

Franchise Disclosure Document

Experimax Franchising, LLC
A Florida Limited Liability Company
2121 Vista Parkway
West Palm Beach, FL 33411
(561) 640-5342
mwhite@ufgcorp.com
www.experimax.com



The franchisee will own and operate an Experimax® franchise which operates a retail business buying, selling, repairing and refurbishing used cell phones, computers, tablets and other electronic equipment.

The total investment necessary to begin operation of an Experimax® store is from \$142,010 to \$321,140. These amounts include \$64,500 to \$92,000 that must be paid to the franchisor or an affiliate if you obtain financing for the purchase of your equipment to \$159,400 to \$186,900 that must be paid to the franchisor or an affiliate if you purchase your equipment.

The 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 different formats, contact a Franchise Development Specialist at 2121 Vista Parkway, West Palm Beach, Florida 33411, (888) 816-6749.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, such as a lawyer or accountant.

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

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

Issue Date: February 28, 2018 as amended December 21, 2018

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit F for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN FLORIDA. 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 FLORIDA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE SPOUSE OF THE FRANCHISEE MUST PERSONALLY BE BOUND BY THE TERMS OF THE LOAN FOR THE EQUIPMENT PACKAGE.
4. THE FRANCHISE AGREEMENT REQUIRES YOU TO MAKE MINIMUM ADVERTISING AND OTHER 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. 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 a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Date: See state effective dates on next page

STATE EFFECTIVE DATES

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

This Franchise Disclosure Document is registered, on file, or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California	See Separate FDD
Hawaii	Pending
Illinois	Pending
Indiana	March 18, 2018
Maryland	See Separate FDD
Michigan	March 2, 2018
Minnesota	Pending
New York	See Separate FDD
North Dakota	Pending
Rhode Island	Pending
South Dakota	March 7, 2018
Virginia	See Separate FDD
Washington	See Separate FDD
Wisconsin	Pending

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of February 28, 2018 as amended December 21, 2018.

NOTICE REQUIRED BY STATE OF MICHIGAN

THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN 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 of the 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 a good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

- (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise Section
G. Mennen Williams Building, First Floor
525 West Ottawa Street
Lansing, MI 48933
Telephone Number: (517) 373-7117

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ATTACHED EXHIBITS:

Exhibit A	Franchise Agreement with Schedules
Exhibit B	Loan Agreement for Purchase of Equipment
Exhibit C	Deposit Receipt
Exhibit D	Financial Statements
Exhibit E	Table of Contents for Operating Manual
Exhibit F	Agents for Service of Process/State Administrators
Exhibit G	General Release Agreement
Exhibit H	Compliance Certification
Exhibit I	Nondisclosure and Noncompetition Agreement
Exhibit J	Disclosure Document Addenda
Exhibit K	List of Current Franchisees
Exhibit L	List of Terminated, Cancelled, or Not Renewed Franchisees
Exhibit M	Disclosure Document Receipt

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language of this Disclosure Document “EXM,” “Company,” “us” or “we” refers to Experimax Franchising, LLC (the “Franchisor”). “You” means the person, including any owner, partner or corporation who is looking at our franchise.

The Company is a limited liability company formed in June 2013 in the State of Florida. Our principal place of business is 2121 Vista Parkway, West Palm Beach, Florida 33411. We do business under our company name and Experimax®. We do not have any predecessors or a parent entity. Our agents for service of process are listed in Exhibit F to this Disclosure Document.

COMPANY HISTORY

We grant franchises to qualified persons for the right to own and operate an Experimax business (the “Business”) under the terms of our standard Franchise Agreement (a copy is attached as Exhibit A). We began granting franchises in October 2014 and have 126 locations in 9 countries (as of December 31, 2017). In late 2018, we modified our trade mark for the retail stores from “Experimax” to “Experimax”, however, our company name has remained the same and is still “Experimax Franchising, LLC.”

We operate a store located in Mount Juliet, Tennessee that is similar to an Experimax business. This business was originally opened as a franchise location in November 2015 and was acquired by us in June 2017.

We have three stores that affiliates operate that are similar to an Experimax business. One is located in West Palm Beach, Florida, and is owned by an affiliate, The Mac Toy Store Inc. (“The Mac Toy Store”), a Florida corporation. That business was opened in September 2009 and operated as The Mac Toy Store until August 2013 when the name was changed to Experimax. The second affiliate owned store is located in Boynton Beach, Florida and is owned by Quantum Computers Inc. (“Quantum Computers”), a Florida corporation. That business opened in November 2015. A third affiliate-owned store is located in Orlando, Florida and is owned by J Gancel, LLC, a Florida limited liability company. That business was originally opened as a franchise location in August 2015 and was acquired by our affiliate in January 2017. More information on our affiliates is located below in this Item 1.

We have not previously offered franchises in any other line of business.

DESCRIPTION OF AN EXM BUSINESS

EXM offers to you, our customer, the right to own and operate an Experimax Store (“Store”). In your Store and on the Internet you will purchase and resell used electronic products such as laptop computers, tablets and cell phones plus new accessories and components for these products such as cases, cables, chargers, adapters, keyboard covers and external drives (the “Products”). You will also refurbish and repair computers, tablets and cell phones. In your Store you will use our trademarks, trade name, proven and sophisticated procedures and trade secrets. The market for used electronic products and for repair services has grown rapidly. Competition for your Store will come from small retailers and franchisees of other franchise systems offering similar used products and repair services; internet based companies buying and selling similar used products online only and to a lesser degree from businesses offering primarily repair services. You will also compete with retail chains selling new accessories similar to those sold in an

Experimax Store. On e-commerce websites, you will compete in the purchasing and selling of the Products with the affiliates' stores in West Palm Beach, Boynton Beach and Orlando, Florida, and other franchisees.

Your Experimax Store as a reseller of used electronic products will be subject to state and local laws regulating dealers in second-hand goods. These laws will require you to obtain a license to operate the business. To obtain the license, you may be subject to a criminal background check. These laws will also regulate aspects of your business including gathering and retaining information regarding the sellers of used products sold by your Store and the length of time that must expire before an item can be resold. There will be other local, state and federal laws applicable to your business. We encourage you to make further inquiries and seek legal counsel about these laws.

AFFILIATES AND SUBSIDIARIES

The Company is a member of United Franchise Group, an affiliated group of companies located at 2121 Vista Parkway, West Palm Beach, Florida 33411 whose franchising companies are:

1. **Sign*A*Rama Inc.** ("Signarama"), the world's largest franchisor of retail sign shops, that has been in franchising since April 1987 and has 702 locations in 36 countries;
2. **EmbroidMe.com, Inc.** d/b/a Fully Promoted ("Fully Promoted"), a franchisor of retail stores for online marketing services, print marketing and branded products including, embroidered logoed apparel, that has been in franchising since September 2000 and has 278 locations in 10 countries. In January 2017, our affiliate Fully Promoted modified the principal trademark for the retail stores from "EmbroidMe" to "Fully Promoted" and currently has franchises operating as EmbroidMe stores, franchises operating as Fully Promoted stores and franchises in the process of transitioning their operation as EmbroidMe stores to Fully Promoted stores;
3. **Transworld Business Advisors, LLC** ("TBA"), a franchisor of business brokerage agencies that also provide franchise referral lead services that has been franchising since December 2010 and has agencies operating in 274 territories in 7 countries;
4. **Greener Energy, LLC** d/b/a SuperGreen Solutions ("SuperGreen"), a franchisor of businesses offering sustainability advisory services, energy auditing, sustainability planning, and energy efficient products and services that has been in franchising since April 2012 and has 40 businesses in 10 countries;
5. **J.S. Subs, LLC** d/b/a Jon Smith Subs ("JSS"), a franchisor of restaurants offering made-to-order submarine sandwiches, grilled sandwiches, salads and other related foods and beverages, that has been franchising since February 2016 and currently has 9 locations;
6. **Venture X Franchising, LLC** ("VTX"), a franchisor of co-working, collaborative office facilities, that has been franchising since March 2016 and currently has 3 locations in 2 countries; and
7. **Great Greek Franchising, LLC** ("TGG"), a franchisor of restaurants offering Greek cuisine that has been franchising since January 2018 and currently has 2 locations.

The location and territory information disclosed above for our affiliates is as of December 31, 2017.

The Signarama, Fully Promoted, TBA, SuperGreen, JSS, VTX and TGG franchises are different businesses than the Experimax business described in this Franchise Disclosure Document. We have not and none of

these affiliates has offered franchises in any other line of business. None of these affiliates operates a business which is similar in nature to an Experimax business.

Our affiliate, The Mac Toy Store, operates a business which is similar to an Experimax store located at 100 Sansburys Way, #118, West Palm Beach, Florida 33411 and was formed in January 2010. The Mac Toy Store Inc. does not offer and has not offered franchises in this or any other line of business.

Our affiliate, Quantum Computers (“Quantum Computers”), operates a business which is similar to an Experimax store located at 1000 Gateway Blvd., #101, Boynton Beach, Florida 33426 and was formed in April 2015. Quantum Computers does not offer and has not offered franchises in this or any other line of business.

Our affiliate, J Gancel, LLC (“J Gancel”), operates a business which is similar to an Experimax store located at 4498 N. Alafaya Trail, Unit 300, Orlando, Florida 32826 and was originally opened as a franchise location in August 2015 and was acquired by our affiliate in January 2017. J. Gancel does not offer and has not offered franchises in this or any other line of business.

Our affiliate, Franchise Real Estate, Inc. (“Franchise Real Estate”) is a real estate services company which was formed in October 2002. Franchise Real Estate’s principal business address is 2121 Vista Parkway, West Palm Beach, Florida 33411. Franchise Real Estate offers real estate services and assistance to our franchisees including, retail site selection, lease negotiation, construction management, store design and layout, and assistance with obtaining building renovation costs. Franchise Real Estate does not operate and has not operated a business which is similar to an Experimax business. Franchise Real Estate does not offer and has not offered franchises in this or any other line of business.

Our affiliate, Premium Supplier Inc., (“Premium Supplier”) is a company formed in September 2015. Premium Supplier’s principal business address is 2121 Vista Parkway, West Palm Beach, Florida 33411. Premium Supplier (along with another supplier we may designate) provides retail accessories and repair (parts) inventory/opening inventory packages and other items to our franchisees. Premium Supplier does not operate and has not operated a business which is similar to an Experimax business. Premium Supplier does not offer and has not offered franchises in this or any other line of business.

ITEM 2

BUSINESS EXPERIENCE

Ray Titus - Chief Executive Officer – West Palm Beach, FL

- Chief Executive Officer of the Company since June 2013.
- Chief Executive Officer of TGG since November 2017.
- Managing Member of VTX since September 2015.
- Chief Executive Officer of JSS since April 2015.
- Manager of TBA since November 2010; Chief Executive Officer of SuperGreen since October 2010.
- Chairman of the Board for Fully Promoted since January 2008. President of Fully Promoted from February 2000 to December 2007.
- Chief Executive Officer of Signarama since January 2008; President of Signarama from January 1995 to December 2007.
- Chief Executive Officer of PTA, a franchisor of tax preparation businesses from June 2017 to March 2018 in West Palm Beach, FL.

- Chief Executive Officer of Plan Ahead Events, Inc. (“PAE”), a franchisor of an event planning business in West Palm Beach, FL from April 2012 to February 2015 and President of PAE January 2007 to April 2012.

David Baxter – Chief Operating Officer – West Palm Beach, FL

- Chief Operating Officer of the Company since June 2013.
- Chief Operating Officer of TGG since November 2017.
- Chief Operating Officer of JSS since April 2015; and Signarama, Fully Promoted, TBA and SuperGreen since June 2012.
- Chief Operating Officer of PTA in West Palm Beach, FL from June 2017 to March 2018.
- Chief Operating Officer of PAE in West Palm Beach, FL from June 2012 to February 2015.

Todd Newton – Chief Financial Officer – West Palm Beach, FL

- Chief Financial Officer of Company since June 2013.
- Chief Financial Officer of TGG since November 2017.
- Chief Financial Officer of JSS since April 2015; TBA and SuperGreen since October 2010; and Signarama and Fully Promoted since January 2007.
- Chief Financial Officer of PTA in West Palm Beach, FL from June 2017 to March 2018.
- Chief Financial Officer of PAE in West Palm Beach, FL from January 2007 to February 2015.

James Muir – President – West Palm Beach, FL

- President of the Company since June 2013.
- Director and Secretary of Quantum Computers, Inc. which operates a Store in Boynton Beach, Florida since 2015 which is similar to the franchise business; President and Owner of The Mac Toy Store Inc. which operates a Store in West Palm Beach, Florida since September 2009 on which the franchise business model is based.

Walter Seltzer – Senior Executive – West Palm Beach, FL

- Senior Executive of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since January 2017.
- Senior Executive of TGG since November 2017.
- Senior Executive of PTA in West Palm Beach, FL from June 2017 to March 2018.
- President of JSS from April 2015 to February 2017.
- President of Accurate Franchising, Inc., a franchise development consulting company in West Palm Beach, FL from March 2012 to June 2016.
- Vice President of International of Signarama and Fully Promoted from January 2010 to March 2012.
- Director of Corporate Services of Signarama and Fully Promoted from January 2007 to February 2016.

James Tatem – Senior Executive – West Palm Beach, FL

- Senior Executive of the Company, Signarama, TBA, SuperGreen and JSS since January 2017.
- Senior Executive of TGG since November 2017.
- Senior Executive of PTA in West Palm Beach, FL from June 2017 to March 2018.

- Senior Executive of Fully Promoted since June 2016.
- President of Signarama since January 2008.
- International Director and Director of Training of Signarama from December 2005 to December 2007.

Tipton Shonkwiler – *International Director – West Palm Beach, FL*

- International Director of the Company since December 2015.
- International Director of TGG since November 2017.
- International Director of Signarama, Fully Promoted, TBA, SuperGreen, and JSS since December 2015; and of PTA in West Palm Beach, FL from June 2017 to March 2018.
- Executive Vice President of SuperGreen from April 2015 to December 2016.
- President of PAE in West Palm Beach, FL from April 2012 to February 2015 and Brand Director of PAE from July 2008 to April 2012.

Michael White – *Director of Sales - Durham, NC* –

- Director of Sales of the Company since September 2018.
- Director of Sales of Signarama, Fully Promoted, TBA, SuperGreen, JSS and TGG since September 2018.
- Senior Executive Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen, JSS and TGG from December 2017 to August 2018; and of PTA in Durham, NC from December 2017 to March 2018.
- Executive Vice President of TGG from November 2017 to December 2017; PTA in Durham, NC from June 2017 to December 2017; and of the Company, Signarama, Fully Promoted, TBA, SuperGreen, and JSS from December 2015 to December 2017.
- Regional Vice President of the Company from February 2015 to November 2015.
- Regional Vice President of SuperGreen from January 2014 to November 2015.
- Regional Vice President of Fully Promoted and Signarama from December 2010 to November 2015.
- Regional Vice President of PAE in West Palm Beach, FL from December 2010 to February 2015 and IZON Global Media (“IZON”), a franchisor of advertising agencies in West Palm Beach, FL from December 2010 to February 2014.
- Regional Manager of Signarama, Fully Promoted, IZON and PAE from November 2008 to December 2010.

