry of a guilty plea by you or any of your principals for a charge of committing a felony or violating any law relating to your Cobblestone Lodging Facility or the voluntary abandonment of your Cobblestone Lodging Facility by you.
a.	“Cause” defined – Curable Defaults	Franchise Agreement: §8	Curable defaults include: (1) you fail to open and commence operations of your Cobblestone Lodging Facility when it is ready for occupancy; (2) you violate any material term or condition of (a) the Franchise Agreement, including, but not limited to, failure to timely pay any Monthly Fees, Reservation Fees, or other monetary obligations or fees to us; (b) any of the Manuals; or (c) any other agreement between you and us or any of our affiliates; (3) You or any of your managers, partners, members, directors, governors, officers, or majority stockholders are convicted of, or plead guilty to or no contest to a charge of violating any law relating to your Cobblestone Lodging Facility, or any felony; (4) you fail to conform to our business system or the standards of quality and uniformity for the products and services promulgated by us in connection with the business system; (5) you fail to timely pay any of your uncontested obligations or liabilities due and owing to any of your

	Provision	Section in Franchise or Other Agreement	Summary
	<p>“Cause” defined – Curable Defaults (continued)</p>	<p>Franchise Agreement: §8</p>	<p>creditors, including us, or any federal, state, or municipal governmental authority (including, if applicable, any taxes); (6) you are deemed insolvent within the meaning of any state or federal law or you or any personal guarantors voluntarily file, or have filed against it/him involuntarily a petition under the United States Bankruptcy Code; (7) you make an assignment for the benefit of creditors or enter into any similar arrangement for the disposition of its assets for the benefit of creditors; (8) any check issued by you is dishonored because of insufficient funds (except where the check is dishonored because of an error in bookkeeping or accounting) or closed accounts; (9) you voluntarily or otherwise commit any act of omission or commission, indicating a willingness, desire, or intent of discontinuing operating your Cobblestone Lodging Facility in accordance with the quality standards, uniformity requirements, and business system as set forth in the Franchise Agreement and the manuals; (10) you are involved in any act or conduct which materially impairs the goodwill associated with any of the Marks or the business system; (11) construction of your Cobblestone Lodging Facility has not commenced within nine (9) months of the Effective Date of the Franchise Agreement; or (12) remodeling, modernizing, redecorating, and renovating of your Cobblestone Lodging Facility has not commenced within six (6) months of the date that you receive our notice specifying the required remodeling, modernization, redecorating, and renovation; (13) you fail for whatever reason to complete construction and open your hotel for business as a Cobblestone Lodging Facility within eighteen (18) months of the commencement of construction; (14) you default on any mortgage, contract for deed, deed of trust, lease, or other similar instrument relating to your Cobblestone Lodging Facility, or otherwise lose possession of all or a significant portion of your hotel; (15) you fail to complete any of the remodeling, modernization, redecoration, or renovations set forth on a property improvement plan provided by us to you by the date or dates in the property improvement plan; (16) you or any of your shareholders, partners, members, or other owners</p>

	Provision	Section in Franchise or Other Agreement	Summary
	“Cause” defined – Curable Defaults (continued)	Franchise Agreement: §8	attempt to sell, assign, or otherwise transfer your Franchise Agreement or your Cobblestone Lodging Facility, and/or shares of capital stock, partnership interests, membership interests, or other ownership interests in your company in violation of the requirements of Article 17 of your Franchise Agreement; and/or (17) you intentionally understate or underreport your gross revenue to us.
h.	“Cause” defined – Non-Curable defaults	Franchise Agreement: §8	Non-curable defaults include: (1) you or any of your managers, partners, members, directors, governors, officers, or shareholders or other owners are convicted of, or plead guilty to or no contest to a charge of violating any law relating to your Cobblestone Lodging Facility, or any felony; (2) you voluntarily or otherwise abandon your Cobblestone Lodging Facility or its franchised business; (3) you are involved in any act or conduct which materially impairs the goodwill associated with any of the Marks or our business system, and you fail to correct the breach within twenty-four (24) hours of receipt of written notice from us of the breach; or (4) you breach your Franchise Agreement, resulting in a notice of default by us, on three (3) or more occasions for the same or a similar breach, within any 36-month period.
i.	Your Obligation on Termination/Non-Renewal	Franchise Agreement: §10	You must (1) pay all amounts due and owing to us, (2) return to us the Rules and Regulations Manual and all advertising materials and other printed materials pertaining to the operation of a Cobblestone Lodging Facility, (3) immediately discontinue the use of all items bearing the “Cobblestone” name or any of the Cobblestone trademarks, (4) remove all signs containing the “Cobblestone” name or any of the Cobblestone trademarks, including the Cobblestone sign (5) cancel all fictitious, assumed or other similar name filings relating to the “Cobblestone” name or any of the Cobblestone trademarks, (6) terminate or assign to us, as we may elect, any Internet website or domain name that identifies you as a current or former Cobblestone Lodging Facility franchisee or that displays the “Cobblestone” name or any of the Cobblestone trademarks, (7) transfer all of your rights to use

	Provision	Section in Franchise or Other Agreement	Summary
	Your Obligation on Termination/Non-Renewal (continued)	Franchise Agreement: §10	all telephone numbers and all classified and other directory listings under the “Cobblestone” name to us, (8) alter both the exterior and interior appearance and trade dress of your Cobblestone Lodging Facility so that it will easily be distinguished from the standard appearance and trade dress of a Cobblestone Lodging Facility, (9) discontinue your participation in the CRS, PMS and CCR, (10) furnish us within 30 days after the expiration or termination with evidence satisfactory to us of your compliance with your post-termination or post-expiration obligations under the Franchise Agreement, and (11) refrain from operating your hotel under any name which includes the words “Cobblestone” or any roots or derivations of these names. If the Franchise Agreement is terminated by us or if you attempt to wrongfully terminate the Franchise Agreement, you will be required to pay liquidated damages to us where permitted by applicable law. Some states prohibit franchisors from requiring their franchisees to pay liquidated damages. In these states, in lieu of paying liquidated damages, you will be required to pay to us all damages we have sustained or will sustain as a breach of the Franchise Agreement, taking into consideration the Fees that would have been payable by you to us during the remaining term of the Franchise Agreement.
j.	Assignment of Contract by Franchisor	Franchise Agreement: §17	There are no restrictions on our right to assign.
k.	“Transfer” by You-Definition	Franchise Agreement: §17	Includes transfers of the Franchise Agreement, or the assents associated with your Cobblestone Lodging Facility and changes in ownership.
l.	Our approval of a Transfer by You	Franchise Agreement: §17	We have the right to reject or approve all transfers but will not unreasonably withhold our approval.
.	Conditions for our approval of a Transfer by You	Franchise Agreement: §17	In order to receive our approval: you must fulfill all your monetary obligations due to us, your Franchise Agreement may not be in default, and the transferee must qualify, complete training, and execute our then current Franchise

	Provision	Section in Franchise or Other Agreement	Summary
	Conditions for our approval of a Transfer by You (continued)	Franchise Agreement: §17	Agreement and such other ancillary agreements as we may require.
n.	Our rights of first refusal to acquire your business	Franchise Agreement: §17	Except for transfers upon your death and changes in ownership that do not result in a change in control, we have the right to match any offer for your Cobblestone Lodging Facility.
o.	Our option to purchase your business	Franchise Agreement: §17	Except for transfers upon your death and changes in ownership that do not result in a change in control, we have the right to match any offer for your business.
p.	Death or Disability of You	Franchise Agreement: §17(B)	Subject to compliance with the conditions set forth in Item 17(m) above, your Franchise Agreement may be transferred or bequeathed by you to any person or beneficiary upon your death or permanent disability.
q.	Non-competition covenants during the term of the Franchise Agreement	Not Applicable	Not Applicable
r.	Non-competition covenants after the Franchise is Terminated or Expires	Not Applicable	Not Applicable
s.	Modification of the Agreement	Franchise Agreement: §19(M)	The Franchise Agreement may only be modified by written agreement signed by you and us. However, we may unilaterally amend the Rules and Regulations Manual and other written materials.
t.	Integration/Merger Clause	Franchise Agreement: §19(H)	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. Notwithstanding the foregoing, nothing in any

	Provision	Section in Franchise or Other Agreement	Summary
	Integration/Merger Clause (continued)		franchise agreement is intended to disclaim the express representations made in this disclosure document.
u.	Dispute resolution by Arbitration or Mediation	Not Applicable	Not Applicable
v.	Choice of Forum	Franchise Agreement: §21(A)	Litigation must take place in Winnebago County, Wisconsin or in the federal court for the Eastern District of Wisconsin, Northern Division. We may seek injunctive relief in any forum. State law may supersede this provision. See Exhibit J to this disclosure document for State Specific Addenda.
w.	Choice of Law	Franchise Agreement: §21(A)	Wisconsin law applies generally, except for applicable franchise laws of other states. State law may supersede this provision. Wisconsin law applies without regard to conflict of law principles. State law may supersede this provision. See Exhibit J to this disclosure document for State Specific Addenda.

