

Special Risks to Consider About *This* Franchise

Certain states require that the following risks be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by litigation only in Maryland. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to litigate with us in Maryland than in your own state.
2. The franchise agreement does not provide you with an exclusive territory. We may establish other franchises or company owned locations, or establish other channels of distribution, and may sell or distribute certain products or services to the general public in competition with your franchise.
3. You must pay a monthly service charge of up to \$1,200.00 each month during the first year (increasing annually) even if you have no revenues. See Item 6 for further information.
4. ~~There may be other risks concerning this franchise.~~

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