Nick Bruckner – *Senior Vice President of Sales – West Palm Beach, FL*

- Senior Vice President of Sales of the Company since July 2014.
- Senior Vice President of Sales of TGG since November 2017.
- Senior Vice President of Sales of PTA in West Palm Beach, FL from June 2017 to March 2018.
- Senior Vice President of Sales of JSS since December 2015; TBA and SuperGreen since February 2015; PAE in West Palm Beach, FL from January 2008 to February 2015; Fully Promoted since October 2004; and Signarama since January 2000.

Sean Oatney – *Executive Vice President – Monument, CO – Mountain Plains West Region*

- Executive Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS, since June 2017.

- Executive Vice President of TGG since November 2017.
- Executive Vice President of PTA in Monument, CO from June 2017 to March 2018.
- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS from January 2017 to June 2017.
- Executive Vice President of the Company from January 2016 to December 2016.
- Executive Vice President of Signarama, Fully Promoted, TBA, SuperGreen and JSS from December 2015 to December 2016; and
- Regional Vice President of the Company and TBA from February 2015 to November 2015; SuperGreen from January 2014 to November 2015; and Signarama and Fully Promoted from December 2012 to November 2015.
- Executive Vice President of Signarama from June 2007 to December 2012.

Mark Patek – Executive Vice President – Lees Summit, MO – N. Texas Region

- Executive Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since January 2017.
- Executive Vice President of TGG since November 2017.
- Executive Vice President of PTA in Lees Summit, MO from June 2017 to March 2018.
- Regional Vice President of the Company, TBA and SuperGreen from February 2015 to December 2016; JSS from December 2015 to December 2016.
- Regional Vice President of Signarama and Fully Promoted from June 2014 to December 2016.
- Regional Sales Manager of 220 Companies/T-Mobile in Dallas, TX from December 2012 to June 2014.
- President of College Spirit in Overland Park, KS from September 2007 to November 2012.
- Regional Vice President of PAE from January 2008 to December 2012.

Troy Thomas – Executive Vice President – West Palm Beach, FL - Florida Region

- Executive Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since January 2017.
- Executive Vice President of TGG since November 2017.
- Executive Vice President of PTA in West Palm Beach, FL from June 2017 to March 2018.
- Regional Vice President of the Company from February 2015 to December 2016; JSS from December 2015 to December 2016; TBA from February 2015 to December 2016; SuperGreen from January 2014 to December 2016; Signarama and Fully Promoted from January 2013 to December 2016.

Eric Brewstein – Regional Vice President – Maple Glen, PA – Pennsylvania Region

- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since January 2017.
- Regional Vice President of TGG since November 2017.
- Regional Vice President of PTA in Maple Glen, PA from June 2017 to March 2018.
- Head of Sales and Co-founder of The Bacon Jams, LLC, a specialty food company in Westchester, PA from September 2013 to March 2016.
- Director of Business Development and Founder of Corsa Advertising, LLC, an advertising agency in Conshohocken, PA from April 2006 to April 2013.

Jeff Carmean – Regional Vice President –Fort Wayne, IN – Indiana Region

- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen, JSS and TGG since December 2017.

- Regional Vice President of PTA in Ft. Wayne, IN from December 2017 to March 2018.
- Owner/Managing Partner of Superior Search, LLC, a recruiting firm in Fort Wayne, IN since June 2013.
- Senior Director of Training of Global Recruiters Network, a recruiting company in Downers Grove, IL from May 2006 to November 2013.

Brian Goss – Regional Vice President – Granville, Ohio – Ohio River Valley Region

- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since April 2016.
- Regional Vice President of TGG since November 2017.
- Regional Vice President of PTA in Granville, OH from June 2017 to March 2018.
- Sales Executive of Moxie Software, a software company in San Bruno, CA from June 2013 to April 2016.
- Commander in the U.S. Navy in Washington, D.C. from August 1989 to June 2013.

Dan Nemunaitis – Regional Vice President – Crystal Lake, IL – Midwest Region

- Regional Vice President of the Company and TBA since February 2015.
- Regional Vice President of TGG since November 2017.
- Regional Vice President of PTA in Crystal Lake, IL from June 2017 to March 2018.
- Regional Vice President of JSS since December 2015; SuperGreen since January 2014; and Fully Promoted since December 2013.
- Regional Vice President of Signarama since November 2011.
- Senior Director of Franchise Sales & Business Development for Global Recruiters Network, Downers Grove, IL from September 2004 to November 2011.

Cynthia Novak – Regional Vice President – Santa Cruz, CA – Northern California Region

- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen, JSS and TGG since December 2017.
- Regional Vice President of PTA in Santa Cruz, CA from December 2017 to March 2018.
- Branch Manager of web.com, a digital marketing company in Greenwood Village, CO from March 2014 to November 2017.
- Regional Sales Manager of LivingSocial Daily Deals, an online marketplace in Denver, CO from August 2010 to February 2014.

Evan Opel – Regional Vice President – Midlothian, VA – Virginia Region

- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since December 2015.
- Regional Vice President of TGG since November 2017.
- Regional Vice President of PTA in Midlothian, VA from June 2017 to March 2018.
- Regional Manager of the Company from February 2015 to November 2015.
- Regional Manager of Signarama, Fully Promoted, TBA and SuperGreen from March 2014 to November 2015.
- Regional Manager for PAE in West Palm Beach, FL from October 2014 to February 2015.
- Account Executive of Holiday Signs, a sign manufacturer in Chester, VA from September 2006 to March 2014.

David Ross – Regional Vice President – Londonderry, NH - New England Region

- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen JSS, and TGG since December 2017.
- Regional Vice President of PTA in Londonderry, NH from December 2017 to March 2018.
- Executive Vice President of TGG from November 2017 to December 2017.
- Executive Vice President of PTA in Londonderry, NH from June 2017 to November 2017.
- Executive Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS from January 2017 to November 2017.
- Regional Vice President of Signarama from February 2015 to December 2016 and from January 1993 to December 2012.
- Regional Vice President of JSS from December 2015 to December 2016; TBA and the Company from February 2015 to December 2016; SuperGreen from January 2014 to December 2016 and Fully Promoted from July 2004 to December 2016.
- Regional Vice President of PAE in West Palm Beach, FL from January 2008 to December 2012.

Jeffrey Thompson – Regional Vice President – Newport Beach, CA – Southern California Region

- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since January 2016.
- Regional Vice President of TGG since November 2017.
- Regional Vice President of PTA in Newport Beach, CA from June 2017 to March 2018.
- Owner of T & H Foundations, a decorative cement and cement furniture fabricator in St. Charles, MO from January 1996 to January 2015.

Alan Van Campen – Regional Vice President – Suwanee, GA – Georgia Region

- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since October 2017.
- Regional Vice President of TGG since November 2017.
- Regional Vice President of PTA in Suwanee, GA from October 2017 to March 2018.
- District Manager of American Lubefast, an oil change and preventative maintenance company in Lawrenceville, GA from January 2016 to September 2017.
- Managing Member of Pelican Bay Holdings, LLC, an automotive detailing and service company in Buford, GA from March 2015 to September 2016.
- Managing Member of Squeaky's Car Wash and Service Center, an automotive detailing and service company in Suwanee, GA from June 2009 to December 2014.

Timothy Weigard – Regional Vice President – Shrewsbury, MD – Maryland Region

- Regional Vice President of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since August 2016.
- Regional Vice President of TGG since November 2017.
- Regional Manager of PTA in Shrewsbury, MD from June 2017 to March 2018.
- Senior Sales Representative of Gable Signs, a sign company in Baltimore, MD from January 2002 to August 2016.

Janet Labanara – Sales Manager – West Palm Beach, FL

- Sales Manager of the Company since February 2018.

- Executive Director of Franchise Development of Wireless Zone, a retailer of Verizon wireless service operating with franchise business model in Rocky Hill, CT from January 2016 to November 2017.
- Director of Franchise Development of Wireless Zone in Rocky Hill, CT from June 2012 to December 2015.

Jacob Ewing – Regional Manager – Plano, TX

- Regional Manager of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since April 2017.
- Regional Manager of TGG since November 2017.
- Regional Manager of PTA in Plano, TX from June 2017 to March 2018.
- Franchise Development Representative of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS from September 2016 to April 2017.
- Server at Logan's Roadhouse, a restaurant in Florence, KY from March 2014 to June 2016.
- Server at Cracker Barrel, a restaurant in Dry Ridge, KY from November 2011 to March 2014.

Charles Kowanetz – Regional Manager – Houston, TX

- Regional Manager of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since September 2017.
- Regional Manager of TGG since November 2017.
- Regional Manager of PTA in Houston, TX from September 2017 to March 2018.
- Franchise Development Representative of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS from February 2017 to September 2017.
- Franchise Development Representative of PTA in Houston, TX from June 2017 to September 2017.
- Financial Advisor of Northwestern Mutual, a financial company in Boca Raton, FL from December 2015 to February 2017.

Joe Malmuth – Regional Manager – Charlotte, NC

- Regional Manager of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since July 2017.
- Regional Manager of TGG since November 2017.
- Regional Manager of PTA in Charlotte, NC from July 2017 to March 2018.
- Franchise Development Manager of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS from June 2016 to June 2017.
- Vice President of Sales of Accurate Franchising, Inc., a franchise development consulting firm in West Palm Beach, Florida from January 2015 to May 2016.
- Director of Franchise Development of the Signarama, Fully Promoted, TBA and SuperGreen from February 2014 to December 2014.
- Technical Support Staff Member of TBA from July 2013 to January 2014.
- Franchise Development Representative of Signarama, Fully Promoted, TBA and SuperGreen from March 2013 to June 2013.
- Sales Representative of Partsbase, Inc., an ecommerce business of the aviation industry in Boca Raton, Florida from January 2012 to March 2013.

Casey Matthews – Regional Manager – Orlando, FL

- Regional Manager of the Company, Signarama, Fully Promoted, TBA, SuperGreen and JSS since July 2016.

- Regional Manager of TGG since November 2017.
- Regional Manager of PTA in Orlando, FL from June 2017 to March 2018.
- Franchise Development Representative of the Company, Signarama, Fully Promoted, TBA and SuperGreen from November 2015 to July 2016; JSS from February 2016 to July 2016.
- Golf Instructor at the Redland Golf and Country Club in Homestead, FL from January 2012 to August 2015.

ITEM 3

LITIGATION

A. Pending Litigation: None

B. Litigation Against Franchisees Commenced in the Past Fiscal Year: None

C. Completed Litigation: None

D. Restrictive Orders:

The following injunctive order relates to Signarama, an affiliate of the Company and covers certain directors, officers and employees of Signarama.

Federal Trade Commission, Plaintiff v. Minuteman Press International, Inc., Speedy Sign-A-Rama, USA, Inc., Roy W. Titus and Jeffrey Haber, Defendants (CV 93-2496) Filed on June 4, 1993, in the United States District Court, Eastern District of New York. The Federal Trade Commission complaint alleged that the Defendants violated Section 5(a) of the Federal Trade Commission Act and the Commission's Franchise Rule (16 CFR Part 436) by falsely representing to prospective franchisees potential gross sales levels and profitability of their franchise units, failing to disclose the obligation to pay a substantial transfer fee upon the resale of the franchise, and by making earnings claims without proper documentation and in contradiction of statements in their disclosure documents. On December 18, 1998, an injunction was filed prohibiting the Defendants excluding Haber from doing the following: A. Making, or assisting in the making of, expressly or by implication, orally or in writing, to any prospective franchisee any statement or representation of past, present or future sales, income, or gross or net profits of any existing or prospective franchisee or group of franchisees, unless at the time of making such representation the defendant possesses written material that provides a reasonable basis for the representation. B. Violating any provision of the Franchise Rule 16 C.F.R. Part 436 or the Rule as it may later be amended and the disclosure requirements of the UFOC in effect at the time. C. Assessing or collecting a transfer/training fee from any franchisee who sells or assigns its franchise unless the selling franchisee received a copy of a disclosure statement indicating that such fee would be charged. D. Failing to monitor and investigate any complaints about compliance with the rule or the injunction. E. To cooperate with the Commission in the enforcement of this injunction.

The following order relates solely to Signarama.

Signarama entered into a consent order with the Securities Commissioner of Maryland in January 1996. The matter is captioned In the Matter of Speedy Sign-A-Rama, USA, Inc. and is Case No. S-95-112. It is alleged in the consent order that Speedy sold 4 franchises in the State of Maryland after its registration under the Maryland Franchise Law had lapsed, and before it was renewed. In settlement of the matter, and while neither admitting nor denying the findings in the order, Speedy agreed to offer rescission to the 4 franchisees, adopt a compliance program intended to avoid unregistered sales and disclose the existence of

the order in its franchise disclosure document under the Maryland Franchises Law. All 4 franchisees stayed with Signarama.

Other than these 2 actions, no litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

On October 13, 2010, Troy Thomas, an Executive Vice President of the Company with an address and principal business address of 2121 Vista Parkway, West Palm Beach, FL 33411, filed a bankruptcy petition under Chapter 7 of the United States Bankruptcy Code (United States Bankruptcy Court for the Eastern District of Michigan, Case No. 10-71480). He was granted a discharge on January 4, 2011.

Except as set forth above, no bankruptcy information is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

Except as noted below, all franchisees purchasing a new Experimax franchise pay an initial franchise fee of \$49,500 when they enter into our Franchise Agreement. Prior to executing the Franchise Agreement, you will be required to pay a \$9,500 deposit (commonly referred to as a “binder”) upon signing a Deposit Receipt, a copy of which is attached to this disclosure document as Exhibit C. At least 14 days prior to paying this binder or signing a Deposit Receipt, we will provide you with a copy of this Disclosure Document, together with a copy of all proposed agreements relating to the sale. This binder is fully refundable if you do not purchase an Experimax franchise. After we receive your binder, we assist you with your search for your Store location. On the date you enter into your Franchise Agreement, the binder is applied against the initial franchise fee leaving a remainder of \$40,000. The initial franchise fee is non-refundable.

Experimax franchisees acquiring a second store will pay a second-store franchise fee of \$39,500 that is nonrefundable and due at closing. Any conversion franchisee converting an existing business similar to an Experimax franchise also will pay an initial franchise fee of \$25,500, which is nonrefundable and must be paid upon execution of the Franchise Agreement. See Item 6 regarding payment of royalties by a conversion franchisee. In addition, if you are purchasing an existing resale outlet, the seller will pay to us \$29,500 or the then current transfer/training fee from the closing proceeds as described in Items 6 and 7.

Eligible United States military veterans will receive a discount of 10% of the standard franchise fee or 5% of the standard transfer fee. An eligible veteran is a veteran who has received an honorable discharge. Owners in good standing of our affiliated brands (Signarama, Fully Promoted, TBA, SuperGreen, JSS, VTX and TGG) purchasing our franchise will pay a franchise fee of \$39,500.