ITEM 18: PUBLIC FIGURES

No public figures are associated with or used to promote the Franchised Business.

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ITEM 19: FINANCIAL PERFORMANCE REPRESENTATION

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure documents. 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.

The following charts set forth certain historic performance information about Central Reservation System Contribution and average daily rate (“ADR”) for Sample Hotels operating in the United States. “Sample Hotels”, as used in these charts, are the 50 Cobblestone Inn & Suites® and Cobblestone Hotel & Suites® that have 45 or more guest rooms, were open for the entire 24-month period ended December 31, 2023 and for which we were able to receive detailed financial data in a consistent format. The sample accounts for 42.4% of the Cobblestone Inn & Suites® and Cobblestone Hotel & Suites® system, which consisted of 118 hotels as of December 31, 2023.

This financial performance representation reflects only contribution from the Central Reservation System and ADR for the Sample Hotels and does not reflect any costs of sales, operating expenses, and other costs or expenses that you will incur in operating your hotel, including the Monthly Fees, Marketing Fund Fees, and other fees and amounts that you must pay under the terms of the Franchise Agreement. (See Item 6 of this disclosure document.) This financial performance representation also does not include debt service or equipment lease costs that may be incurred in the operation of your hotel. In addition, this financial performance representation does not include any information about the federal income taxes payable on any net income derived from the operation of the Sample Hotels or your hotel or state or local net income or gross profits taxes that may be applicable in the jurisdiction in which the Sample Hotels or your hotel are located.

Your accountant can help you develop your own estimated costs for your site.

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**COBBLESTONE INN & SUITES® AND COBBLESTONE HOTEL & SUITES®
CENTRAL RESERVATIONS SYSTEM CONTRIBUTION FOR THE TWENTY-FOUR-
MONTH
PERIOD ENDING DECEMBER 31, 2022 AND DECEMBER 31, 2023**

Cobblestone Inn & Suites® and Cobblestone Hotel & Suites® Sample Hotels received the following contribution from the Central Reservation System:

Fiscal Year	% of Gross Room Revenues Derived from CRS	
	2022	2023
Average	43.19%	46.00%
Median	43.93%	46.00%
Met or Exceeded Average	24 or 51.06%	26 or 52%
Met or Exceeded Median	24 or 51.06%	26 or 52%

ADR

One measure used to define the performance of hotel properties is ADR. ADR is total room revenue reported by the Sample Hotels, divided by the total occupied rooms at those hotels.

**COBBLESTONE INN & SUITES® AND COBBLESTONE HOTEL & SUITES®
AVERAGE AND MEDIAN ADR OF SAMPLE HOTELS FOR THE TWENTY-FOUR-
MONTH PERIOD ENDING DECEMBER 31, 2022 AND DECEMBER 31, 2023**

Fiscal Year	ADR	
	2022	2023
Average	\$112.27	\$118.42
Median	\$109.51	\$113.97
Met or Exceeded Average	19 or 40.4%	24 or 48%
Met or Exceeded Median	24 or 51.06%	25 or 50%

OCCUPANCY

**COBBLESTONE INN & SUITES® AND COBBLESTONE HOTEL & SUITES®
AVERAGE AND MEDIAN OCCUPANCY OF SAMPLE HOTELS FOR THE TWELVE-
MONTH PERIOD ENDING DECEMBER 31, 2022 AND DECEMBER 31, 2023**

Fiscal Year	Occupancy	
	2022	2023
Average	49.28%	50.00%
Median	50.83%	49.00%
Met or Exceeded Average	26 or 55.32%	25 or 50%
Met or Exceeded Median	24 or 51.06%	26 or 52%

-Continued on Following Page-

REVPAR (Revenue per Available Room)

COBBLESTONE INN & SUITES® AND COBBLESTONE HOTEL & SUITES® AVERAGE AND MEDIAN REVPAR OF SAMPLE HOTELS FOR THE TWENTY-FOUR-MONTH PERIOD ENDING DECEMBER 31, 2022 AND DECEMBER 31, 2023

Fiscal Year	RevPar	
	2022	2023
Average	\$55.36	\$58.76
Median	\$52.90	\$56.63
Met or Exceeded Average	22 or 46.81%	23 or 46%
Met or Exceeded Median	24 or 51.06%	25 or 50%

COBBLESTONE INN & SUITES® AND COBBLESTONE HOTEL & SUITES® ROOM COUNTS AS OF DECEMBER 31, 2022				
	Hotels	Total Number of Rooms	Average Rooms	Median Rooms
Total Franchises in the System ¹	113	5,135	45.44	44
Number of Franchises Included in this Financial Performance Representation ²	47	2,579	54.87	54

COBBLESTONE INN & SUITES® AND COBBLESTONE HOTEL & SUITES® ROOM COUNTS AS OF DECEMBER 31, 2023				
	Hotels	Total Number of Rooms	Average Rooms	Median Rooms
Total Franchises in the System ¹	118	5,428	46	44.5
Number of Franchises Included in this Financial Performance Representation ²	50	2,786	55.72	54

¹ Total Franchises in the Cobblestone Inn & Suites® and Cobblestone Hotel & Suites® System that were Operational During the Period Covered by this Financial Performance Representation, as specified in the table headers.

² Number of Cobblestone Inn & Suites® and Cobblestone Hotel & Suites® Franchises Included in this Financial Performance Representation

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request. We are under no obligation to disclose specific information for a particular hotel in the system.

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

Other than the preceding financial performance representation, Cobblestone Hotels, LLC does not make any financial performance representations. 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 hotel, however, we may provide you with the actual records of that hotel. 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 Kim Wogernese at 980 American Drive, Neenah, WI 54956, (920) 230-2622, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1: Cobblestone Hotel & Suites®, Cobblestone Inn & Suites® and “Cobblestone Suites™”
System Wide Outlet Summary
for Years 2021 to 2023**

(Column 1) Outlet Type	(Column 2) Year	(Column 3) Outlets at the Start of the Year	(Column 4) Outlets at the End of the Year	(Column 5) Net Change
Franchised	2021	107	109	+2
	2022	109	113	+4
	2023	113	119	+6
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	2021	107	109	+2
	2022	109	113	+4
	2023	113	119	+6

Table No. 2: Cobblestone Hotel & Suites®, Cobblestone Inn & Suites® and “Cobblestone Suites™”

**Transfers of Outlets From Franchisees to New Owners
for Years 2021 to 2023**

(Column 1) State	(Column 2) Year	(Column 3) Number of Transfers
Colorado	2021	1
	2022	0
	2023	0
Iowa	2021	1
	2022	1
	2023	0
Kansas	2021	1
	2022	0
	2023	0
Minnesota	2021	0
	2022	0
	2023	1
North Dakota	2021	0
	2022	0
	2023	1
Wisconsin	2021	2
	2022	1
	2023	1
TOTALS	2021	5
	2022	2
	2023	3

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Table No. 3: Cobblestone Hotel & Suites[®], Cobblestone Inn & Suites[®] and “Cobblestone Suites[™]”

