

THE FRANCHISE RELATIONSHIP		
Provision	Section in Agreement	Summary
m. Conditions for our approval of transfer	Sections 15.5 and 15.7 of the Franchise Agreement	The following conditions apply to a Transfer of the Franchise (as defined under Section 15.4): Current compliance by you with Franchise Agreement; transferee meets our standards for new franchisees; transferee agrees to abide by current Franchise Agreement or signs new franchise agreement (as we have the right to determine); payment of \$5,000 transfer fee; signing by you of a general release; you pay or transferee assumes any outstanding indebtedness you owe us; an audit of your operations; you purchase tail coverage on your errors and omissions insurance policy naming us as an additional insured. The general release required as a condition of a Transfer of the Franchise shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
n. Our right of first refusal to acquire your business	Section 15.7 of the Franchise Agreement	We have the right to match any offer; we have the right to substitute cash for any payment method set out in the offer and we have 120 days from option exercise date to complete transaction. Our credit is deemed equal to that of any buyer.
o. Our option to purchase your business	None	Not applicable.
p. Your death or disability	Sections 16.2.3.3 and 16.2.5 of the Franchise Agreement; Section 1 of the Location Addendum; Section 1 of the Term Extension Addendum	We have the right to terminate the Franchise Agreement if the estate does not seek our approval for Transfer of the Franchise within 180 days after your death or incapacity in accordance with the Franchise Agreement. If a majority owner dies or becomes disabled, you may elect to terminate the Franchise Agreement if certain conditions are satisfied.
q. Non-competition covenants <u>during</u> the term of the franchise	Section 20.1 and 20.3 of the Franchise Agreement	No involvement in any other real estate brokerage business, other than the Business or any Excluded Business authorized under the Franchise Agreement; and no direct or indirect participation in the operation or ownership of, or receipt of compensation from, any business that provides or seeks to provide equipment, supplies, services or other operating materials to other franchisees or our Related Parties and their respective franchisees without our prior written consent (<u>subject to applicable state law</u>).