In addition to the initial franchise fee, you must purchase an equipment package from us and a retail accessories and repair (parts) inventory/opening inventory package from Premium Supplier (our affiliate) or another supplier we may designate as further described in Items 7 and 8. The cost of the equipment package including shipping is \$94,900, plus taxes and a deposit of \$12,500 is due at the time of signing the Franchise Agreement. The balance of the purchase price, \$82,400, plus taxes is due 120 days prior to the shipping date of the equipment package. The equipment package contains all of the equipment and supplies, except for a few items, to begin operations. See Items 7 and 10 for information regarding obtaining financing for the purchase of the equipment package. The cost of the retail accessories and repair (parts)

inventory/opening inventory package including shipping is \$15,000 to \$39,000 plus taxes. The retail accessories and repair (parts) inventory contains an initial inventory of products including accessories for cell phones, computers and tablets and other electronic equipment and parts you will use to make repairs and upgrades. The opening inventory package contains an initial inventory of pre-owned electronic equipment. The costs of the retail accessories and repair (parts) inventory/opening inventory package are due at closing and are nonrefundable.

Our affiliate, Franchise Real Estate assists our franchisees with site selection, lease negotiation, construction management, store design and layout and in obtaining building renovation costs. You may use Franchise Real Estate's services at your option. Franchise Real Estate may be compensated by your landlord for their services, but if you opt not to use Franchise Real Estate and you retain another real estate company for this assistance, then you will be required pay a service charge to Franchise Real Estate for their pre-opening assistance of \$3,500. This service charge will be required to be paid prior to opening your Business and is non-refundable.

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ITEM 6

OTHER FEES

Name of fee	Amount	Due Date	Remarks
Royalty ¹	6% of your gross revenues	Payable monthly on the 5 th business day of the following month	Gross revenues include all revenue from the franchise location. Gross revenues do not include sales tax
Marketing Fee ²	Currently, 1% of your gross revenues or \$500 per month, whichever is greater	Payable monthly on the 5 th business day of the following month	See Item 11 for more information on marketing
Transfer Fee	The greater of \$29,500 or then current transfer fee at time of transfer	Prior to consummation of transfer	Payable by the seller from the proceeds of the sale of the franchise
Training Fee ³	\$225 or then current training fee	Prior to attendance at training	Payable to EXM
Technology Fee ⁴	\$120 or then current fee	Payable monthly	Payable to EXM
EPOS System Fee ⁵	\$199 or then current fee	Payable monthly	Payable to designated supplier
Renewal Fee	\$1,500	30 days before renewal	To cover costs of closing and processing paper work
Financial Review ⁶	Cost of financial review plus interest on underpayment	Payable at the time of financial review	Payable only if a financial review shows an understatement of at least 2% on any one-month's reports

Unless indicated otherwise, the fees or payments listed above are nonrefundable. All of the fees listed above are uniformly applied to franchisees.

¹Our Franchise Agreement requires you to pay to us a continuing royalty payable monthly. You are prohibited from offsetting or deducting this required royalty payment in any form or fashion. Reporting and payment of royalties shall be done electronically by such methods as the Company may direct from time to time. For a detailed definition of Gross Revenue, please see Section 10.E of the Franchise Agreement.

²This Marketing Fee is paid to an advertising fund. This fee will be used for national advertising, Internet advertising and web hosting and development. See Item 11 for more information regarding this advertising fund. In addition, you will conduct your own local marketing as described in Item 11.

³A training fee is charged for employees of a franchisee attending a training class.

⁴The Technology Fee is for hosting and maintenance of your website, and domain and email addresses. We may develop an e-commerce website for use by franchisees to buy and sell Products. If you use this system you may be required to pay a per transaction administrative fee to us based on current e-commerce fees. Fees are subject to change during the term of the franchise.

⁵We will select an electronic point of sale (“EPOS”) system. You will be required to purchase a license to use this system from the vendor of the system and pay monthly fees to the vendor for the hosting and maintenance of the system.

⁶You give us the right at all times to examine your EPOS system, financial books, bank accounts, bank statements, tax returns and records relating to the Store together with the right to make copies. You must provide EPOS system reports and data, copies of your financial books, bank statements, tax returns and other records to us if we request. This right to conduct a financial review shall also apply to any other business operated from your Store premises that is owned or controlled by you or a member of your family. You are not permitted to combine or commingle your Experimax Business operations with that of any other business. You are not permitted to use the bank account or EPOS system designated for your Store to process transactions, sales, make deposits or pay expenses for another business. You must keep the financial books and records of your Experimax Business separate and apart from your personal financial books and records and the books and records of any other business you own or operate. You must not file consolidated tax returns for the Experimax Business which consolidate the income and deductions of the Experimax Business with those of another business. This financial review will be at our sole expense; provided, however, you will pay the reasonable cost of any financial review where this financial review discloses that you have paid less than 98% of your royalties in any one month. You will be required to maintain all of your financial records for a period of 6 years. In addition, you will be required to provide us with a profit and loss statement monthly and/or EPOS sale reports, as we may direct. You must send to us financial reports annually in the form that we request (balance sheet, profit and loss statement, etc.). You must also provide us with copies of your tax returns on an annual basis. Financial statements and reports for the Experimax Business must not be consolidated with any other business. If you consolidate, combine or commingle any of the financial books and records, tax returns or financial reports for the Experimax Business with those of another business or use your EPOS system or bank account designated for the Experimax Business in the operation of another business, our right to conduct a financial review will be extended to the complete financial records, tax returns, books and bank accounts of the other business.

If your franchise is located in a jurisdiction where the franchise fee, royalty or any other fees paid by you to us are subject to a tax, then you will be required to pay those taxes.

You must file all state, federal and local financial reports and returns that may be required by law relative to operating your Store. We have the right to request copies of all of these reports or returns.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount Estimated Range – Equipment Financing Option	Amount Estimated Range Purchase Option	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee ¹	\$49,500	\$49,500	Lump sum	At signing of Franchise Agreement	EXM
Travel and Living expenses while at training school ²	\$210 to \$490 (\$15 to \$35 per day)	\$210 to \$490 (\$15 to \$35 per day)	As incurred	During training	Restaurants, Entertainment, etc.
Real Estate (Rental payments vary from location to location.) ³	Note 3	Note 3	Note 3	Note 3	Note 3
Real Estate Service Charge ³	\$0 to \$3,500	\$0 to \$3,500	Lump sum	Prior to opening	Franchise Real Estate (an affiliate of EXM)
Store Build Out ⁴	\$5,000 to \$35,000	\$5,000 to \$35,000	As incurred	Prior to opening	Contractors and/or Landlord
Equipment Package ⁵	--	\$94,900, plus applicable tax	Lump sum	Deposit at signing of Franchise Agreement; balance, plus taxes 120 days prior to shipment	EXM
Equipment Package Initial Payments and Fees (financing option) ⁶	\$10,050	--	Lump sum	At signing of loan agreement	Payable to loan company if you choose a loan to finance the purchase of your equipment

Type of Expenditure	Amount Estimated Range – Equipment Financing Option	Amount Estimated Range Purchase Option	Method of Payment	When Due	To Whom Payment is Made
Retail Accessories and Repair (Parts) Inventory Package ⁷	\$5,000 to \$11,000	\$5,000 to \$11,000	Lump sum	At signing of Franchise Agreement	Premium Supplier (an affiliate of EXM) or other designated supplier
Other Opening Inventory ⁸	\$10,000 to \$28,000	\$10,000 to \$28,000	Lump sum	At signing of Franchise Agreement	Premium Supplier (an affiliate of EXM) or other designated supplier
Insurance ⁹	\$1,000 to \$2,000	\$1,000 to \$2,000	As arranged	As incurred	Supplier
Security Deposit/ Utility Deposits/ Licenses ¹⁰	\$500 to \$3,000	\$500 to \$3,000	As arranged	As incurred	Suppliers, utilities
Security Monitoring System ¹¹	\$0 to \$2,000	\$0 to \$2,000	As arranged	As incurred	Suppliers
Opening Supplies	\$750 to \$1,750	\$750 to \$1,750	As arranged	As incurred	Suppliers
Advertising	\$10,000 to \$15,000	\$10,000 to \$15,000	As incurred	As incurred	Suppliers
Additional Funds (6 mos.) ¹²	\$50,000 to \$75,000	\$50,000 to \$75,000	As incurred	As incurred	Employees, suppliers and other third party vendors
Totals	Low = \$142,010 High = \$236,290	Low = \$226,860 High = \$321,140			

(***NOTE:** Your estimated initial investment for a conversion franchise will be significantly lower if you can continue to use your existing location and equipment and convert the business to an Experimax store. The total estimated initial investment for a conversion franchise is approximately \$100,000 to \$175,000, which includes the \$25,500 initial franchise fee and an amount for signage and other improvements to fit the Experimax image. Your initial investment for a conversion franchise may be higher and may include most or all of the expenses noted in the Item 7 table if you are unable to use your existing location and equipment in the conversion.) Neither we or any of our affiliates offer any financing for any of your initial investment. See Item 10 of this Disclosure Document for more information.

(Except where noted otherwise, all amounts that you pay to us are nonrefundable. Third party lessors and suppliers will decide if payments to them are refundable.)

¹ The initial franchise fee is discussed in detail in Item 5 of this disclosure document. We do not offer financing for the initial franchise fee.

² We provide one round trip airfare to our Florida Corporate Headquarters where we hold our training. We also provide your hotel accommodations and one daily meal. The only costs that you will incur will be for your other daily meals, local transportation and your entertainment. Of course, these costs will vary depending upon your requirements.

³ A typical new Store generally occupies 1,200 to 1,500 square feet of interior space with HVAC, lighting fixtures, electrical outlets and telephone wiring installed for your business. Cost per square foot of leasing commercial space varies greatly depending on your location and the market conditions affecting commercial property at the time of your lease. We will help you find your location and then you and EXM must both agree that it is the right place for you to open up your new business. Our affiliate, Franchise Real Estate, assists you in locating and negotiating the lease for the premises, construction management, store design and layout and obtaining building renovation costs and, in some cases, will receive compensation from the landlord. If you retain another real estate services company to provide these services, you will be required to pay a service charge of \$3,500 to Franchise Real Estate as described in Item 5.

⁴ You will be responsible for paying the cost of building out the leased premises. That cost will vary depending on the condition of the premises, amount of work that is required to meet our specifications for a Store, the amount of work on the premises done by the landlord without charge and/or the construction allowance provided by the landlord which may be reimbursable by the landlord to you on terms agreed to between you and the landlord.

⁵ The equipment package is discussed in detail in Item 5 of this disclosure document. For information about obtaining financing for the purchase of your equipment through a loan company rather than purchasing an equipment package from EXM, see note 6.

⁶ Obtaining a loan to finance the purchase of your equipment through an outside finance company reduces your initial investment by spreading out monthly payments for the purchase of your Store's equipment, rather than paying an initial lump sum for the entire purchase price.

A loan does reduce your initial investment but likely will result in higher payments over the term of the loan because of interest payments and other charges. You and the loan company will determine the precise amount of any initial or periodic payments at the time of the transaction. The payments ordinarily are not refundable. Market forces will determine loan repayment totals and interest rates. We are not obligated to offer directly or indirectly any arrangements for financing of your initial investment, your equipment or the continuing operation of your franchise. We do not guarantee your note, loan, lease or any other obligation.

The total cost of the equipment package is \$94,900, plus applicable taxes. We have arranged for equipment financing through a loan company Advantage Leasing Corporation ("Advantage"). Your initial costs to finance your purchase of your equipment through Advantage include: (a) a security deposit of \$9,500 paid to the loan company; and (b) a documentation fee of \$550 paid to the loan company. The total initial cost if you finance the purchase of your equipment through Advantage is \$10,050, plus tax. The monthly loan payment you will pay the loan company is \$2,699 per month, plus any applicable sales and use tax for a term of 48 months. Payment factors and terms are subject to change without notice. Monthly loan payments during the start-up phase are included in "Additional Funds." (See Note 12 below.)

⁷ The retail accessories and repair (parts) inventory package is discussed in detail in Item 5 of this disclosure document.

⁸ In addition to the retail accessories and repair (parts) inventory package discussed in Item 5, you will need to purchase other opening inventory of used products for resale in your Store from Premium Supplier (our affiliate) or another designated supplier. This inventory includes preowned computers, tablets and other devices you will sell directly to customers.

⁹ You are obligated under the Franchise Agreement to hold certain business insurance policies including comprehensive general liability policy, a policy covering “all risk” of physical loss, and additional policies as may be required under your local laws or ordinances. We also recommend that you obtain cyber liability, data security and technology errors and omissions insurance. The amount listed in this table reflects our estimate of basic insurance for your first six months of operation. Your expenses will vary depending on your exact requirements as dictated by your landlord and/or local insurance rates.

¹⁰ You will need to provide deposits for your real estate and your utilities. The amounts of these deposits will vary depending on the practices of your landlord and/or utility company. You must also register your business with the local county along with a fictitious name and other requirements of your local or state government. Each of these entities may charge a fee for your registration and/or certain taxes.

¹¹ We recommend that you purchase and install a security monitoring system and a safe to protect your premises and inventory as well as for general security.

¹² You will need capital to support your ongoing expenses, e.g. payroll and utilities, to the extent that these costs are not covered by sales revenue when you first open. This figure does not include sums necessary for living or personal expenses nor payments for your debt service. New businesses often generate a negative cash flow for a time. We estimate the amount given will be sufficient to cover ongoing expenses for the start-up phase of your business that we calculate to be up to 6 months. However, this is only an estimate and we cannot assure you that additional capital will not be necessary during your start-up phase. Our estimate of the capital you will need to support your ongoing expenses during your start-up phase is based on the average costs that each of our affiliates, The Mac Toy Store and Quantum Computers incurred during the start-up phase and their experience in establishing stores in West Palm Beach and Boynton Beach, Florida in 2009 and 2015 respectively. Your costs will depend on factors such as how much you follow our systems and procedures, your management skills and experience, your business skills, local economic conditions, the prevailing wage rate, the local market for the Business, competition and sales levels reached during the start-up phase.

The total is an estimate of your initial investment and is based on our estimate of average costs and market conditions prevailing as of the date of this disclosure document and our 8 years of experience in the business. We encourage you to seek the advice of your business advisor, accountant or attorney to help formulate a business plan and a methodology of your business operation. ***Remember: A Business Plan is an important step in understanding your financial needs.*** You are cautioned to allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing, and other local market conditions, which can be highly variable. You must bear any deviation or escalation in costs from the estimates in this Item 7.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to ensure a uniform image and uniform quality of products and services in all Experimax businesses, you must maintain and comply with our quality standards. Although you are not required to purchase or lease real estate from us, you must improve and equip the building from which you operate the Business in accordance with our then current approved design specifications and standards. In addition to meeting our design specifications and standards, it is your responsibility to ensure that your building plans comply with the Americans with Disabilities Act and all other federal, state or local laws.