**Status of Franchised Outlets
for Years 2021 to 2023**

(Col. 1) State	(Col. 2) Year	(Col. 3) Outlets at Start of Year	(Col. 4) Outlet s Open ed	(Col. 5) Termi- nations	(Col. 6) Non- Renewals	(Col. 7) Reacquir ed by Franchiso r	(Col. 8) Ceased Operatio ns, Other Reasons	(Col. 9) Outlets at End of the Year
Alabama	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Arkansas	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Colorado	2021	5	0	0	0	0	0	5
	2022	5	1	0	0	0	0	6
	2023	6	2	0	0	0	0	8
Idaho	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Illinois	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Indiana	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Iowa	2021	23	0	0	0	0	0	23
	2022	23	0	0	0	0	0	23
	2023	23	2	0	0	0	0	25
Kansas	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4

(Col. 1) State	(Col. 2) Year	(Col. 3) Outlets at Start of Year	(Col. 4) Outlet s Open ed	(Col. 5) Termi- nations	(Col. 6) Non- Renewals	(Col. 7) Reacquir ed by Franchiso r	(Col. 8) Ceased Operatio ns, Other Reasons	(Col. 9) Outlets at End of the Year
Louisiana	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Minnesota	2021	3	0	0	0	0	0	3
	2022	3	1	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Missouri	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Nebraska	2021	12	0	0	0	0	0	12
	2022	12	0	0	0	0	0	12
	2023	12	0	0	0	0	0	12
North Dakota	2021	10	0	0	0	0	0	10
	2022	10	0	0	0	0	0	10
	2023	10	0	0	0	0	0	10
Ohio	2021	3	0	1	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Pennsylvania	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	0	8
	2023	8	0	0	0	0	0	8
Texas	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Utah	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Wisconsin	2021	19	3	1	0	0	0	21
	2022	21	2	0	0	0	0	23
	2023	23	1	0	0	0	0	24
Wyoming	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	0	3

(Col. 1) State	(Col. 2) Year	(Col. 3) Outlets at Start of Year	(Col. 4) Outlet s Open ed	(Col. 5) Termi- nations	(Col. 6) Non- Renewals	(Col. 7) Reacquir ed by Franchiso r	(Col. 8) Ceased Operatio ns, Other Reasons	(Col. 9) Outlets at End of the Year
	2023	3	0	0	0	0	0	3
TOTAL	2021	107	4	2	0	0	0	109
	2022	109	3	0	0	0	0	113
	2023	113	16	0	0	0	0	119

Table No. 4: Cobblestone Hotel & Suites®, Cobblestone Inn & Suites® and “Cobblestone Suites™”

**Status of Company-Owned Outlets
for Years 2021 to 2023**

(Col. 1) State	(Col. 2) Year	(Col. 3) Outlets at Start of Year	(Col. 4) Outlets Opened	(Col. 5) Outlets Reacquired From Franchisees	(Col. 6) Outlets Closed	(Col. 7) Outlets sold to Franchisees	(Col. 8) Outlets at End of Year
NONE	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
TOTAL	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

Table No. 5: Cobblestone Hotel & Suites®, Cobblestone Inn & Suites® and “Cobblestone Suites™” Projected Openings as of December 31, 2024

(Column 1) State	(Column 2) Franchise Agreements Signed But Outlet Not Opened	(Column 3) Projected New Franchised Outlets in the Next Fiscal Year	(Column 4) Projected New Company-Owned Outlets in the Current Fiscal Year
Alabama	1	3	0
Arizona	1	1	0
Colorado	1	1	0
Idaho	0	1	0
Indiana	0	2	0
Iowa	0	2	0
Michigan	0	0	0
Minnesota	0	1	0
Nebraska	0	1	0
Ohio	2	0	0

Oklahoma	1	0	0
South Dakota	0	0	0
Tennessee	0	1	0
Texas	1	2	0
Utah	1	2	0
Washington	1	1	0
Wisconsin	2	2	0
Wyoming	1	2	0
TOTAL	12	22	0

The names, addresses and telephone numbers of all current and former (terminated or cancelled) franchisees are disclosed on Exhibit L of this disclosure document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are no franchisees who have signed a confidentiality agreement that restricts a current or former franchisee from discussing his or her experience as a franchisee in the Cobblestone Lodging Facilities System during the last 3 years.

There are no franchisee organizations sponsored or endorsed by us and there are no independent franchisee organizations that have asked to be included in this disclosure document.

ITEM 21: FINANCIAL STATEMENTS

The ending date of our fiscal year is December 31. Attached to this disclosure document as Exhibit C are our audited financial statements for the fiscal years ended December 31, 2021, December 31, 2022 and December 31, 2023. Also included in Exhibit C are our unaudited financial statements as of July 23, 2024.

ITEM 22: CONTRACTS

The following attachments to this disclosure document contain the contracts:

- Exhibit D Franchise Agreement with Attachments
- Exhibit E Central Reservation System Technology Addendum
- Exhibit F Property Management System Technology Addendum
- Exhibit G Call Center Reservation Services Technology Addendum
- Exhibit H Cobblestone Rewards Program Technology Addendum
- Exhibit I Sojern Marketing Platform Agreement
- Exhibit J State Specific Addenda to the Franchise Disclosure Document and the Franchise Agreement
- Exhibit M General Release Form

ITEM 23: RECEIPTS

You will find copies of a detachable receipt in Exhibit N at the very end of this disclosure document.

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EXHIBIT A

COBBLESTONE LODGING FACILITY APPLICATION



COBBLESTONE HOTELS

FRANCHISE APPLICATION

Select Brand

Legal Name:

Property Name:

Property Address:

State:

Zip:

City:

Property Fax:

Property Phone:

Property E-mail Address:

Property Website:

Property General

Manager:

Tax ID Number:

Jurisdiction of Incorporation:

Type of Entity:

General Partnership

Individual Proprietor

Joint Venture

Limited Partnership

Corporation

Trust

Limited Liability Co.

Other

Principal Contact Information

Name:

Phone:

Address:

Fax:

City/State/Zip:

Cell Phone:

E-mail Address:

Entity Ownership Breakdown

Note: Ownership breakdown must equal 100%. Attach separate sheet if necessary.

Name:

Title:

Address:

% of Ownership:

City/State/Zip:

Name:

Title:

Address:

% of Ownership:

City/State/Zip:

Property Information

ADR (USD):

Occupancy %:

of Floors:

of Rooms:

of Closed Rooms:

Room Type: Kings:

Queens:

Suites:

Corridor Type: Interior

Exterior

Other

Food & Beverage Facilities / Amenities

Check all that apply

Restaurant

Indoor Pool

Lounge

Exercise Room

Outdoor Pool

Gift Shop

Guest Laundry

Game Room

Do you own a computer?
 Yes
 No

Property Management System:

Type of Internet Connection: DSL/Fast Access

Modem

Other

Most Recent QA Score:

GDS Representation:

Year Property Opened:

If new construction property, proposed opening date:

Has the property been updated?
 Yes
 No

If new ownership property, proposed closing date:

Please list what, if any, upgrades/additions that were completed.

Mortgage Information

Bank / Mortgage Co.:

Contact:	<input type="text"/>	Phone:	<input type="text"/>
Address:	<input type="text"/>		
City/State/Zip:	<input type="text"/>	Account #:	<input type="text"/>
Outstanding Principal:	<input type="text"/>	Maturity Date:	<input type="text"/>

**Insurance
Information**

Name of Property &
Casualty Insurance
Company:

Insurance Agent Information

Company:	Phone:
Name:	Fax:
Address:	
City/State/Zip:	

The undersigned certifies that the above information given for credit purposes is true and correct, and authorizes Cobblestone Hotels, LLC and its affiliates, any credit bureau or other investigating agency to investigate the references, statements, and other data listed or accompanying this Application. The undersigned authorizes all parties contacted to release credit and financial information requested as part of said investigation.

Cobblestone Hotels, LLC reserves the right, in its sole discretion, to approve or disapprove the Application. Applicant will not be deemed to have been granted a membership to operate a Cobblestone Hotels lodging facility and there shall be no binding obligations in either party, other than with regard to Application Fee, unless and until both parties have executed the Application and Agreement.