You also must use equipment (which includes hardware and software for the computer system), signage, fixtures, furnishings, products, tools, repair parts, and marketing and sales promotion materials that meet our specifications and/or standards. The standards and specifications imposed on franchisees are formulated and modified based on industry standards and experience of Jim Muir, the President of EXM, in operating the Stores in West Palm Beach and Boynton Beach, Florida for quality and efficiency. The standards and specifications are issued to franchisees through the Operating Manual and by periodic informational updates. The Franchise Agreement requires you to sell or use only those products and services in connection with our trademarks, the trade name and the Business that we have approved in writing. The purpose of this requirement is to ensure that all franchisees adhere to the uniformity requirements and quality standards associated with Experimax Businesses and not to exercise any day-to-day control over the operation of your Business.

As noted in Items 5 and 7, you must buy the equipment package from us and you must buy the retail accessories and repair (parts) inventory package and an opening inventory of pre-owned electronics from Premium Supplier (our affiliate) or another designated supplier. The equipment package contains all of the equipment and supplies you will need, except for a few items, to begin operations. The equipment package is further described in Schedule A attached to the Franchise Agreement. The retail accessories and repair (parts) inventory package contains an initial inventory of products including accessories for cell phones, computers and tablets and other electronic equipment and parts you will use to make repairs and upgrades. The retail accessories and repair (parts) inventory package contains a portion of the inventory you will need to begin operations. The other opening inventory package contains an inventory of pre-owned electronic equipment you will use to make sales and trades. For the year ended December 31, 2017, our gross revenue from the sale of equipment and supplies to franchisees was \$7,007,419 or 56.3% percent of our total revenue of \$12,449,439. We are the only approved supplier of the required equipment package. For the year ended December 31, 2017, Premium Supplier's gross revenue from the sale of the inventory packages to franchisees was \$1,861,175 or 94.4% of Premium Supplier's total revenue of \$1,970,786. Premium Supplier is the only approved supplier of the required inventory packages. Our President, Jim Muir, owns an interest in the Company.

You are also required to purchase website, domain and email hosting and maintenance services from us. For the year ended December 31, 2017, our gross revenue from franchisee purchases of these services was \$105,250 or 0.99% percent of our total revenue of \$12,449,439. We are the only approved supplier of website, domain and email hosting and maintenance services.

Our affiliate, Franchise Real Estate is an approved supplier of real estate services and assistance. At your option, you may obtain real estate services from Franchise Real Estate including, assistance with site selection, lease negotiation, construction management and assistance with obtaining building renovation costs. If you opt not to obtain these services from Franchise Real Estate, and you use another real estate services company for these services, you pay a penalty or service fee of \$3,500 to Franchise Real Estate. When you use Franchise Real Estate's services, Franchise Real Estate may receive compensation from the

lessor of your business premises. For the year ended December 31, 2017, Franchise Real Estate's gross revenue from providing real estate services to franchisees was \$146,300 or 25% percent of the affiliate's total revenue of \$590,397. We computed the affiliate's total revenue, and its revenue from providing real estate services to franchisees using the affiliate's audited financial statement for the year ended December 31, 2017. Our CEO, Ray Titus, owns an interest in the Company, Premium Supplier and Franchise Real Estate.

Except for the equipment package, retail accessory and repair (parts) inventory package, other opening inventory, technology services, and real estate services, neither the Company nor any of its affiliates will be a supplier of any product or service. You are required to use payroll services and credit card processing and merchant services vendors in your operations. We have approved suppliers for these services and for insurance, financing, marketing and bookkeeping software. These items and services can be purchased from a vendor of your choice. At this time we do not have any approved suppliers for any other product or service. We reserve the right to add or delete categories of products and services which must be purchased from approved suppliers. We provide you with a list of the names, addresses, and phone numbers of local and national vendors approved for your use when you open your Store. Furthermore, in an effort to provide you additional benefits, we do interview, select, and negotiate prices, shipping and other terms with suppliers. For your convenience, we maintain an active electronic list of all vendors, specials they offer for our franchisees, if any, as well as updated addresses and phone numbers. Although we reserve the right to do so in the future, we do not currently (i) provide written specifications, standards or criteria for approving suppliers to franchisees, (ii) have a formal procedure for supplier approval, or (iii) charge fees for supplier approval.

We receive payments from suppliers in connection with franchisee purchases. The payments from these suppliers are in a range of 0-5% of the total purchases by franchisees from these suppliers. The suppliers also sponsor events and/or rent booths at our franchise UFG leadership summit or regional meetings and may advertise in publications issued by us. Except as disclosed above, we derive no revenue or other material benefit from suppliers that provide products or services to our franchisees. We do not provide material benefits to our franchisees based on a franchisee's use of a designated or approved source. When your franchise is up for renewal or you apply for an additional franchise, among the factors we consider are your compliance with your Franchise Agreement and support of our programs and policies, which would include compliance with the requirements described in this Item 8.

We estimate that approximately 95% to 99% of your expenditures for purchases and leases in establishing your franchise business will be for goods and services that must be purchased from us or according to our specifications and standards, and approximately 25% to 50% of your expenditures to operate the franchise business on an ongoing basis will be for goods and services that must be purchased from us or according to our specifications and standards.

The Franchise Agreement requires you to purchase and maintain liability insurance in an aggregate amount that we designate periodically, as described in Item 7. You also must purchase and maintain any other insurance required by any agreement related to the franchise business or law. You must furnish to us copies of all insurance policies. You may use only marketing and promotional materials that we have approved. (See Items 6 and 11 for more information on marketing).

There are no purchasing or distribution cooperatives in the franchise system that offer to you certain products used in the franchise business.

Our standards, specifications and designation of approved suppliers disclosed above are required for the purpose of protecting the goodwill associated with our trademarks and to ensure a uniform image and

uniform quality services in all Stores. We will vary our standards, specifications and designations at your request if necessary for you to comply with local laws or regulations.

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 statement.

	OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a.	Site selection and acquisition/lease	Section 3	Items 7, 11 and 12
b.	Pre-opening purchase/leases	Section 6	Items 5, 7 and 8
c.	Site development and other pre-opening requirements	Section 6	Items 5, 7 and 11
d.	Initial and ongoing training	Sections 6.C, 7 and 8	Items 7 and 11
e.	Opening	Section 6	Item 11
f.	Fees	Section 10	Items 5, 6 and 7
g.	Compliance with standards and policies/operating manual	Sections 6, 11, 12 and 13	Item 11
h.	Trademarks and proprietary information	Sections 6.F, 6.G and 14	Items 13 and 14
i.	Restrictions on products/services offered	Section 6.Q	Item 16
j.	Warranty and customer service requirements	Sections 6 and 21	Item 11
k.	Territorial development and sales quotas	Sections 1.C, 1.D and 6.S	Item 12
l.	Ongoing product/service purchases	Sections 6.A, 6.B and 6.R	Item 8
m.	Maintenance, appearance and remodeling requirements	Sections 2.C, 6.J, 6.P, 6.Q and 6.BB	Item 11

	OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
n.	Insurance	Section 13	Item 6
o.	Advertising	Section 12	Item 11
p.	Indemnification	Section 6.Y	Item 6
q.	Owner's participation/ management/staffing	Sections 6.D, 6.N and 6.T	Items 11 and 15
r.	Records and reports	Sections 10.F and 11.A	Item 6
s.	Inspection and audits	Section 11	Items 6 and 11
t.	Transfer	Section 15	Item 17
u.	Renewal	Sections 2.B, 2.C, 2.D and 2.E	Item 17
v.	Post-termination obligations	Section 17	Item 17
w.	Non-competition covenants	Section 17.F	Item 17
x.	Dispute resolution	Sections 25 and 26.D	Item 17
y.	Other	Not applicable	Not applicable

ITEM 10

FINANCING

We offer indirectly arrangements for financing of your equipment through equipment leasing companies. We do not offer directly or indirectly any arrangements for financing of any other initial investment expenditures or of the continuing operation of your franchise. We do not guarantee your note, lease or any other obligation. We have arranged for you to obtain financing for the purchase of equipment through Advantage Leasing Corporation, an unrelated third party that is not affiliated with EXM in any manner. This loan company will finance your purchase of the equipment package that you need to obtain to establish the franchise business, up to \$94,900 worth of equipment.

If you obtain a loan for the purchase of your equipment through Advantage Leasing Corporation ("Advantage") you will pay \$2,699 monthly (payment factors and terms are subject to change without notice), plus any applicable sales and use tax. Advantage will require a security deposit of \$9,500 and a \$550 documentation fee at the time of signing the loan documents. Advantage's loan term is 48 months with no end of loan purchase option payment required. Depending on your credit standing and qualifications, Advantage may approve your loan for a lesser amount than the maximum available of \$94,900. If you are approved for a lesser amount, you will be required to pay the remaining balance of the equipment package, plus any applicable sales and use tax to EXM. Advantage's loan agreement requires

you and your spouse to personally guarantee your payment of the loan, and Advantage will hold a security interest in the equipment being financed. Your loan with Advantage may be prepaid after 12 payments without any prepayment penalty. A copy of Advantage's loan agreement is included with this Disclosure Document as Exhibit B. EXM receives a fee of 1% of the loan amount from Advantage.

In the event of a default, the loan company may take action against you. Such action may include the acceleration of the terms of your loan, repossession and removal of the equipment with or without notice to you. You will also be responsible for their reasonable collection costs, legal fees and expenses incurred in enforcing the loan terms and recovering the equipment. Further details can be found in sections 6 and 7 of the Advantage loan agreement in Exhibit B. Should you cease to be a franchisee prior to the completion of the loan payments, another franchisee may apply to take over the remaining terms of your loan. However, the loan company may choose to retain your personal guaranty until the loan is paid in full. EXM may identify new finance companies or equipment leasing companies at any time and refer franchisees to a different finance or leasing company for financing of equipment. A new finance or leasing company may compensate EXM or pay EXM a fee for referring its franchisees to it for financing or leasing.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as provided below, EXM is not required to provide you with any assistance.

PREOPENING OBLIGATIONS

Prior to opening your franchise to the public, we are required under the Franchise Agreement to provide the following assistance and service to you:

1. At least 14 days after we provide you with a copy of this Disclosure Document, together with a copy of any proposed agreements relating to the sale of the franchise, you pay to us your fully refundable deposit of \$9,500, and we begin the process of helping you find a location for your Store. We do not own the location that you will lease. Your lease will be between you and the landlord. We are not obligated to help you negotiate your lease, but as noted in Item 5, you may obtain assistance from our affiliate, Franchise Real Estate. Both, you and we must approve selection of any proposed store site. We use our business experience, and also demographics of your community in helping you locate your site. However, we cannot guarantee the future. Our approval of any site does not constitute any form of guarantee that the Store will be profitable at that location and you retain final approval of the site selected and leased by you. (See the Franchise Agreement Sections 3 and 4).
2. Once you select your Store location for your new Store, our affiliate, Franchise Real Estate will assist you in planning your Store layout. (See the Franchise Agreement, Section 4.D).
3. We ensure that once your build out is completed, your new Store meets our current standards. (See the Franchise Agreement, Sections 4.D and 4.G).
4. Prior to opening your Store we will bring you to our national headquarters in West Palm Beach, Florida for our extensive two-week training program. We will provide you with a hotel room and a daily meal during your stay. In addition, you will undergo what we believe is the most advanced, complete and best training in our business. (We will provide additional training for your employees at your expense). (See the Franchise Agreement Sections 4 and 7).

5. We assist you during your initial set up and operation of your Store. We send qualified field/marketing representatives to your Store location for a minimum 80 hours during this period. (See the Franchise Agreement Section 4.G). Our representative(s) will help you with additional training, guidance on beginning your business, fitting your equipment, and other means of assistance.
6. Regardless of whether you finance, lease or purchase your equipment outright, except for a few items such as the security monitoring system, all of your equipment will come from us. In addition, we, an affiliate or another supplier we designate will supply you with your opening inventory. (See the Franchise Agreement Sections 4 and 6 as well as Item 8 of this disclosure document). We deliver your opening package to your Store location, and upon its arrival, assist you in setting up your Store. Your website is included with your equipment package and will be installed and activated by us.
7. We help you to locate local vendors, suppliers and contractors for the ongoing work of your Store. (See the Franchise Agreement Section 4.J).
8. Included in your opening package, we provide you with a bookkeeping system. (See the Franchise Agreement Section 4.K).
9. We provide you with a detailed Operating Manual together with other relevant manuals and written material which will aid you in the operation of your Store. (See the Franchise Agreement Sections 4.L and 4.M).
10. If you are acquiring a new store, we conduct Internet marketing in your marketing area.

EXM'S CONTINUING OBLIGATIONS

During the ongoing operation of your Store, we are required by our Franchise Agreement to provide the following assistance and services to you.

1. We are constantly researching and developing ideas that we believe will improve our system. As we do so, we will provide you with details. In addition, we will periodically update your Operating Manual to reflect these alterations and/or improvements. (See the Franchise Agreement Section 5.A).
2. We will visit you in your Store at least once each year in order to ascertain the progress of your Store and to assist you. Furthermore, you may at any time request that we send out a field/marketing representative to aid you in your business. If we have a representative available at the time of your request, we will send them at an agreed to cost. (See the Franchise Agreement Section 5.B).
3. We will provide one meeting per year for franchisees either at our headquarters in West Palm Beach, Florida or at our convention. We invite vendors, suppliers and outside contractors to these meetings in order to make you aware of technological advancements and to potentially save you money on your ongoing supplies. In addition, we conduct seminars on many topics relating to your ongoing training and improved operation of your Store. Furthermore, we update you on the progress of our company and the System as a whole. In addition to our conventions, we will provide several seminars and smaller regional franchisee meetings for your benefit. All of these meetings occur from time to time at our discretion. We invite and encourage all of our franchisees

to attend each of these conventions, meetings and seminars; but attendance is not mandatory. (See the Franchise Agreement Section 5.C and Section 6.DD).

4. We will send you a copy of our corporate newsletter in electronic format from time to time. The corporate newsletter contains useful and pertinent information relating to the ongoing operation of your Store as well as money saving specials provided to you by outside vendors. (See the Franchise Agreement Section 5.D).
5. From time to time we will send you bulletins on sales and service methods, marketing development and techniques, and business and operating procedures. (See the Franchise Agreement Section 5.E).
6. We will offer you continual advice and technical assistance and support for all your Store's equipment including, hardware and software as well as for the refurbishing and repair processes by toll free telephone and email. (See the Franchise Agreement Sections 5.F and G).

ADVERTISING

You are required to pay a marketing fee equal to 1% of your gross revenues or \$500 (whichever is greater) to an advertising fund (the "Fund"). (See Items 6 & 9 of this Disclosure Document.) This fee will be collected by automatic withdrawal from your designated bank account on the 5th day of each month based on your sales for the prior month. If we were to open any company-owned stores, such stores would pay the same marketing fee as a new franchisee at that time. Our affiliates' Stores in West Palm Beach, Florida, Boynton Beach, Florida and Orlando, Florida do not pay a marketing fee to the Fund. We administer the Fund.

The Fund shall use the marketing fees paid by franchisees for national advertising, Internet advertising and web hosting and development. The advertising sources used by the Fund may be in-house, or national or regional agencies. Assets of the Fund cannot be used to solicit new franchisees. The Fund has no obligation to spend any amount in your Designated Territory.

During calendar year 2017, Fund contributions were spent as follows: 96.1% on Digital (Internet) advertising; and 3.9% on administrative costs. Financial statements for the Fund will not be audited. A copy of the Fund's unaudited financial statements will be provided to franchisees upon request.

We are not obligated to conduct advertising for the franchise system. We are not obligated to spend any amount on advertising in your area or Designated Territory.

You will be responsible for all of your own direct marketing and local advertising of the business. You must expend at least an amount equal to 5% of all gross revenues on direct marketing or local advertising (including public relations) in each year. Of that 5%, at least half must be spent on digital advertising such as online advertising, pay per click, search engine optimization of your website, mobile marketing (text messaging) and establishment of QR codes. For the purposes of this paragraph, the term "direct marketing or local marketing" shall mean all marketing and public relations costs, advertising and promotions affected through the medium of the Internet, mobile marketing, email and other digital communications media, local radio or television broadcasts, newspapers, periodicals, billboard advertising and public relations. Upon our request, you must submit to us an accounting of the monies you have spent, together with copies/proof of all marketing. We will not unreasonably withhold approval of any marketing materials that you propose to use, if your materials are factually accurate and current, conform to the highest standards of ethical marketing and all applicable laws and regulations, are in good taste and accurately depict the trademarks. Our review and approval of your marketing materials is not a warranty of any kind. You are responsible

for ensuring that your materials are factually accurate and current, and all materials and activities conform to the highest standards of ethical marketing and applicable laws and regulations.

You are not required to participate in any local or regional advertising cooperatives. EXM believes in and encourages you to participate in cooperative advertising where available. Although EXM does not currently do so, EXM also reserves the right to require regional marketing cooperatives to be formed, changed, dissolved or merged.

We do require you to advertise in your local Yellow Pages with, at least, a single line listing. (See the Franchise Agreement Section 12). This expense can be included in your 5% local marketing requirement. In addition, we strongly encourage you to participate in full-page group ads together with other franchisees in your area (if applicable).

Currently, there is no advertising council of franchisees that advises the franchisor on advertising policies.

COMPUTER HARDWARE AND SOFTWARE SYSTEMS

You must install computer systems meeting our standards, as modified from time to time in response to business, operations and marketing condition. The computer hardware and software systems described below are included in Schedule A to the Franchise Agreement. The cost of this hardware and software is \$9,588 which is included in the Schedule A equipment package price.

- Apple® computer System including keyboard and mouse
- EPOS Software
- Bar Code Reader
- Industry standard accounting software
- Microsoft® Office

(Apple is a registered trademark of Apple Inc. Microsoft is a registered trademark of Microsoft Corporation.)

EXM will not have independent access to the information and data that is electronically collected in the EPOS system provided in the Schedule A equipment package. As described below, you may be required in the future to update your accounting and EPOS software. The EPOS software you are required to use in the future may allow EXM to access information and data collected in that system. There are no contractual limitations on our right to access this information and the information and data generated or stored in the computer system. The computer hardware and software will be used to communicate with us, your customers and prospective clients, vendors, store data regarding clients and vendors and maintain the inventory and accounting records for your Store. In addition to the computer and hardware software listed above, you will need: Internet access and a cell phone.

You may have to upgrade your computer system and software from time to time, the cost of which cannot be determined at this time. You cannot be required to upgrade the computer system and hardware more frequently than once every three years. There is no limitation on the cost of any required upgrade. We have no contractual obligation to provide maintenance, repairs, updates or upgrades for your computer system and hardware. Starting with the second month your Store is open you are required to pay us a monthly fee of \$120 or the then current fee for website, domain and email account hosting and maintenance (for up to 3 email accounts). You are responsible for all maintenance, repairs, or upgrades to your computer system and hardware. The estimated cost of annual/optional or required updates, maintenance, upgrading or support is zero.

We require that during the term of the Franchise Agreement you use the Internet web page supplied as part of the equipment package described in Schedule A to the Franchise Agreement. We retain the right to

control the content of this web page. You cannot use any other web page in connection with the operation of your Store without our consent.

SELECTION OF YOUR STORE LOCATION

In assisting you to locate your Store site, we analyze extensive demographic information regarding your community. We assess the demographics and then visit potential sites in your area with you. EXM will respond within 30 days of your request for approval of a proposed site. If EXM does not approve the site you proposed, EXM will allow you to examine alternative sites for your Store. Approval must be obtained and operations must commence within 180 days of the date of the Franchise Agreement. While we will not unreasonably withhold our approval of a site, if we cannot agree with you on a site, you may forfeit your initial franchise fee. The Franchise Agreement does not have any provision that addresses termination if you do not select a site within a prescribed period. We may terminate the Franchise Agreement, if you have not commenced operation of the Store from an approved site within 180 days from the date of the Franchise Agreement unless the period is extended by us.

You may locate your own site rather than utilizing our assistance. However, you and EXM must mutually agree on your location prior to opening. Our approval is not a warranty or a guarantee of your success at your selected location, and you retain final approval of the site selected and leased by you.

We consider some of the following factors when assessing the acceptability of a store location:

- Population volume
- Business and commercial enterprises readily available
- Commercial income
- Competitive analysis
- Accessibility by car
- Accessibility by walk in traffic
- Financial institutions in the area
- Accessibility to Post Office, Banks and other businesses
- Parking
- Sign exposure
- Square footage
- Rent
- Visibility
- Traffic
- Proximity to other Stores
- Condition of premises
- Cost of construction
- Time for construction

We obtain our demographic information from some of the following sources:

- The U.S. Post Office
- Your local, state and national and international Chambers of Commerce
- Your local Better Business Bureau
- Newspaper
- Building and Development Departments
- Physical Inspections and Business Counts

- Demographic surveys using computer programs
- Local business (traffic counts from next door neighbors.)

A franchisee is required to select their store location prior to attending our franchise training school. Typically, during the two-week training period, either your landlord or professionals you hire are building out your Store location. The typical franchisee goes straight from training to their store location. The typical length of time between the signing of the Franchise Agreement to the opening of a new Store location is three to five months. Factors that may affect this time period include the ability to procure and install equipment and computers, make acceptable financial arrangements, obtain any required approvals in zoning and/or building permits, as well as resolve other factors bearing on construction.

TRAINING PROGRAM

Prior to opening your Store, you must attend and complete to our satisfaction the extensive training program held at our corporate headquarters in West Palm Beach, Florida and the Store located in West Palm Beach. The training program must be completed at least one week prior to the opening of your business. If you purchased a new store, your training fees are covered in your initial franchise fee. If you purchased a resale, then your training fee was either paid by the seller out of the proceeds of the sale or by you. We will pay for your transportation to and from West Palm Beach, your hotel and one daily meal for the duration of the two-week training period. An additional trainee may attend the training program with you for a fee of \$225 or the then current fee per person and you will be responsible for their travel, lodging and meals expense.

Our training program will be offered twelve times during 2017. Although it is not required, you may attend a refresher-training program or send your representative to be trained at any time in the future. All you have to do is pay your travel, lodging, meals and a training fee if charged at that time. For a complete list of your rights and obligations under your Franchise Agreement in regard to training, please consult the Franchise Agreement Sections 7 and 8.

The materials used by our instructors to conduct our training program include PowerPoint presentations, handouts, written guidebooks, tool kits, go-pro cameras and video display screens.

Our President, Jim Muir is a training instructor for the Company. He has operated a store offering the same products and services that are offered by a Store since 2009. Jimmy Muir is also a training instructor for the Company. He has more than 5 years of hands-on experience with our brand and products.

TRAINING PROGRAM

SUBJECT	CLASSROOM HOURS	ON THE JOB HOURS	LOCATION
Introduction/Orientation	3	0	West Palm Beach, FL
Market Placement	3	0	West Palm Beach, FL
Business Development	5	0	West Palm Beach, FL
Sales	8	0	West Palm Beach, FL
Goal Setting	2	0	West Palm Beach, FL

SUBJECT	CLASSROOM HOURS	ON THE JOB HOURS	LOCATION
Bookkeeping	2	0	West Palm Beach, FL
Purchasing	4	1	West Palm Beach, FL
Product Repairs/Upgrades	2	10	West Palm Beach, FL
Product Knowledge	14	0	West Palm Beach, FL
Customer Service	3	0	West Palm Beach, FL
Business Planning	2	0	West Palm Beach, FL
Operations	6	0	West Palm Beach, FL
Marketing	9	0	West Palm Beach, FL
Personnel	3	0	West Palm Beach, FL
Internet Marketing	3	0	West Palm Beach, FL
Totals	69	11	

All of the training hours listed above (80 hours) are provided in our training facility in West Palm Beach, Florida. Our field representatives provide additional training during the initial setup of your store. (See the Franchise Agreement Section 4.G).

OPERATING MANUAL

A copy of the table of contents of our Operating Manual is attached to this disclosure document as Exhibit E. The Operating Manual contains 269 pages.

ITEM 12

TERRITORY

You are granted the right to operate an Experimax Business from your Store site within a Designated Territory. Your Designated Territory will be a geographic area around the premises of your Store. The area may consist of factors as we may determine. There is no minimum size for a Designated Territory and the size of Your Designated Territory will vary depending on the population and business counts.

During the term of your Franchise Agreement, we will not establish either a company or affiliate owned “Experimax” business, or another “Experimax” franchise within your Designated Territory. We will not modify your Designated Territory without your written permission, provided that you are in complete compliance with the terms and conditions of your Franchise Agreement.

The continuation of your franchise is not specifically dependent upon the penetration of the potential market or any sales performance target.

You will not receive an exclusive territory. You may face competition from other franchises, from outlets we own, or from other channels of distribution or competitive brands we own. Because another Store may be located immediately outside your Designated Territory, the designated territories for two Stores could overlap and could compete for customers.

You are not restricted from soliciting or accepting orders from customers outside of your Designated Territory, except that you cannot: (i) solicit customers located in the designated territory of another franchisee; (ii) actively market or advertise in the designated territory of another franchisee, unless it is part of a cooperative advertising program conducted with the other franchisee; or (iii) use Internet tools such as search engine optimization for the purpose of promoting to customers in the designated territory of another franchisee. You also cannot use Internet domain names that indicate a business location outside of your Designated Territory.

You are not restricted from using other channels of distribution such as the Internet, catalogue sales, telemarketing, or other direct marketing, to make sales outside of your Designated Territory as long as you do not use other channels of distribution to make sales in the designated territory of another franchisee.

We or our affiliates reserve the right in your Designated Territory to: (i) establish franchises or company-owned businesses other than a business selling and repairing used electronic products; (ii) and similar franchised or company-owned businesses selling and repairing used electronic products under any trademark or trade name other than the Experimax name but only if these businesses are acquired as part of a merger or acquisition with another local, regional or national chain or system. We and our affiliates do not currently operate a business under a different trademark that sells or will sell goods or services similar to those which your Business will offer, and we have no plans to do so in the future. We reserve the right to use other channels of distribution such as the Internet, catalogue sales, telemarketing or other direct marketing to make sales within your Designated Territory, under our principal trademarks or different trademarks. We also reserve the right to develop and operate and to franchise or license others to develop and operate the Experimax Business at any location outside your Designated Territory. There are no restrictions on EXM soliciting or accepting orders from consumers in your Designated Territory. We are not required to pay you any compensation for any orders solicited or accepted from customers inside your Designated Territory.

You may relocate your Store under the following conditions:

1. Prior to relocation, you submit your request in writing to us.
2. You must not be in default of the terms of your Franchise Agreement.
3. We will evaluate your request with respect to the proximity of your proposed location to other stores offering similar products and services, (both Stores and competitors) as well as demographic information.

You have no options, right of first refusal or similar rights to acquire an additional franchise within any particular territory, although you may ask us at any time to purchase additional franchises. You will be granted an additional franchise based on the following:

1. Whether or not you are currently in default or have been in default of any part of your Franchise Agreement;
2. Your financial history and the financial stability of your existing location; and your experience managing your existing location.

ITEM 13

TRADEMARKS

The Franchise Agreement licenses you to use our proprietary trademarks, service marks, trade names, trade dress and commercial symbols (collectively, the “Marks”). You may not use any of the Marks as part of your corporate or business entity name. We have registered the following principal Mark on the principal register of the United States Patent and Trademark Office and have filed all required affidavits for registration. We also claim common law trademark rights for all the Marks you will use in the operation of your Business.

Trademark, Service Mark or Design	U.S. Registration No.	Principal/ Supplemental Register	Date of Registration
Experimax (word mark)	4952619	Principal	May 3, 2016

We will notify you in writing (through the Operating Manual or otherwise) which Marks you are licensed to use. Your use of the Marks and any related goodwill is to our exclusive benefit and you retain no rights in the Marks. You retain no rights in the Marks upon termination of the Franchise Agreement. You are not permitted to make any changes or substitutions of any kind in or to the use of the Marks unless we direct in writing.

There are no currently effective determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, or any pending material litigation, involving the principal Mark. There are no superior prior rights in the Marks or infringing uses actually known to us that could materially affect your use of the Marks. There are currently no agreements in effect that significantly limit our rights to use or license the use of any Marks in any manner material to the franchise.

We are not required to protect you against infringement or unfair competition claims arising out of your use of the Marks, or to participate in your defense and/or indemnify you. We reserve the right to control any trademark litigation and will be the sole judge as to whether suit will be brought or settled in any instance when any person or entity infringes the Marks. You must notify us promptly of any infringement or unauthorized use of the Marks that you become aware of and to cooperate with any action that we undertake. If any party claims that its rights to use any of the Marks are superior and if we determine that the claim is valid, you must, at your expense, immediately make the changes and use the substitutions to the Marks as we require.

If we require, you must modify or discontinue the use of any Mark and use other trademarks or service marks we designate. We do not have to reimburse you for modifying or discontinuing the use of a Mark or for substituting another trademark or service mark for a discontinued Mark. If we adopt and use new or modified Marks, you must add or replace signs, supplies, fixtures and equipment, and make other modifications we designate as necessary to adapt your Store for the new or modified Marks. These changes may require additional investment to conform your Store to changes to the Marks and other System modifications. We do not reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not grant you the right to use any item covered by a patent and we have no patent applications pending which are material to the franchise. We do communicate to you, and permit you to use many trade secrets and confidential information that are included in our Operating Manual, our method of pricing and our vendor list. See Item 11. Although we have not filed an application for copyright registration for these materials, they are proprietary and we do claim a copyright to them and other similar materials you will use in your business. You can only use this information in conjunction with your Store. We do not permit any other use. You must comply with all changes to the Operating Manual. You must notify us immediately if you learn about any unauthorized use of our confidential information. We will determine the appropriate response as to any unauthorized use of the confidential information.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You are not required to sign a personal guarantee, however, you are required to personally sign the Franchise Agreement, even if you form a corporation, partnership or other business entity for the operation of the franchise. If you form a corporation or other business entity, you will sign the Franchise Agreement both personally and on behalf of the business entity as an officer or director of the company. If you form a partnership, you and your partners will sign the Franchise Agreement personally.

If you are an individual, you must directly supervise and manage your Store. If you form a corporation, partnership or other business entity, a principal, general partner or your fully trained manager must devote full-time and best efforts to the management and operation of the Store. The Store must at all times be under the direct on premises supervision of someone who has completed our training program. You must also maintain a competent, conscientious, neat and trained staff where applicable.