Enclosed with this Preliminary Application is a check for US \$2,500 representing the Application Fee. This fee is **non-refundable** except in the event that Application is not accepted by Cobblestone because of proximity of Applicant's Property to another Cobblestone Hotels lodging facility. In that event, Cobblestone will refund the Application Fee. This fee is part of the Cobblestone Hotels Brand Initial Fee.

Signed: _____ Title: _____
Date: _____

Signed: _____ Title: _____
Date: _____

*Make check(s) payable to Cobblestone Hotels, LLC and remit to Applicants. **Please make check payable to: Cobblestone Hotels, LLC**

Remit to: Cobblestone Hotels, LLC 980 American Drive, Neenah, WI 54956

EXHIBIT B

EXHIBIT B
AGENCIES/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	Commissioner of the Department of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7505 Toll-free (866-275-2677)	Commissioner of the Department of Financial Protection and Innovation
CONNECTICUT	State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204

State	State Agency	Agent for Service of Process
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce
NEW YORK	Office of the New York State Attorney General Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, NY 10005 (212) 416-8222 Phone (212) 416-6042 Fax	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6 th Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, 5 th Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Director of the Department of Consumer and Business Services
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501

State	State Agency	Agent for Service of Process
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

EXHIBIT C

**COBBLESTONE HOTELS, LLC
FINANCIAL STATEMENTS FOR THE YEARS ENDED
DECEMBER 31, 2021, DECEMBER 31, 2022 AND DECEMBER 31, 2023**

THE FRANCHISOR HAS NO FIXED ASSETS (I.E. FURNITURE, EQUIPMENT,
PROPERTY, ETC.)
WITH WHICH TO SUPPORT THE FRANCHISE SYSTEM.

UNAUDITED FINANCIALS STATEMENTS

AS OF JULY 23, 2024

THESE 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.

EXHIBIT D

**COBBLESTONE HOTELS, LLC
FRANCHISE AGREEMENT WITH ATTACHMENTS**

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
PURSUANT TO THE ILLINOIS FRANCHISE DISCLOSURE ACT**

Illinois law shall apply to and govern the Franchise Agreement.

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.

Franchisee's right upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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 is void.

No statement, questionnaire, or ~~acknowledgement~~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.

Item 5 of this Franchise Disclosure is amended to include the following language:

Payment of all Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's Financial condition.

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**AMENDMENT TO THE COBBLESTONE HOTELS FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS**

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS §§ 705/1 et seq. (1987) (the “Act”), which govern the attached Board and Brush Creative Studio Franchise Agreement (the “Franchise Agreement”), the parties thereto agree as follows:

1. To the extent of any inconsistencies, the Franchise Agreement is hereby amended to further state:

“Section 4 of the Act provides that no franchisee shall be required to litigate any cause of action, with the exception of arbitration proceedings, arising under the Franchise Agreement or the Act outside of the State of Illinois.”

2. To the extent of any inconsistencies, the Franchise Agreement is hereby amended to further state:

“Illinois law governs the terms of this Franchise Agreement.”

3. To the extent of any inconsistencies, the Franchise Agreement is hereby amended to further state:

“Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Act, or any other Illinois law is void. The foregoing requirement, however, shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Act, and shall not prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.”

4. To the extent of any inconsistencies, the Franchise Agreement is hereby amended to further state:

“To the extent any provision regarding termination or renewal of the Franchise Agreement is inconsistent with the Illinois Franchise Disclosure Act §§ 815 ILCS §§ 705/19 and 705/20, the provisions of these sections of the Act will control.”

5. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

6. No statement, questionnaire, or ~~acknowledgement~~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.

~~Remainder of Page Intentionally Blank~~ 7. Payment of all Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has

commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's Financial condition.

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

FRANCHISOR:

COBBLESTONE HOTELS, LLC

By: _____

(Print Name, Title)

FRANCHISEE:

By: _____

(Print Name, Title)

PRINCIPAL:

(Print Name)

PRINCIPAL:

(Print Name)

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND

The Office of Attorney General for the State of Maryland requires that certain provisions contained in franchise documents be amended to be consistent with Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., and of the Rules and Regulations promulgated under the Act (collectively the “Maryland Franchise Law”). To the extent that this Disclosure Document or Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

1. No requirement that you agree to any release, assignment, novation, estoppel or waiver of liability as a condition to your purchasing a Cobblestone Hotels franchise shall act as a release, estoppel or waiver of any liability under the Maryland Franchise Law.
2. Item 17 is amended to state:
 - (a) Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.
 - (b) Any general release required by the terms and conditions of the Franchise Agreement as a condition of renewal, assignment or transfer shall not apply to any liability under the Maryland Franchise Law.
 - (c) Our right to terminate you upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. §101 *et. seq.*).
 - (d) Nothing herein shall waive your right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.

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.

THE REGISTRATION OF THIS FRANCHISE DISCLOSURE DOCUMENT WITH MARYLAND SECURITIES DIVISION OF THE OFFICE OF ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE SECURITIES COMMISSIONER.

**AMENDMENT TO THE COBBLESTONE HOTELS, LLC FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND**

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., and of the Rules and Regulations promulgated thereunder, the parties to the attached Cobblestone Hotels Franchise Agreement (the “Franchise Agreement”) agree as follows:

1. The Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a franchisee’s assent to a release of liability under that Law as a condition for the sale, renewal, assignment or transfer of the franchise. To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

2. To the extent of any inconsistencies, Section 17.1 of the Franchise Agreement is hereby amended to further state:

“Our right to terminate you upon your bankruptcy, however, may not be enforceable under federal bankruptcy law (11 U.S.C. §101 *et. seq.*).”

3. To the extent of any inconsistencies, Section 20.3 of the Franchise Agreement is hereby amended to further state:

“Nothing herein shall waive your right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.”

4. To the extent of any inconsistencies, Section 20.6 of the Franchise Agreement is hereby amended to further state:

“Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.”

5. 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.

6. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., are met independently without reference to this Amendment.

7. 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.

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

FRANCHISOR:

COBBLESTONE HOTELS, LLC

By: _____

(Print Name, Title)

FRANCHISEE:

By: _____

(Print Name, Title)

PRINCIPAL:

(Print Name)

PRINCIPAL:

(Print Name)

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be amended to be consistent with Minnesota Franchise Act, Minn. Stat. Section 80.01 et seq., and of the Rules and Regulations promulgated under the Act (collectively the “Franchise Act”). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

1. Item 6, Non-Sufficient Funds Fee, is amended to state:

Pursuant to Minn. Stat. § 604.113, the Non-Sufficient Funds Fee is \$30.00 per occurrence.

2. Item 17 is amended to state:

(a) Minn. Stat. § 80C.21 and Minnesota Rules § 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in this Franchise Disclosure Document or agreement(s) shall abrogate or reduce (1) any of your rights as provided for in Minn. Stat. Chapter 80C or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

(b) In accordance with Minn. Stat. § 80C.14 subd. 3-5, except in certain specified cases, we will give you 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Franchise Agreement. Additionally, we will not unreasonably withhold our consent to a transfer of your Board and Brush Creative Studio.

(c) In accordance with Minnesota Rules 2860.4400(D), we cannot require you to assent to a general release.

(d) In accordance with Minnesota Rules 2860.4400(J), we cannot require you to consent to liquidated damages.

(e) Minn. Stat. § 80C.17 subd. 5 requires that an action be commenced pursuant to the Franchise Act within three (3) years after the cause of action accrues.

(f) You cannot consent to us obtaining injunctive relief. We may seek injunctive relief. See Minnesota Rules 2860.4400(J),

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 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 with the franchise.

**AMENDMENT TO THE
COBBLESTONE HOTELS, LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MINNESOTA**

In recognition of the requirements of the Minnesota Statutes Chapter 80C, the parties to the attached Cobblestone Hotels Franchise Agreement (the “Franchise Agreement”) agree as follows:

1. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee’s assent to a release other than as part of a voluntary settlement of disputes. To the extent of any inconsistencies with the Minnesota Rules requirement contained in Sections 5.2.5 or 16.3.6 of the Franchise Agreement, such inconsistent provisions are hereby deleted.