We do not have the right to approve or disapprove of your choice for manager, although the manager must satisfactorily complete our training program. Your manager is not required to have an equity interest in your business. Your manager must sign a confidentiality agreement which is the same as or similar to the Nondisclosure and Noncompetition Agreement attached as Exhibit I, agreeing to maintain confidentiality of our trade secrets and other proprietary information described in Item 14 and abide by the non-compete covenants described in Item 17, which are valid for two years after the termination of their employment. You may send any employees at any time for training under the terms of your Franchise Agreement and as outlined in Item 11 of this disclosure document.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to offer and sell only goods and services that we have approved but there is no obligation to provide all of the services and goods authorized by EXM. There are no limits on our right to make modifications to the approved goods and services from time to time as set forth in the Operating Manual or otherwise in writing.

Our Franchise Agreement does not require you to fix a specified or minimum price for any goods or services sold. You will retain sole and absolute discretion in all product and service pricing matters.

You are not limited in the customers to whom you may sell products and services in your Designated Territory. We encourage you to respect the clientele of other Stores and franchisees.

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 franchise term	Section 2.A	35 Years
b.	Renewal or extension of the term	Section 2.B	35 Years
c.	Requirements for franchisee to renew or extend	Sections 2.C, 2.D and 2.E	Sign new franchise agreement which may contain materially different terms and conditions than your original franchise agreement, pay \$1,500 renewal fee, remodel and sign releases.
d.	Termination by franchisee	None	Not applicable
e.	Termination by franchisor without cause	None	Not applicable
f.	Termination by franchisor with cause	Section 16	EXM can terminate only if you default.
g.	“Cause” defined – curable defaults	Section 16	You have 15 days to cure our requirements and specifications regarding products and services, non-payment of amounts due and owing, non-submission of reports, and 30 days for any other default not listed in Section 16 of the Franchise Agreement.

	Provision	Section In franchise or other agreement	Summary
h.	“Cause” defined – non-curable defaults	Section 16	Non-curable defaults: failure to commence business within 180 days from date of Franchise Agreement, failure to keep open, falsification of franchise application, insolvency and bankruptcy, commencement of dissolution proceedings, unsatisfied or unbonded judgment, falsification of books, records or reports, 2 or more prior defaults in 12 consecutive months, unauthorized assignment, and communication of proprietary information to competitor.
i.	Franchisee’s obligations on termination/non-renewal	Section 17	Obligations include providing EXM with a list of customers, invoices, address card file and business cards, payment of all amounts due, returning Operating Manual and other proprietary materials, discontinuing use of copyrighted materials and all items identifying our marks or name, assigning contracts with customers, changing or assigning telephone numbers and compliance with non-compete agreements.
j.	Assignment of contract by franchisor	Section 15.I	No restriction on our right to assign.
k.	“Transfer” by franchisee - defined	Section 15.G	Includes transfer of beneficial interest in Franchise Agreement.
l.	Franchisor approval of transfer by franchisee	Section 15.A	We retain the right to approve all transfers but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Section 15.C	Qualified purchaser, training completed, execution of new franchise agreement, payment of transfer fee, not in default, and payment of all costs and obligations.

	Provision	Section In franchise or other agreement	Summary
n.	Franchisor's Right of First Refusal to Acquire franchisee's business	Sections 15.E and 15.F	We can match any offer.
o.	Franchisor's option to purchase franchisee's business	Section 17.G	Upon expiration or termination, we can buy certain assets at a price equal to your cost or fair market value, whichever is less.
p.	Death or disability of franchisee	Section 15.H	The Franchise Agreement is transferable without additional fee or penalty, subject to EXM's approval, which shall not be unreasonably withheld.
q.	Non-competition covenants during the term of the franchise	Section 6.W	No involvement in any other business, except with prior written consent of EXM.
r.	Non-competition covenants after the franchise is terminated or expires	Section 17.F	No competing business for 2 years within 25 miles of former location or any other EXM store
s.	Modification of the agreement	Section 18	No modifications generally but Operating Manual subject to change.
t.	Integration/merger clause	Sections 18 and 26.H	Only terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Franchise Disclosure Document, Franchise Agreement and other agreements may not be enforceable. No claim made in the Franchise Agreement or in any related agreement is intended to disclaim the express representations made in this Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Section 25	Either party may request non-binding mediation prior to a dispute being resolved through litigation. Mediation shall take place in your home state.

	Provision	Section In franchise or other agreement	Summary
v.	Choice of forum	Section 26.D	Litigation must be brought in the courts of record of the State of Florida in Palm Beach County (subject to state law).
w.	Choice of law	Section 26.E	Florida law applies (subject to state law).

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual financial performance of its franchises and/or franchisor-owned units, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance of a particular location under particular circumstances.

The financial performance representation information in this Item 19 includes certain historical financial performance information relating to our Stores' operation in calendar year 2017. We obtained 100% of the average gross sales data for the Stores represented from monthly sales reported to us by franchisees and from profit and loss statements submitted to us by our affiliates. The average gross sales results shown below are a historic representation for: (1) all Stores located in the United States which have been open for at least 2 full calendar years; and (2) submitted sales reports or a profit and loss statement for all 12 months in calendar year 2017. The monthly sales reports and profit and loss statements have not been audited by certified public accountants nor have we sought to independently verify their accuracy for purposes of the financial performance representations. Not all Stores properly reported sales in 2017. Gross sales do not include sales tax.

Calendar Year 2017

Store Sales Tables

Table 1 – Franchise Outlets and Company(Affiliate)-Owned Outlets Combined

Number of Stores	Average Gross Sales	Median	Stores that met or exceeded Average Gross Sales
14	\$477,286	\$376,542	36%

The Store Sales financial performance representations above are based on a population of 14 Stores that (1) are franchise outlets or affiliate-owned outlets; (2) are located in the United States; (3) reported their sales for each of the 12 months in 2017 or submitted a profit and loss statement for all of 2017; and (4) have been in operation for 2 full years or more as of December 31, 2017. On average the Stores in the Store Sales financial representation above have been operating for 2.76 years.

Table 2 – Franchise Outlets

Number of Stores	Average Gross Sales	Median	Stores that met or exceeded Average Gross Sales
11	\$367,944	\$324,773	45%

The Store Sales financial performance representations above are based on a population of 11 Stores that (1) are franchise outlets; (2) are located in the United States; (3) reported their sales for each of the 12 months in 2017; and (4) have been in operation for 2 full years or more as of December 31, 2017. On average the Stores in the Store Sales financial representation above have been operating for 2.36 years.

Table 3 – Company (Affiliate)-Owned Outlets

Number of Stores	Average Gross Sales	Median	Stores that met or exceeded Average Gross Sales
3	\$878,208	\$818,950	33%

The Store Sales financial performance representations above are based on a population of 3 Stores that (1) are affiliate-owned outlets; (2) are located in the United States; (3) submitted sales reports and profit and loss statements for all of 2017; and (4) have been in operation for 2 full years or more as of December 31, 2017. On average the Stores in the Store Sales financial representation above have been operating for 4.55 years.

Calendar Year 2017

Franchise Outlets and Company (Affiliate)-Owned Outlets Combined

Highest Volume – Lowest Volume Store Sales Table

	Number of Stores	Gross Sales
Highest Sales Volume Store	1	\$1,447,417
Lowest Sales Volume Store	1	\$154,570

The Highest Volume – Lowest Volume Store Sales financial performance representation is based on a population of 14 Stores of which: (1) 11 are franchise outlets; (2) 3 are affiliate-owned outlets; (3) all are located in the United States; (4) all reported their monthly gross sales for each of the 12 months in 2017 or submitted a profit and loss statement for all of 2017; and (5) all have been in operation for 2 full years or more as of December 31, 2017. For purposes of the financial performance representation, we disclosed the gross sales of 2 Stores out of the population of 14 Stores: (1) the Store that achieved the highest gross sales in 2017; and (2) the Store that achieved the lowest gross sales in 2017. The Store that achieved the highest gross sales in 2017 is an affiliate-owned Store that has been in operation for 8 years. The Store that achieved the lowest gross sales in 2017 is a franchise outlet that has been in operation for 2.25 years.

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

Written substantiation of this financial performance representation will be made available to you upon reasonable request.

We do not make any representations about a franchisee's future financial performance and other than the preceding financial performance representation, we do not make any representations about the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Jill Klein, General Counsel, 2121 Vista Parkway, West Palm Beach, FL 33411, 561-640-5570, the Federal Trade Commission and the appropriate state agencies.

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ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table 1

**System-Wide Outlet Summary
For Years 2015 to 2017***

Column 1	Column 2	Column 3	Column 4	Column 5
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2015	0	17	+17
	2016	17	72	+55
	2017	72	94	+22
Company-Owned	2015	1	2	+1
	2016	2	2	0
	2017	2	4	+2
Total Outlets	2015	1	19	+18
	2016	19	74	+55
	2017	74	98	+24

* All numbers are as of December 31, 2015, 2016 and 2017. The numbers are for franchised and company- and affiliate-owned stores in the United States.

NOTE: The Company-Owned outlets shown in Tables 1 and 4 are (i) the store in West Palm Beach, Florida owned by our affiliate, The Mac Toy Store Inc.; (ii) the store in Boynton Beach, Florida owned by our affiliate Quantum Computers Inc.; (iii) the store in Orlando, Florida owned by our affiliate J Gancel, LLC; and (iv) the store in Mt. Juliet, Tennessee owned by the Company.

Table 2

**Transfers of Outlets From Franchisees to New Owners (Other Than the Franchisor)
For Years 2015 to 2017***

State	Year	Number of Transfers
Arizona	2015	0
	2016	0
	2017	3
Georgia	2015	0
	2016	0
	2017	1
Maryland	2015	0
	2016	0
	2017	1

State	Year	Number of Transfers
North Carolina	2015	0
	2016	0
	2017	1
Texas	2015	0
	2016	0
	2017	2
Total	2015	0
	2016	0
	2017	8

* All numbers are as of December 31, 2015, 2016 and 2017. The numbers are for franchisees in the United States. States not listed had no transfer activity to report during the relevant time period.

Table 3
Status of Franchised Outlets
For Years 2015 to 2017*

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Alabama	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Arizona	2015	0	1	0	0	0	0	1
	2016	1	2	0	0	0	0	3
	2017	3	0	0	0	0	0	3
California	2015	0	0	0	0	0	0	0
	2016	0	5	0	0	0	0	5
	2017	5	2	0	0	0	2	5
Colorado	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	4	0	0	0	0	6
Connecticut	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Florida**	2015	0	2	0	0	0	0	2
	2016	2	4	0	0	0	0	6
	2017	6	4	0	0	1	1	8
Georgia	2015	0	3	0	0	0	0	3
	2016	3	3	0	0	0	0	6
	2017	6	0	0	0	0	0	6
Iowa	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Illinois	2015	0	1	0	0	0	0	1
	2016	1	2	0	0	0	0	3
	2017	3	1	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Kansas	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Kentucky	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Louisiana	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	4	0	0	0	0	4
Massachusetts	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Maine	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	1	0
Maryland	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	1	0
	2017	0	1	0	0	0	0	1
Michigan	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Missouri	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	0	1	0	0	0	1
Nevada	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	2	0	0	0	0	3
New Hampshire	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
New Jersey	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	2	0	0	0	0	3
New York	2015	0	0	0	0	0	0	0
	2016	0	4	0	0	0	1	3
	2017	3	0	0	0	0	1	2
North Carolina	2015	0	2	0	0	0	0	2
	2016	2	2	0	0	0	0	4
	2017	4	1	0	0	0	0	5
North Dakota	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Ohio	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	3	0	0	0	0	5

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Operations -Other Reasons	Outlets at End of the Year
Oklahoma	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Oregon	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Pennsylvania	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
South Carolina	2015	0	0	0	0	0	0	0
	2016	0	3	0	0	0	0	3
	2017	3	1	0	0	0	1	3
Tennessee	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	1	0	0	1	1	1
Texas	2015	0	4	0	0	0	0	4
	2016	4	13	0	0	0	2	15
	2017	15	3	2	0	0	6	10
Utah	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	0	2	0	0	0	0
Virginia	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	5	0	0	0	0	7
Washington	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	1	0	0	0	1	2
Wisconsin	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	1	0
	2017	0	0	0	0	0	0	0
TOTAL U.S.A.	2015	0	17	0	0	0	0	17
	2016	17	60	0	0	0	5	72
	2017	72	43	5	0	2	14	94
TOTAL INT'L	2015	0	0	0	0	0	0	0
	2016	0	4	0	0	0	0	4
	2017	4	13	0	0	0	1	16
TOTAL	2015	0	17	0	0	0	0	17
	2016	17	64	0	0	0	5	76
	2017	76	56	5	0	2	15	110

* All numbers are as of December 31, 2015, 2016 and 2017. The numbers are for franchises in the United States and internationally. States not listed had no franchised activity to report during the relevant time period.

** Re-acquired by Franchisor's affiliate.

**Status of International Master Licensee Outlets – by Country
For Years 2015-2017***

Country	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Re- acquired by Franchisor	Ceased Operations -Other Reasons	Outlets at End of the Year
Australia	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	5	0	0	0	1	6
Canada	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Chile	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	2	0	0	0	0	2
France	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Ireland	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Mexico	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
South Africa	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Uruguay	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	2	0	0	0	0	2
TOTAL INT'L	2015	0	0	0	0	0	0	0
	2016	0	4	0	0	0	0	4
	2017	4	13	0	0	0	1	16

*All numbers are as of December 31, 2015, 2016 and 2017. The numbers are for international outlets.

Table No. 4

**Status of Company-Owned Outlets
For Years 2015 - 2017***

Col.1	Col.2	Col.3	Col.4	Col.5	Col.6	Col.7	Col.8
State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Florida	2015	1	1	0	0	0	2
	2016	2	0	0	0	0	2
	2017	2	0	1	0	0	3
Tennessee	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
	2017	0	0	1	0	0	1
Total	2015	1	1	0	0	0	2
	2016	2	0	0	0	0	2
	2017	2	0	2	0	0	4

* All numbers are as of December 31, 2015, 2016 and 2017. The numbers are for Company- and affiliate-owned locations in the United States. States not listed had no activity to report during the relevant time period.

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Table No. 5
Projected Openings as of December 31, 2017

State	Franchise Agreement signed but outlet not opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company Owned Outlets In Next Fiscal Year
Alabama	1	0-1	0
Alaska	0	0-1	0
Arizona	0	0-1	0
Arkansas	0	0-1	0
California	2	1-2	0
Colorado	6	0-1	0
Connecticut	3	0-1	0
Delaware	0	0-1	0
DC	0	0-1	0
Florida	6	1-3	0
Georgia	1	0-1	0
Hawaii	0	0-1	0
Idaho	0	0-1	0
Illinois	0	0-1	0
Indiana	0	0-1	0
Iowa	0	0-1	0
Kansas	0	0-1	0
Kentucky	0	0-1	0
Louisiana	1	0-1	0
Maryland	2	0-1	0
Massachusetts	3	0-1	0
Michigan	0	0-1	0
Minnesota	0	0-1	0
Mississippi	1	0-1	0
Missouri	0	0-1	0
Montana	0	0-1	0
Nebraska	0	0-1	0
Nevada	0	0-1	0
New Hampshire	0	0-1	0
New Jersey	3	0-1	0
New Mexico	0	0-1	0
New York.	0	1-2	0
N. Carolina	2	0-1	0
N. Dakota	0	0-1	0
Ohio	3	0-1	0
Oklahoma	1	0-1	0
Oregon	0	0-1	0
Pennsylvania	1	0-1	0
Rhode Island	0	0-1	0
S. Carolina	1	0-1	0

State	Franchise Agreement signed but outlet not opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company Owned Outlets In Next Fiscal Year
S. Dakota	0	0-1	0
Tennessee	0	0-1	0
Texas	8	1-2	0
Utah	2	0-1	0
Vermont	0	0-1	0
Virginia	3	0-1	0
Washington	0	0-1	0
Wisconsin	0	0-1	0
Wyoming	0	0-1	0
Total	50	4-54	0

A list of names of all franchisees and the addresses and telephone numbers of their stores are listed in Exhibit K. The name and last known city, state and telephone number of every franchisee who has had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the fiscal year ending December 31, 2017, or who has not communicated with us within the 10 weeks preceding the issuance date of this Disclosure Document are listed in Exhibit L.

Experimac Franchising, LLC
List of Company-Owned Stores as of 12/31/2017

Quantum Computers Inc.
1000 Gateway Blvd., #101
Boynton Beach, FL 33426

The Mac Toy Store Inc.
100 Sansburys Way, #118
West Palm Beach, FL 33411

J Gancel, LLC
4498 N. Alafaya Tr., #300
Orlando, FL 32826

Experimac Franchising, LLC
3384 N. Mt. Juliet Road, Suite 1000
Mt. Juliet, TN 37122

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

In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experience with EXM. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

There is no trademark-specific franchisee organization associated with the franchise system that has been created, sponsored or endorsed by EXM or that is incorporated or otherwise organized under state law.

ITEM 21

FINANCIAL STATEMENTS

Our audited financial statements prepared in accordance with generally accepted accounting principles for the periods ended December 31, 2015, 2016 and 2017 are attached to this disclosure document as Exhibit D.

ITEM 22

CONTRACTS

The following contracts are included in this disclosure document:

1. Exhibit A - Franchise Agreement with Schedules
2. Exhibit B – Equipment Lease
3. Exhibit C – Deposit Receipt
4. Exhibit G - General Release Agreement
5. Exhibit I – Nondisclosure and Noncompetition Agreement

ITEM 23

RECEIPT

COPIES OF AN ACKNOWLEDGMENT OF YOUR RECEIPT OF THIS DISCLOSURE DOCUMENT APPEAR AS EXHIBIT M. PLEASE SIGN AND DATE TWO COPIES AND RETURN ONE FULLY EXECUTED COPY TO US. YOU MAY RETAIN THE SECOND COPY FOR YOUR RECORDS.

Exhibit A
Franchise Agreement with Schedules

DATED _____ 201__

Experimac Franchising, LLC

And

Experimax

FRANCHISE AGREEMENT

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<u>SCHEDULES:</u>	Schedule A - Equipment Package
	Schedule B - Assignment of Telephone Numbers, Email Addresses and Domain Names
	Schedule C - Electronic Funds Transfer Authorization

FRANCHISE AGREEMENT

Between:

Experimax Franchising, LLC, a Florida limited liability company, doing business as **Experimax**, whose registered office is at 2121 Vista Parkway, West Palm Beach, Florida 33411, (hereinafter referred to as “EXM”) and _____
whose registered office is at _____
and whose home address is _____,
Franchisee (hereinafter referred to as “You” or “Your”).

INTRODUCTION

- A. **EXM** has expended time, effort, and money developing knowledge about the business of buying, selling, refurbishing and repairing used electronic equipment (the “Experimax Business” or “Business”), which includes buying and selling of used laptop computers, tablets, cell phones and accessories to those electronic products (the “Products”) and has established a reputation and goodwill in parts of the world in the **Experimax** trademarks.
- B. **EXM** is the owner of the **Experimax** trademarks and related trademarks and trade names (the “Trademarks”) which have become associated with the Products, and the System (as defined below) and which may become associated with the Products and the System in the future, and **EXM** has agreed to You using the Trademarks and the System upon the terms and conditions hereinafter appearing.
- C. The methods and know-how of the purchasing, repairing, refurbishing, promotion and marketing used in connection with the sale and servicing of the Products under the Trademarks (the “**Experimax** System” or “System”) are secret and confidential and are the exclusive property of **EXM**. The characteristics of the System also include specialized knowledge about the Products, techniques and strategies for Product purchases, sales, marketing and advertising, and specifications for equipment, inventory and operations, and standards of quality and uniformity of products and services offered.
- D. The Trademarks are associated with uniformly high standards of service and quality of product.
- E. **EXM** may from time to time grant franchises in the United States and its territories and protectorates permitting the operation of the business under the Trademarks to sell the Products at certain premises (the “**Experimax** Network” or “Network”).
- F. You desire the benefits of **EXM**’s knowledge, skill, and experience and the right to sell the Products under the Trademarks from the Premises hereinafter described (an “**Experimax** Store” or “Store”).

NOW IT IS AGREED as follows:

One: RIGHTS GRANTED

- A. Subject to and in accordance with the terms hereof, **EXM** grants to You the non-exclusive right to use in the Business (as defined below):
- i. the System;
 - ii. the Trademarks and the symbols owned by **EXM** and designated for Your use from time to time together with **EXM**'s accumulated experience and knowledge relating to the Business; and
 - iii. the Products.
- B. In this Agreement the expression "the Business" shall mean the business carried on by You in exercise of the above rights and pursuant to this Agreement.
- C. The Business shall only be conducted by You from the Premises located at _____ (the "Premises"). In addition, as long as You are not in default under this Agreement, **EXM** shall not open and operate for its own account (or through an affiliate) or franchise others to operate an **Experimax** store from any physical premises located in the following Designated Territory specified as _____ (the "Designated Territory"). The Designated Territory granted under this Agreement does not in any way grant or imply any other area, market, development, or territorial rights to You, except as expressly provided above in this Section.
- D. **EXM** and/or its affiliates reserve the right to establish and operate or license others to establish and operate at any location or premises within the Designated Territory (including a location which may be in proximity to Your Store): different businesses other than a retail business offering the Products under any trademarks or trade names. In addition, **EXM** and/or its affiliates will have the right anywhere outside the Designated Territory to operate or license others to establish and operate **Experimax** businesses. You acknowledge and agree that the premises for another Store may be located immediately outside Your Designated Territory and therefore the designated territories for the two Stores could overlap and the stores could compete for customers, however, the premises for the other Store will not be located within Your Designated Territory.
- E. The rights and privileges granted to You under this Agreement are personal in nature and may not be used at any location other than the Premises. You will not relocate the Store without **EXM**'s prior written consent and will not open any other Stores in the Designated Territory. You will not have the right to subfranchise or sublicense any of its rights under this Agreement. You will not use the Premises for any purposes other than the operation of a Store.

- F. In this Agreement the word “Goodwill” includes:
- i. the goodwill and all rights associated with **EXM**’s copyright material, the System, the Trademarks and any other intellectual property rights of **EXM**; and
 - ii. any additional goodwill generated from their use in the Business.
- G. The Goodwill shall, at all times, belong to and be vested in **EXM** and You only have the right to benefit from the Goodwill to the extent provided by this Agreement.

Two: TERM

- A. **Initial Term.** This Agreement shall be for a term of 35 years from the date of this Agreement (the “Term”), unless sooner terminated as hereinafter provided.
- B. **Additional Term.** You shall have the right to require **EXM** to enter into a new agreement (the “New Agreement”) to take effect immediately following the end of the initial Term subject to the conditions and terms which follow.
- C. Subject to the following conditions precedent, You shall exercise Your right by giving written notice to **EXM** so that it is received 9 months before the Term ends. The conditions precedent are:
- i. that You shall not have any outstanding breach of the terms of this Agreement at the time of Your notice and at the time the New Agreement becomes effective, and
 - ii. that You shall renovate, modernize, and refurbish the Premises, as commercially practicable (including equipment) and bring the Premises up to the then current standards of design and decor of the Network and brand standards, and to comply with any relevant statutory or other requirements or regulations.
- D. The terms of the New Agreement shall be that You and **EXM** shall enter into the New Agreement for a period at least equal to the Term and upon the terms contained in **EXM**’s then current form of franchise agreement provided however:
- i. You shall not pay any sum expressed to be by way of initial fee but shall pay a renewal fee in the sum of \$1,500.00 to cover the costs of closing and processing paperwork upon renewal; and
 - ii. **EXM** shall not be obliged to provide any of the initial or other obligations contained in such agreement that are appropriate to the establishment of a new franchise.
- E. You shall, upon the execution of the New Agreement, be deemed to have released and discharged **EXM** from and against all claims and demands not at issue in mediation and/or litigation proceedings at the time of renewal, whether or not contingent, which You may have against **EXM** arising from this Agreement or in any way out of the relationship between **EXM** and You.

Three: THE PREMISES

- A. The Premises at which the Store is to be located will be mutually agreed upon by the parties. You shall acquire the Premises by lease (the “Lease”). You shall not enter into any Lease without obtaining **EXM**’s prior written consent, which consent shall not be unreasonably withheld.
- B. You acknowledge and agree that any site selected or approved by **EXM**, and/or any Lease approved by **EXM**, shall be with the understanding that it meets **EXM**’s minimum acceptable criteria. Such criteria are not a guaranty or representation that the site will be successful or that the terms of the Lease are reasonable. You acknowledge that You are responsible for reviewing and determining the appropriateness and desirability of the site and the Lease. **EXM** shall have no liability with respect to the selection or approval of a location or any lease for the Premises, nor liability with respect to any recommendation regarding such matters.
- C. You shall not sublet or share the Premises without **EXM**’s prior written consent.
- D. You must deliver to **EXM** a fully executed copy of the Lease to the Premises prior to the opening of Your Store.
- E. You shall not extend, renew, or cancel the Lease without **EXM**’s express written consent thereof which consent shall not be unreasonably withheld.
- F. Should it become necessary, on account of condemnation or other cause, including cancellation of Your Lease, to relocate the Store, **EXM** shall grant You authority to do so at a site acceptable to **EXM** that is within Your Designated Territory, is reasonably suited for a Store, does not infringe on the rights of any other franchisee of **EXM**, and is reasonably distant from other Stores; provided that Your new Store is open and operating within 60 days after You discontinue operation of the Store at Your previous location, all in accordance with the current standards of **EXM** at that time.

Four: EXM’S INITIAL OBLIGATIONS

To assist You in opening for business, **EXM** will (in addition to the two week training period to be provided at **EXM**’s headquarters pursuant to the provisions that follow in Section Seven below) provide for or make available to You the following services and/or goods:

- A. advice in regard to establishing the Store including assistance with establishing a marketing program;
- B. perform demographic research for the selection of the Premises;
- C. assistance in locating a site for the Premises, and at your option, you may obtain assistance from **EXM**’s affiliate, Franchise Real Estate, Inc., in negotiating for the lease of the Premises;

- D. consultation and advice with regard to alterations, refurbishment, renovation, decoration or other work necessary for the conversion of the Premises into an **Experimax** Business including store layout designs; provided, however, that such consultation and advice will be provided by **EXM's** affiliate, Franchise Real Estate on such terms the affiliate currently offers;
- E. sell to You the equipment and other items (the "Equipment Package") listed in Schedule "A" to this Agreement;
- F. ensure you obtain through Premium Supplier Inc. (**EXM's** affiliate) or another designated supplier the retail inventory of accessories and electronic equipment, devices and components (the "Retail Accessories and Repair (Parts) Inventory/Opening Inventory Package") listed in the Addendum to Schedule "A" to this Agreement;
- G. provide for a period of 80 hours, a suitably qualified member(s) of its staff to assist in initial on-site training and guidance on commencement of the Business. **EXM** shall pay the travel and other costs of its staff member for the purpose of an initial on-site training;
- H. advice with regard to the way in which fixtures and equipment are to be installed in the Premises with a view to the efficient operation of the Business;
- I. advice on the acquisition of inventory requirements and the merchandising of any of the appropriate Products comprised in Your initial stock prior to opening the Business;
- J. assistance in establishing suppliers of products and materials used and sold in Your Business;
- K. provide You with a bookkeeping system which You are required to use;
- L. provide You, on loan, with an Operating Manual, which includes statements of policies and procedures, together with instruction and advice in the operation of a Store;
- M. provide You with other relevant manuals and written material which, in its discretion, **EXM** deems necessary;
- N. provide You with a starter supply of printed material consisting of letterhead, envelopes, flyers and business cards; and
- O. provide You with reproduction proofs of newspaper and magazine advertising approved for Your use.

EXM may delegate the performance of any or all of its obligations hereunder to such third parties as it deems advisable.

Five: EXM'S CONTINUING OBLIGATIONS

EXM shall at all times during the term of this Agreement:

- A. provide You with details of any alterations and/or improvements in or to the System to enable You to keep the Operating Manual up to date. In the event of any dispute, the authentic text of the Operating Manual shall be the copy kept as such by **EXM** at its principal corporate office. The Operating Manual shall at all times remain the property of **EXM**. You acknowledge that the copyright in the Operating Manual is vested in **EXM**;
- B. make at least one visit each year to Your Business at **EXM**'s own expense by a member(s) of **EXM**'s staff as **EXM** considers suitably experienced for the purpose of assisting You and monitoring Your compliance with quality standards;
- C. provide You with information relating to conventions, seminars and franchise meetings organized by **EXM** for its franchisees and permit You at Your own expense, to attend;
- D. provide You from time to time with copies of **EXM**'s corporate newsletter;
- E. offer to You from time to time, free of charge, bulletins on sales and service methods, marketing development and techniques, and business and operating procedures;
- F. use reasonable efforts to offer advice and technical assistance and support for equipment, computer hardware and software, and product repair processes by toll-free telephone and email; and
- G. provide access to a website from which You may download additional programs and data.