2. To the extent of any inconsistencies, Section 5.1.1 of the Franchise Agreement is hereby amended to state:

“Except in certain specified cases as set forth in Minn. Stat. § 80C.14 subd. 4, Franchisor will give Franchisee 180 days’ notice for non-renewal of the Franchise Agreement.”

3. To the extent of any inconsistencies, Section 6.4 of the Franchise Agreement is hereby amended to state that the non-sufficient funds fee is Thirty Dollars (\$30.00) per occurrence.

4. To the extent of any inconsistencies, Sections 17.1 through 17.3 of the Franchise Agreement are hereby amended to state:

“Except in certain specified cases as set forth in Minn. Stat. § 80C.14 subd. 3, Franchisor will give Franchisee 90 days notice of termination (with 60 days to cure)”.

5. To the extent of any inconsistencies, Article 20, Dispute Resolution, of the Franchise Agreement is hereby amended to state:

“Franchisor cannot require Franchisee to: (i) conduct litigation outside Minnesota, (ii) waive a jury trial, or (iii) consent to liquidated damages, termination penalties or judgment notes. Nothing in this Franchise Agreement shall abrogate or reduce (1) any of Franchisee’s rights as provided for in Minn. Stat. Chapter 80C or (2) Franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Franchisee cannot consent to Franchisor obtaining injunctive relief. Franchisor may seek injunctive relief.”

8. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Statutes Chapter 80C are met independently without reference to this Amendment.

9. 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 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 with the franchise.

-Remainder of Page Intentionally Blank-

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

FRANCHISOR:

COBBLESTONE HOTELS, LLC

By: _____

(Print Name, Title)

FRANCHISEE:

By: _____

(Print Name, Title)

PRINCIPAL:

(Print Name)

PRINCIPAL:

(Print Name)

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. 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.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from 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.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

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

5. The following is added to the end of the “Summary” sections of Item 17(c), titled “**Requirements for franchisee to renew or extend**,” and Item 17(m), entitled “**Conditions for franchisor approval of transfer**”:

However, 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 Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by franchisee**”:

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the “Summary” section of Item 17(j), titled “**Assignment of contract by franchisor**”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

8. The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of forum**”, and Item 17(w), titled “**Choice of law**”:

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.

NEW YORK RIDER TO COBBLESTONE HOTELS
FRANCHISE AGREEMENT

THIS RIDER TO THE FRANCHISE AGREEMENT FOR NEW YORK (“Rider”) is entered into by and between Cobblestone Hotels, a Wisconsin limited liability company, with its principal office at 980 American Drive, Neenah, WI 54956 (“we,” “us” or “our”) and _____ (“you” or “your”), whose principal business address is _____.

WHEREAS, we and you have entered into a certain Franchise Agreement dated _____ which grants you the right to operate a Cobblestone Hotels franchise (the “Franchise Agreement”);

WHEREAS, you are domiciled in New York and the Cobblestone Hotels franchise will be located in New York, and/or any of the offering or sales activity relating to the Franchise Agreement occurred in the State of New York; and

WHEREAS, in recognition of the requirements of the General Business Law of the State of New York, Article 33, Sections 680-695, we and you desire to amend certain terms of the Franchise Agreement in accordance with the terms and conditions contained in this Rider.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in the Franchise Agreement and this Rider and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, we and you agree as follows:

1. Sections 5.2.5 and 16.3.6 of the Franchise Agreement are amended by adding the following language to each Section:

However, to the extent required by applicable law, notwithstanding the signing of a General Release, 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.

2. Section 16.1.1 of the Franchise Agreement is amended by adding the following language to this Section:

However, to the extent required by applicable law, Franchisor will not transfer and assign its rights and obligations under the Franchise Agreement unless the transferee will be able to perform the Franchisor’s obligations under the Franchise Agreement, in Franchisor’s good faith judgment.

3. Section 20.3 of the Franchise Agreement is amended by adding the following language:

New York Law governs any cause of action which arises under the New York General Business Law, Article 33, Sections 680-695. The provisions of this Franchise Agreement shall not be deemed a waiver of any rights conferred upon Franchisee by

Article 33 of the General Business Law of the State of New York
and the regulations issued thereunder.

4. In the event of any conflict between a provision of the Franchise Agreement and this Rider, the provision of this Rider shall control. All terms which are capitalized in this Rider and not otherwise defined, will have the meanings given to them in the Franchise Agreement. Except as amended by this Rider, the Franchise Agreement is unmodified and in full force and effect in accordance with its terms.

5. Each provision of this Rider will be effective only to the extent that the jurisdictional requirements of the New York General Business Law, Article 33, Sections 680-695 are met independent of this Rider.

The parties hereto have duly executed this New York Rider to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

COBBLESTONE HOTELS, LLC

By: _____

(Print Name, Title)

FRANCHISEE:

By: _____

(Print Name, Title)

PRINCIPAL:

(Print Name)

PRINCIPAL:

(Print Name)

**ADDENDUM TO
COBBLESTONE HOTELS, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA**

The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

- A. Restrictive Covenants: Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.
- B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.
- C. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
- D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
- E. Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.
- F. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.
- G. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.
- H. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.
- I. Fees: Franchisees shall not be required to remit any fees to Cobblestone until such time as Cobblestone has fulfilled all its initial obligations owed to Franchisee under the Franchise Agreement, or other documents, and the Franchisee has commenced doing business pursuant to the Franchise Agreement.

ADDENDUM TO THE
COBBLESTONE HOTELS, LLC
FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NORTH DAKOTA

The North Dakota Securities Commissioner requires that certain provisions contained in franchise documents be amended to be consistent with North Dakota law, including the North Dakota Franchise Investment Law, NDCC § 51-19 *et seq.* (“NDFIL”). To the extent that (a) the jurisdictional requirements of the NDFIL are met and (b) this Franchise Disclosure Document and Franchise Agreement contain provisions that are inconsistent with the following, such provisions are hereby amended:

1. Covenants not to compete upon termination or expiration of the franchise agreement are subject to NDCC § 9-08-06.
2. To the extent required by the NDFIL, arbitration proceedings shall take place at a location mutually agreed upon by you and us.
3. Any requirement that you consent to liquidated damages or termination penalties shall not apply to the extent prohibited by the NDFIL;
4. Any requirement that you consent to (i) the jurisdiction of courts outside of North Dakota, (ii) the application of laws of a state other than North Dakota, (iii) waiver of jury trial or (iv) waiver of exemplary and punitive damages shall not apply to the extent prohibited by the NDFIL;
5. Any release required as a condition to a renewal of the franchise agreement shall not apply to the extent prohibited by the NDFIL;
6. Any requirement that you consent to a limitation of claims shall not apply to the extent prohibited by the NDFIL. As applicable, the statute of limitations under North Dakota law shall control.
7. The prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorney's fees.

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

FRANCHISOR:

COBBLESTONE HOTELS, LLC

By: _____

(Print Name, Title)

FRANCHISEE:

By: _____

(Print Name, Title)

PRINCIPAL:

(Print Name)

PRINCIPAL:

(Print Name)

STATE ADDENDUMS

**ADDENDUM TO THE
COBBLESTONE HOTELS, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF RHODE ISLAND**

In recognition of the requirements of the Rhode Island Franchise Investment Act, the Franchise Disclosure Document of Cobblestone Hotels, LLC (“we,” “us,” or “our”) for use in the State of Rhode Island shall be amended to include the following:

1. Items 17v. and 17w., under the provisions entitled “Choice of law” and “Choice of forum,” shall be supplemented with the following language:

However, you may sue us in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

2. Item 17 shall be supplemented by the addition of the following language at the end of 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.”

3. Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum to the Disclosure Document.

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AMENDMENT TO THE
COBBLESTONE HOTELS, LLC FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act, the parties to the attached Cobblestone Hotels Franchise Agreement (the “Franchise Agreement”) agree as follows:

1. The following language shall be added at the end of Section 20.3 of the Franchise Agreement:

Notwithstanding the above, Rhode Island franchisees are permitted to bring a lawsuit in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

2. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Amendment.

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

FRANCHISOR:

COBBLESTONE HOTELS, LLC

By: _____

_____,
(Print Name, Title)

FRANCHISEE:

By: _____

_____,
(Print Name, Title)

PRINCIPAL:

(Print Name)

PRINCIPAL:

(Print Name)

**ADDENDUM TO
COBBLESTONE HOTELS, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA**

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, Item 17.h. of the Franchise Disclosure Document for Cobblestone Hotels, LLC is supplemented by the following:

“Under 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.”

“Any securities offered or sold by the Investor Franchisee as part of the Cobblestone Hotels, LLC Franchise must either be registered or exempt from registration under Section 13.1-514 of the Virginia Securities Act.”

2. Estimate Initial Investment. The franchisee will be required to make an estimate initial investment ranging from \$5,369,999 to \$23,992,003. This amount exceeds the franchisor’s stockholders’ equity as of December 31, 2023, which is \$258,627.

3. 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.

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF WASHINGTON

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

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

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.

AMENDMENT TO THE COBBLESTONE HOTELS, LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF WASHINGTON

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

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

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.

-Remainder of Page Intentionally Blank-

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

FRANCHISOR:

COBBLESTONE HOTELS, LLC

By: _____

(Print Name, Title)

FRANCHISEE:

By: _____

(Print Name, Title)

PRINCIPAL:

(Print Name)

PRINCIPAL:

(Print Name)

**ADDENDUM TO
COBBLESTONE HOTELS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF WISCONSIN**

The Cobblestone Hotels, LLC Franchise Agreement between Cobblestone Hotels, LLC (“Franchisor”) and _____ (“Franchisee”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “State Addendum”):

WISCONSIN LAW MODIFICATIONS

1. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Agreement is hereby amended to add the following provision:

For all franchises sold in the State of Wisconsin, the Company will provide Franchisee at least 90 days’ prior written notice of termination, cancellation, nonrenewal or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, nonrenewal or substantial change in competitive circumstances and will provide that Franchisee have 60 days in which to rectify any claimed deficiency. If the deficiency is rectified within 60 days, the notice will be void. These notice requirements shall not apply if the reason for termination, cancellation or nonrenewal is insolvency, the occurrence of an assignment for the benefit of creditors or bankruptcy. If the reason for termination, cancellation, nonrenewal or substantial change in competitive circumstances is nonpayment of sums due under the franchise, Franchisee will be entitled to written notice of such default, and will have not less than 10 days in which to remedy such default from the date of delivery or posting of such notice.

2. Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of this Agreement or a related document between the Company and Franchisee inconsistent with the Law.

3. Each provision of this State Addendum shall be effective only to the extent that the jurisdictional requirements of Wisconsin law, with respect to each such provision are met independent of this State Addendum. This State Addendum shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its owners, acknowledges that it has read and understands the contents of this State Addendum, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this State Addendum and be bound thereby. The parties have duly executed and delivered this State Addendum to the Agreement on the date first set forth above.

COBBLESTONE HOTELS, LLC
a Wisconsin limited liability company

FRANCHISEE:

By: _____
Name: Kim Wogernese
Title: Managing Member

By: _
Name:
Title:

Date:

Date:

EXHIBIT K

**COBBLESTONE HOTELS, LLC
TABLES OF CONTENTS OF FRANCHISOR'S MANUALS**

EXHIBIT L

**Franchised “Cobblestone Hotel & Suites®”, “Cobblestone Inn & Suites®” and
“Cobblestone Suites™” as of December 31, 2023**

Franchisee	Property Address	City	State	Zip	Phone
DMC International, Inc.	100 Lost Creek Parkway	Fairfield Bay	AR	72088	501-825-3046
Newport Hotel Group, LLC	3608 South Van Dyke	Newport	AR	72112	870-523-2000
Kiowa County Investment Group, LLC	501 East Lowell Avenue	Eads	CO	81036	719-438-2021
Eaton Hotel, LLC	485 South Elm Road	Eaton	CO	80615	970-454-2077
Holyoke Hotel, LLC	805 Interocean Avenue	Holyoke	CO	80734	970-854-3222
Kersey Hotel, LLC	309 Hill Street	Kersey	CO	80644	970-351-9411
Lamar Hospitality LLC	1215 North Main Street	Lamar	CO	81052	719.391.7100
Springfield Hotel, LLC	27474 Hwy 287	Springfield	CO	81073	719-353-5050
Wray Hotel, LLC	35952 U.S. 385	Wray	CO	80758	970-332-5000
Yuma Colorado Hotel, LLC	Hwy 34 & Kamala St.	Yuma	CO	80759	970-360-0131
Avoca Hotel Group, LLC	7013 North Chestnut St.	Avoca	IA	51521	712-307-6006
JAA MAI, Inc.	509 S. Washington St.	Bloomfield	IA	52537	614-664-2000
Boulders Inn Boone, LLC	1900 Lakewood Drive	Boone	IA	50036	515-212-8823
Boulders Inn Clarinda, LLC	105 Essie Davison Drive	Clarinda	IA	51632	712-850-1471
Clarion Hotel Group, LLC	500 Central Avenue West	Clarion	IA	50525	515-602-6634
Boulders Inn, LLC	2511 Boulder Drive	Denison	IA	51442	712-263-2200
Boulders Inn Denison, LLC	161 Oak Ridge Drive	Denison	IA	51442	712-263-2833
Forest City Hospitality, LLC	1115 Highway 69 North	Forest City	IA	50436	515-341-4620
Independence BDH, LLC	523 Kirkberg Blvd.	Fort Dodge	IA	50501	515-302-8788
Fort Madison, LLC	4901 Avenue O	Fort Madison	IA	52627	319-246-1401
North Ida Builders, LLC	2011 Indorf Avenue	Holstein	IA	51025	712-368-6200
Jefferson Hotel Group, LLC	771 Wild Rose Lane	Jefferson	IA	50129	515-386-3535
Knoxville Hotel Group, LLC	1212 Eric Drive	Knoxville	IA	50138	641-828-8900
Boulders Inn Lake View, LLC	119 Boulder Drive	Lake View	IA	51450	712-657-2660
Lamoni Hotel Group, LLC	236 Spruce Drive	Lamoni	IA	50140	641-784-4000
Boulders Inn Manchester, LLC	1210 Commercial Court	Manchester	IA	52057	563-856-0011
Boulders Inn Manning, LLC	120 Heritage Drive	Manning	IA	51455	712-655-4000

Marquette Hotel Group, LLC	100 North Street	Marquette	IA	52158	563-873-8900
Boulders Inn Monticello, LLC	218 Welter Drive	Monticello	IA	52310	319-465-3036
Boulders Inn Newton, LLC	4222 South 22 nd Avenue East	Newton	IA	50208	641-275-9495
MB Vinton, LLC	1202 West 11 th Street	Vinton	IA	52349	319-472-2220
Waverly Hotel Group, LLC	208 East Bremer Avenue	Waverly	IA	50677	319-352-1311
Winterset Hotel Group, LLC	1304 N. 4 th Avenue	Winterset	IA	50273	515-462-4889
Soda Springs Hotel, LLC	341 West 2nd South	Soda Springs	ID	83276	208-547-1920
Victor Hotel, LLC	12 West Dogwood Street	Victor	ID	83455	208-787-4567
Ramsey Enterprises, LLC	4 West Carriage Lane	Altamont	IL	62411	618-483-3111
SHIV, Inc.	100 South Gregory Dr.	Newton	IL	62448	618-783-5550
Paxton Hotel Group, LLC	1280 West Ottawa Street	Paxton	IL	60957	217-379-5300
Third Place Brookville Hotel Group, LLC	9135 US 101	Brookville	IN	47102	765-647-4434
Charlestown Hotel Group, LLC	2201 Grace Avenue	Charlestown	IN	47111	812-256-5400
Salem Hotel Group, LLC	1015 Hackberry Street	Salem	IN	47167	812-883-4224
Anthony Hotel Group, LLC	423 West Main	Anthony	KS	67003	620-842-5200
Harper Hotel Group, LLC	899 Frontage Road	Harper	KS	67058	620-896-2400
Lakin Hotel, LLC	603 Santa Fe Blvd.	Lakin	KS	67860	620-355-4211
Gateway Investments, LLC	507 W. Elm Street	Oberlin	KS	67749	785-475-1100
L&P Holdings, LLC	2002 Corporate Drive	Vinton	LA	70618	337-589-9420
Austin Hotel Group, LLC	1000 16 th Avenue NW	Austin	MN	55912	507-433-9797
Crookston Hotel Group, LLC	2304 Sahlstrom Drive	Crookston	MN	56716	218-470-1111
HutchCobble, LLC	416 Prospect Street NE	Hutchinson	MN	55350	320-587-7777
IFalls Group, LLC	2602 Pleasant Avenue	International Falls	MN	56649	218-324-4660
Boulders Inn Maryville, LLC	2 Fall Drive	Maryville	MO	64468	660-224-2222
Landes Ulrich Weldon, LLC	1845 Hoover Drive	Trenton	MO	64683	660-359-2988
Beulah Hotel Group, LLC	1207 Hwy 49 North	Beulah	ND	58523	701-873-2370
Bottineau Cobblestone Group, LLC	1109 11 th Street East	Bottineau	ND	58318	701-534-2121
Carrington Hotel Group, LLC	835 5 th Avenue	Carrington	ND	58421	701-652-3000

Lake Region Hotel Group, LLC	1801 US Highway 2	Devil's Lake	ND	58301	701-544-0129
Harvey Hotel Group, LLC	410 West Brewster	Harvey	ND	58341	701-635-2222
Zipper Enterprises, Inc.	158 Rodeo Drive	Killdeer	ND	58640	701-764-2200
Langdon Hotel Group, LLC	510 9 th Avenue East	Langdon	ND	58249	701-256-2420
Linton Hotel Group, LLC	301 Hwy 83 SE	Linton	ND	58552	701-254-5734
Rugby Hotel Group, LLC	402 Highway 2 East	Rugby	ND	58368	701-881-3000
Steele Hotel Group, LLC	623 N. Mitchell Avenue	Steele	ND	58482	701-475-4478
Bridgeport Hotel Group, LLC	515 Main St.	Bridgeport	NE	69336	308-262-7900
G4C, LLC	2750 South 27 th Avenue	Broken Bow	NE	68822	308-767-2060
Cambridge Hotel Group, LLC	41502 Harvest Drive	Cambridge	NE	69022	308-350-2001
Cozad Hotel Group, LLC	805 York Drive	Cozad	NE	69130	814-451-1101
Gering Hospitality Group, LLC	960 M Street	Gering	NE	69341	308-633-7660
Hartington Hotel Group, LLC	405 Arens Drive	Hartington	NE	68739	402-254-9866
Holdrege Hotel Group, LLC	814 Burlington Street	Holdrege	NE	68949	308-995-8885
McCook Hotel Group, LLC	1301 N Hwy 83	McCook	NE	69001	308-777-2000
Ord Hotel Group, LLC	127 Trotter Avenue	Ord	NE	68862	308-728-5122
Schuyler Hotel Group, LLC	2218 Colfax Street	Schuyler	NE	68661	402-352-9968
Seward Hotel Group, LLC	2575 Progressive Road	Seward	NE	68434	402-646-1004
Wayne Hospitality Group, LLC	505 Tomar Drive	Wayne	NE	68787	402-833-1300
Orville Cobblestone, LLC	1720 North Main Street	Orville	OH	44667	814-451-1112
Urbana Hotel, LLC	170 State Route 55	Urbana	OH	43078	937-652-7828
Abigail Investors, LLC	111 New Economy Drive	Ambridge	PA	15003	724-266-7100
Corry Cobblestone, LLC	864 East Columbus Ave.	Corry	PA	16407	814-663-0001
Bayfront Cobblestone, LLC	70 Bayfront Parkway	Erie	PA	16507	814-455-1010
Greenville Cobblestone, LLC	81 Hadley Road	Greenville	PA	16125	724-588-4200
Penn State Cobblestone, LLC	4995 Station Road	Harborcreek	PA	16510	814-899-9099
Punxsutawney Cobblestone, LLC	188 Alliance Drive	Punxsutawney	PA	15767	814-938-5144
Creeside Hospitality, LLC	328 Depot Street	St. Marys	PA	15857	814-245-2020
Destination Group, LLC	12695 WA Township Blvd.	Waynesboro	PA	17268	717-765-0034
Andrews Hotel, LLC	1400 North US Highway 385	Andrews	TX	79714	432-223-2477

Big Lake Hotel Group, LLC	1318 E. US Highway 16	Big Lake	TX	76932	325-884-3338
Kermit Hotel Group, LLC	876 South East Avenue	Kermit	TX	79745	432-586-3333
Pecos Cobblestone Group, LLC	2418 S. Teague Lane	Pecos	TX	79772	432-445-0075
Morgan Hotel, LLC	215 Commercial Street	Morgan	UT	84050	801-726-3802
Ashland Cobblestone, LLC	820 Main Street West	Ashland	WI	55350	715-682-5066
Baldwin Motel, Ltd.	500 Baldwin Plaza Drive	Baldwin	WI	54002	715-684-5888
Khauv Enterprises, LLC	440 West Division Drive	Barron	WI	54812	920-230-2622
Avinaashi Hotel, Inc.	800 West Ryan Street	Brillion	WI	54110	920-756-3800
Hotels International, LLC	100 North Bridge Street	Chippewa Falls	WI	54729	920-230-2622
Cobblestone Hotel Group, LLC	175 Waupaca Street	Clintonville	WI	54929	715-823-2000
De Pere Hotel Group, LLC	499 Main Ave	De Pere	WI	54115	920-278-0111
Durand Hotel Group, LLC	325 Passport Street	Durand	WI	54736	715-672-5055
Dutch Boyz Fremont, LLC	302 W Main St	Fremont	WI	54940	920-551-5055
Hotels of America, LLC	101 Park Avenue	Hartford	WI	53027	262-670-6010
Janesville Hotel Group, LLC	West Milwaukee Street	Janesville	WI	53546	608-757-2200
Black Bear Ladysmith Inn, LLC	700 West 9 th Street South	Ladysmith	WI	54848	715-532-7811
Dutch Boyz Little Chute, LLC	Main St. & Madison St.	Little Chute	WI	54140	920-687-9095
Menomonie Hotel Group, LLC	149 Main Street	Menomonie	WI	54715	715-233-0211
Black Bear Merrill Inn, LLC	3209 East Main Street	Merrill	WI	54452	715-536-6880
Fox Crossing Hotel Group, LLC	1465 Bryce Drive	Neenah	WI	54956	920-751-0071
Evergreen Hospitality, LLC	1495 West South Park Ave.	Oshkosh	WI	54902	715-831-6486
Pulaski Hotel Group, LLC	1220 Mountain Bay Dr.	Pulaski	WI	54162	920-822-0822
Ripon Hotel Group, LLC	2 Westgate Drive	Ripon	WI	54971	920-748-5500
Hotels of America, LLC	117 CenterPoint Drive	Stevens Point	WI	54481	715-343-0522
Superior Hotel Group, LLC	Tower Avenue and 11 th St.	Superior	WI	54880	715-319-3050
Two Rivers Hotel Group, LLC	1407 16 th Street	Two Rivers	WI	54241	773-875-7078
Duke Properties, Ltd.	3010 8th Street South	Wisconsin Rapids	WI	54494	715-424-3444
Guernsey Hotel, LLC	703 West Whalen Street	Guernsey	WY	82714	307-896-2325

Pine Bluffs Hotel, LLC	607 Parsons Avenue	Pine Bluffs	WY	82082	307-836-2325
Torrington Hotel, LLC	1306 Main Street	Torrington	WY	82440	307-532-1033
Cobblestone Sheldon, LLC	271 34 th Ave	Sheldon	IA	51201	712-244-3644
Ottumwa Hospitality, LLC	TBD	Ottumwa	IA	54956	641-244-3644
Opportunity Cullman, LLC	TBD	Cullman	AL	35056	256-798-0054

**Franchised “Cobblestone Hotel & Suites®”, “Cobblestone Inn & Suites®” and
“Cobblestone Suites™” Executed but not Open as of December 31, 2023**

Franchisee	Property Address	City	State	Zip	Phone
Alpine Wyoming Hotel, LLC	11 Greys River Road	Alpine	WY	83128	TBD
Lynden Hotel Group, LLC	TBD	Lynden	WA	98264	TBD
Mark Gutteter	TBD	Rhineland	WI	54501	TBD
Indian Lake Hotel Group, LLC	TBD	Indian Lake	OH	43348	TBD
Wickenburg Hotel Group, LLC	575 Bass Road	Wickenburg	AZ	85390	TBD
Winters Hotel Group, LLC	TBD	Winters	TX	79567	TBD
Platteville Lodging WI, LLC	1755 East Highway 151	Platteville	WI	53818	608-348-9518
Bellefontaine Hospitality LLC	171 Dowell Avenue	Bellefontaine	OH	43311	TBD
BCOK Lodging LLC	1210 Avenue A	Boise City	OK	73933	580-200-6001
JCW CBSTN Denmark LL	121 Bohemia Drive	Denmark	WI	54208	920-309-6002
DJK Lodging LLC	70 E. 900 N Street	Ephraim	UT	84627	TBD
Select Site Ventures LLC	2970 Konair Way	Foley	AL	36535	TBD
Julesburg Colorado Hotel LLC	21365 County Road 28	Julesburg	CO	80737	970-463-6010

“Cobblestone Hotel & Suites®”, “Cobblestone Inn & Suites®” and “Cobblestone Suites™” who had Outlet Terminated, Cancelled, Not Renewed, Transferred or Otherwise Voluntarily or Involuntarily Ceased to do Business under a Franchise Agreement During the Year Ended December 31, 2023 or Who has not Communicated with the Franchisor Within 10 Weeks of the Application Date:

TRANSFERS:

Franchisee	Property Address	City	State	Zip
Harklau Hotel 523 LLC	523 Kirkberg Boulevard	Fort Dodge	IA	50501
Swami Bapa Hotels Inc	3209 East Main Street	Merrill	WI	54455
Suman Corporation	890 Golden Valley Drive	Vinton	IA	52349
Kiowa County Investment Group LLC	501 East Lowell Street	Eads	CO	81036
Steele Hotel Group, LLC	623 Mitchell Avenue North	Steele	ND	58482

Note: If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT M

GENERAL RELEASE FORM

This General Release (this “Release”) is made and entered into effective as of _____, 20____ (the “Effective Date”) by and among Cobblestone Hotels, LLC, a Wisconsin limited liability company (“Franchisor”), _____ (“Franchisee”), and _____ (“Principal Owners”).

RECITALS

WHEREAS, Franchisor and Franchisee entered into a Franchise Agreement dated _____ (the “Franchise Agreement”) (each capitalized term used but not defined herein shall have the meaning assigned to that term in the Franchise Agreement), pursuant to which Franchisee was granted the right and license (the “Franchise”) to operate a lodging facility under the Cobblestone system of operation and using certain Cobblestone Marks to be located at _____ (the “Facility”);

WHEREAS, Franchisee desires, and Franchisor has agreed, to [transfer the Facility]/[renew the Franchise Agreement]; and

WHEREAS, in connection with such [transfer]/[renewal], Franchisor requires a General Release.

NOW, THEREFORE, for and in consideration of the mutual covenants set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

RELEASE

1. Franchisee. Franchisee, and its respective officers, directors, employees, successors, assigns, heirs, personal representatives, and all other persons acting on their behalf or claiming under them, past or present, hereby unconditionally release, remise and forever discharge Franchisor, its predecessors, parents, subsidiaries, and affiliates and their respective officers, directors, shareholders, employees, past or present, successors, and assigns (collectively, the “Franchisor Released Parties”), from any and all claims, debts, liabilities, demands, obligations, actions, and causes of action, known or unknown, vicarious, derivative or direct, vested or contingent (“Claims”), which any of them may now have, have ever had, or may hereafter have by reason of any event, transaction, or circumstance, whether under federal, state or local law or otherwise, arising out of or relating to the disclosure, application, negotiation, formation, execution or performance of the Franchise Agreement or arising out of or in any way relating to the Facility from the beginning of time through the date of this Release.

2. Franchisor. Except as otherwise set forth in this Release, Franchisor, for itself and its successors and assigns and all other persons acting on its behalf or claiming under it, hereby releases and forever discharges Franchisee and its respective officers, directors, employees, successors, assigns, heirs and personal representatives from all Claims which Franchisor may have ever had, now has, or may hereafter have by reason of any event, transaction, or circumstance arising out of

or relating to the performance of the Franchise Agreement from the beginning of time through the date of this Release.

[If Franchisee or any of Franchisee's Principals is located in California: In executing this General Release, Franchisee and Franchisee's Principals hereby waives all rights and benefits which it now has or in the future may have under and by virtue of the terms of Section 1542 of the Civil Code of the State of California, which Section reads as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.]

This Release is made in the State of Wisconsin and its provisions shall be governed by and enforced and interpreted under the laws of that State, except that conflicts of law rules shall be excluded.

IN WITNESS WHEREOF, the parties have duly executed this Release on this ____ day of _____.

FRANCHISOR:
COBBLESTONE HOTELS, LLC,
a Wisconsin limited liability company

By: _____
Name: Kim Wogernese
Title: Managing Member

FRANCHISEE:

[Name]

[Signature]

COBBLESTONE HOTELS, LLC
DISCLOSURE DOCUMENT STATE EFFECTIVE DATES AND RECEIPTS

EXHIBIT N TO THE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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
Illinois	Pending <u>July 31, 2024</u>
Indiana	Exempt
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending <u>August 5, 2024</u>
Rhode Island	Pending <u>May 1, 2024</u>
South Dakota	Pending <u>June 17, 2024</u>
Virginia	Pending <u>July 24, 2024</u>
Washington	Pending
Wisconsin	Pending <u>June 14, 2024</u>

Other states may require registration, filing, or exemption of a franchise under the laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT N

RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT OF COBBLESTONE HOTELS, LLC

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Cobblestone Hotels, 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.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Cobblestone Hotels, 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to your state authority listed on Exhibit B.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

Kim Wogernese 980 American Drive Neenah, WI 54956 (920) 230-2622	Josie Kilgore 980 American Drive Neenah, WI 54956 (920) 230-2622	Jeremy Griesbach 980 American Drive Neenah, WI 54956 (920) 230-2622
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Issuance Date: May 31, 2024

I received a Disclosure Document dated _____, that included the following Exhibits:

- EXHIBIT A: Application for Cobblestone Lodging Facility Franchise
- EXHIBIT B: List of Agencies and Agents for Service of Process
- EXHIBIT C: Our Financial Statements
- EXHIBIT D: Franchise Agreement with Attachments
- EXHIBIT E: Central Reservation System Technology Addendum
- EXHIBIT F: Property Management System Technology Addendum
- EXHIBIT G: Call Center Reservation Services Technology Addendum
- EXHIBIT H: Cobblestone Rewards Program Technology Addendum
- EXHIBIT I: Sojern Marketing Platform Agreement
- EXHIBIT J: State Specific Addenda to Franchise Disclosure Document and Franchise Agreement
- EXHIBIT K: Table of Contents of Operations Manual
- EXHIBIT L: List of Current Franchisees
- EXHIBIT M: Form of General Release
- EXHIBIT N: Disclosure Document Receipts

Date Received: _____ DATE: _____
(If other than date signed)

Print Name: _____

Print Address: _____

City, State: _____

(Signature of recipient)

Interested Territory _____
(City, State)

Please return signed receipt to Cobblestone Hotels, LLC
980 American Drive
Neenah, WI 54956

EXHIBIT N

RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT OF COBBLESTONE HOTELS, LLC

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

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- EXHIBIT K: Table of Contents of Operations Manual
- EXHIBIT L: List of Current Franchisees
- EXHIBIT M: Form of General Release
- EXHIBIT N: Disclosure Document Receipts

Date Received: _____
(If other than date signed)

DATE: _____

Print Name: _____

Print Address: _____

City, State: _____

(Signature of recipient)

Interested Territory _____
(City, State)

KEEP FOR YOUR RECORDS