Six: FRANCHISEE'S OBLIGATIONS

In order to maintain the common identity and reputation of the Network, to maintain the uniformly high standards among franchisees carrying on business under the Trademarks in accordance with the System, and to protect **EXM**, You, the Network, the Goodwill and the demand for the Products sold, supplied or provided in the Business under the Trademarks, You shall:

- A. purchase the Equipment Package and the Retail Accessories and Repair (Parts) Inventory/Opening Inventory and Opening Inventory Package from **EXM**, an affiliate or a supplier designated by **EXM** contemporaneously with Your execution of this Agreement and use them exclusively for the purpose of operating the Store;
- B. acquire any other miscellaneous equipment, books of account, inventory, and any other items which are necessary for the performance by You of Your obligations under this Agreement;
- C. have one person, comprised of either Yourself or Your Manager, at Your sole cost and expense (excluding **EXM** approved transportation, lodging, a daily meal, training material and trainers), undertake and complete to **EXM**'s satisfaction such training, at such times, and at **EXM**'s training facilities, as **EXM** may reasonably require;
- D. devote an adequate amount of Your time and attention to the Business as is necessary to perform the administrative, marketing, promotional and accounting functions required in operating the System. You shall diligently carry on the Business at the Premises and use

Your best efforts to promote the Business. You shall continuously operate the Business during normal business hours for a minimum of 40 hours per week. At any time during the term of this Agreement, should You intend to delegate these performance obligations or duties to a designated operator, You must first notify **EXM** of Your intent and such operator must be added to this Agreement as an additional Franchisee before he or she assumes such obligations and/or duties;

- E. operate the System and Your Business properly and in strict accord with the required provisions of the Operating Manual, provided that such provisions do not conflict with applicable laws or regulations. In case of a conflict, You shall request a variance and **EXM** shall grant You an automatic variance for purposes of compliance with applicable laws or regulations. You also acknowledge that the required provisions are intended to protect the goodwill of the Trademarks and not to exercise any control over the day to day operations of the Business, which remains your sole responsibility. You shall not make use of or disclose the Operating Manual to any other person or for any purpose other than for the conduct of the Business, nor shall You make any copies of the Operating Manual or any part thereof. You shall further ensure that Your copy of the Operating Manual is kept up to date at all times. You acknowledge the Operating Manual to be the exclusive property of **EXM**. You agree to use Your best efforts to promptly comply (but no later than 30 days from delivery) with all revisions to the Operating Manual that may be made from time to time;
- F. You may at Your option operate the Business through a limited liability company, corporation or other legal business entity (a “business entity”), provided that: (i) the Franchise Agreement shall remain in Your name, and the full legal name of the business entity shall be added to the Franchise Agreement as an additional Franchisee; (ii) the business entity is newly organized and its activities are confined exclusively to operating the Store licensed under this Agreement; (iii) You are the owner of all the stock or membership units of the business entity and are the principal executive officer thereof; (iv) You furnish **EXM** with the name, address, telephone number and percentage of ownership of each officer, director, shareholder and member of the business entity; and (v) no part of the Trademarks shall form part of Your legal business entity name. In furtherance of this Section 6.F., in the event You operate the Business through a business entity which is not already named as an additional Franchisee in this Agreement, You hereby grant an irrevocable power of attorney to **EXM** and appoint **EXM** as Your attorney-in-fact to add the business entity to this Agreement as an additional Franchisee.
- G. operate the Business only under the name or names specified by **EXM** without any accompanying words or symbols of any nature (save as required by the provisions of this Agreement) unless first approved in writing by **EXM**. You shall not do anything that may adversely affect **EXM**’s rights in the Trademarks;
- H. acquire such licenses and permits as maybe required by federal, state or local governments and agencies to operate the Business; comply with all laws, ordinances, regulations and requirements of local, state and federal governmental authorities and pay any and all city, county, state and/or federal sales and/or use taxes, excise taxes, occupation taxes, license

fees and other taxes, assessments and levies arising out of or in connection with all or any part of this Agreement;

- I. indicate Your status as an independently owned and operated franchise by:
 - i. displaying in the location that **EXM** may direct signs bearing the following words (or other words to similar effect as may from time to time be specified by **EXM**) “Independently Owned and Operated by” followed by Your name;
 - ii. placing upon all letterhead, bills, invoices, estimates, purchase orders, contracts, agreements, and any other documents or literature used by You, and within the body or signature field of all email communications sent in connection with the Business the following words (or other words to similar effect as may from time to time be specified by **EXM**) “Independently Owned and Operated by” followed by “Your name”;
- J. prominently display on and in the Store advertising signs in the nature, form, color, number, location and size and containing the material as **EXM** may direct in writing and shall not display therein or thereon any sign or advertisement to which **EXM** objects or has not pre-approved in writing;
- K. place on all of Your promotional materials, business cards, web site and any other media used to promote the Business the national toll-free telephone designated by **EXM** from time to time. No other telephone number may be used on any advertising media without the written consent of **EXM**;
- L. answer the telephone at the Store initially reciting the full name “**Experimax**.” You shall not answer the telephone under any other name without the prior written consent of **EXM**, unless directed to do so by **EXM**;
- M. place any referral information required by **EXM** for referral of prospective franchisees in a prominent place on Your front counter or any other location **EXM** dictates;
- N. continuously (during regular business hours and days) operate the Store unless prohibited from so doing by an act of God, a religious holiday, or conditions beyond Your control (“Non-controllable Events”). You further agree to exercise Your best efforts, skills, and diligence in the conduct of the Business. In this connection, You agree to supervise Your employees to ensure compliance with the System. In addition, You and Your employees shall wear approved uniforms (*i.e.*, **Experimax** logoed apparel) during the operation of the Business;
- O. keep the exterior sign on the Premises lit until 11 o’clock PM or another hour as may be required by **EXM** or as required by local ordinances or landlord requirements;
- P. at all times maintain the interior and exterior of the Premises in a good state of repair and decoration, and in a clean, orderly and sanitary condition. You shall not permit animals of any type in the Premises except as required by law. If at any time **EXM** is of the opinion that You are not complying with Your requirements, **EXM** may, without prejudice to any

of the other remedies available to it, including termination of this Agreement, give You written notice of the steps required by **EXM** in order to ensure compliance. You shall comply at Your own expense with these requirements;

- Q. shall not sell anything or provide any service which does not conform with the standards associated with the Trademarks or of which **EXM** does not approve thereof which consent shall not be unreasonably withheld. You shall comply with all instructions given to You by **EXM** with regard to the standards or quality of the System and the Products (including display merchandising and packaging). You shall comply with any requirements that **EXM** establishes from time to time for national accounts or customers. In the event of a customer complaint, You shall follow the procedures outlined in the Operating Manual and provide to **EXM** such information as **EXM** may require to enable **EXM** to monitor the performance of the Business and to offer guidance to You;
- R. replace any equipment items as may become obsolete or inoperable with items that meet **EXM's** new requirements in respect to opening a new Store. If, by reason of any change to the System, additional or different equipment is required, then You shall acquire and install these items as commercially practicable, within a reasonable period of time as specified by **EXM**;
- S. use Your best efforts to maintain the highest standards in all matters connected with the Business and increase the revenues of the Business at the Premises;
- T. only employ as a Manager of the Business a person who has successfully completed **EXM's** training course;
- U. procure from any Manager and from such other staff, as **EXM** shall require, an agreement to be supplied by **EXM** not to use or disclose to any third party any information or knowledge concerning **EXM's** business, the Business, or the System and to comply with the non-compete requirements set forth in Sections 17.F.i. and 17.F.ii. of this Agreement for two years following termination of his or her employment with You;
- V. not do anything which may bring the System into disrepute or which may damage the interests of **EXM** or the Network;
- W. not own or manage any business other than the **Experimax** Business which is similar to or competitive with Your **Experimax** Business or any other Store, except with the prior written consent of **EXM**;
- X. maintain the System and other information relating to the conduct of the Business in strict confidence and secret and shall only use them for the purpose of conducting the Business during the term of this Agreement. You shall not use, disclose, publish or otherwise make this confidential information available to any third party during or at any time after the term of this Agreement, but this provision shall not apply to the System if it has become generally known or easily accessible other than through a breach of this Agreement or other default of Yours;

- Y. You shall not interfere with **EXM's** prospective franchise sales or its contractual relationships with its existing franchisees by soliciting prospective or existing franchisees for the sale of any product, service or another business opportunity.
- Z. indemnify and hold **EXM** harmless against all claims, demands, damages, cost or expenses which may be incurred or received by **EXM** resulting from any breach of this Agreement on Your part, the negligence of any party (other than **EXM**), or arising directly or indirectly out of the management or operation of the Business or the use or occupancy of the Premises, or in connection with Your sale, transfer or assignment of the Business and franchise license, which indemnification obligation survives the expiration or termination of this Agreement. It is the intention of the parties to this Agreement that **EXM** shall not be deemed a joint employer with You for any reason; however, if **EXM** incurs any cost, liability, loss or damage as a result of any actions or omissions of You or Your employees, including any that relate to any party making a finding of any joint employer status, You will fully indemnify **EXM** for any such cost, liability, loss and damage;
- AA. have Internet access and an e-mail address. You must use the Internet website, domain name and email address(es) provided by **EXM** from time to time and pay to **EXM** and/or its designated vendors the initial start-up fee, annual hosting and maintenance fees for the website, domain name and fees for the email address(es). You cannot use any other website or domain name to promote the Business without the written permission of **EXM**. You cannot use any email address and related mail server other than the one(s) provided by **EXM** to conduct **Experimax** related business activities, except for bulk email which must be sent through an approved email service (bulk mail is any email sent to more than 100 recipients). If **EXM** discovers You have obtained or are using another website, domain name or email address for or in connection with Your Business without **EXM's** written permission, **EXM** shall notify You and upon notice, You shall immediately transfer and assign the same to **EXM**. **EXM** will, at its discretion, determine the content and use of Your **Experimax** website and will establish the rules under which franchisees may or will use their websites (including advertising **EXM's** website address on Your Store's front window and in printed literature) or separately use the Internet or other on-line communications in the operation of the Business. Without the written permission of **EXM**, You cannot use Internet tools such as but not limited to search engine optimization for the purpose of promoting Your Business to customers in the designated territory of another **EXM** franchisee. **EXM** will retain all rights relating to the website and may alter or terminate the website upon 30 days' notice to You. Your general conduct on the website or other on-line communications and specifically Your use of the Trademarks or any advertising on the website or other on-line communications (including the domain name and any other Trademarks **EXM** may develop as a result of participation in the website or other on-line communications) will be subject to the provisions of this Agreement. Any custom enhancements to Your Internet website shall be at Your expense and must be performed by a vendor approved by **EXM**. You acknowledge and agree that **EXM** may, in its sole discretion, modify, substitute, or reassign websites, webpages, domain names or email addresses which **EXM** designates for Your use in the Business during the term of the Franchise Agreement. Your right to use Your website, webpage, domain name and/or email address(es) or otherwise use the Trademarks or System on the Internet or in other on-line communications will terminate when this Agreement expires or terminates. You

further acknowledge and agree that the terms and conditions set forth in this Section Six AA apply with respect to websites, domain names and email addresses used by any employee of Yours in connection with the conduct of **Experimax** related business activities.

- BB. effect such items of modernization, refurbishing and/or replacement of equipment, computers and software, signage, fixtures, display areas, furnishings and improvements, as **EXM** deems reasonably necessary, (no more than once every three years, except with regard to computers and software for the purpose of implementing usage of a EPOS system which may be specified by **EXM** for use in Stores from time to time) to permit Your Store to conform to the standards then prescribed by **EXM** for similarly situated new Stores. You acknowledge and agree that the requirements of this Section 6.BB. are both reasonable and necessary to insure continued public acceptance and patronage of Stores and to avoid deterioration or obsolescence in connection with the operation of Your Store. Each and every transfer of any interest in this Agreement or the business conducted hereunder governed by Section 15 also is expressly conditioned upon compliance with the foregoing requirement without regard to the number of years since the last modernization, refurbishing and/or replacement; and
- CC. Comply with **EXM's** policies with regard to the use of social media to promote Your Business and/or in connection with Your use of the System and Trademarks and Your participation in the Network.

Seven: INITIAL TRAINING

- A. **EXM** will train You or Your initial Manager in the operation of the System at its Training Center in Florida for two weeks.
- B. The initial franchise fee paid by You pursuant to Section 10.A.i. shall cover the charge for such training for one person (including one coach class round trip airfare, one daily meal and accommodations). **EXM** shall not compensate You for any service performed during this initial (or any) training period. If You bring additional persons to the initial training, You will pay a training fee of \$225 or the then current fee and be responsible for their travel, meals and their accommodations.
- C. **EXM** may at any time during training, by notice in writing, inform You that any person submitted for training is not suitable due to blatant criminal activities, disreputable behavior, poor attendance and/or disturbing fellow trainees. In this event, **EXM's** obligations in respect to the first trainee shall be regarded as discharged and any further training for any replacement for the first trainee shall be provided at Your expense.
- D. **EXM** shall have the right to require You to attend further training courses at any time during the Term of this Agreement if:
 - i. **EXM** considers attendance at such courses to be advisable;
 - ii. **EXM** wishes to train You in new and improved techniques that have been devised and which You will be required to put into effect in operating the System; or

- iii. a regularly scheduled training program is scheduled or in session.

There will be no training fee or charge for these additional training classes; however, all costs of attendance shall be at Your sole expense.

Eight: CONTINUING TRAINING

- A. **EXM** will train any subsequent Manager, replacement staff, or any trainee of Yours in any place **EXM** may require, and at Your expense. There will be a training fee of \$225 or the then current fee and You will be responsible for their travel, accommodation and meal expenses
- B. You shall establish and maintain a training program for Your staff in accordance with the requirements contained in the Operating Manual.
- C. **EXM** shall make available training for new equipment (whether provided by **EXM** or its vendors or others) at Your expense.
- D. **EXM's** initial and continuing training are provided so that You, Your Manager and staff receive the benefit of **EXM's** accumulated experience and knowledge relating to the Business and to ensure a uniform image and uniform quality of products and services in all Stores. You acknowledge that You are solely responsible for training Your staff and Manager. **EXM** is not an employer, co-employer or joint employer with You of Your employees. You are solely for all employment matters, decisions and relationships.

Nine: IMPROVEMENTS

EXM shall endeavor to create and develop new and improved methods of conducting a business in accordance with the System.

- A. **EXM** agrees to make these improvements, additions, modifications or innovations available to You at the earliest possible opportunity. You in turn will notify **EXM** of any improvements, additions, modifications or innovations in Your method of operation which You believe would assist in the development of the System.
- B. In order that You, **EXM**, and its other franchisees may all benefit from the free interchange of ideas, You shall permit **EXM** to introduce into the System and/or the Operating Manual any improvements, additions, modifications, or innovations which may have been notified by You to **EXM** without any payment being made to You.

Ten: FEES

In consideration of the grant of the franchise herein, You shall pay to **EXM** the following:

- A. **Franchise Establishment Fee.** Upon the execution hereof, You shall pay **EXM** a franchise establishment fee of FORTY NINE THOUSAND FIVE HUNDRED DOLLARS (\$49,500.00), receipt of which **EXM** hereby acknowledges. The franchise establishment fee shall be deemed fully earned and non-refundable upon the execution of this Agreement.

A deposit of NINE THOUSAND FIVE HUNDRED DOLLARS (\$9,500.00), if submitted prior to this Agreement, shall be credited against the Franchise Establishment Fee with the balance due and owing upon signing this Agreement.

- B. **Royalty Fees.** During the term of this Agreement, You shall pay to **EXM** a monthly Royalty Fee of 6% on Your Gross Revenues or a proportionate part, for any trading period of less than a month.
- C. **Marketing Fees.** During the term of this Agreement, You will pay to the Advertising Fund (the “Fund”) or its successors and assigns a monthly Marketing Fee equal to the greater of 1% of Your Gross Revenues or Five Hundred Dollars (\$500.00) for the month or a proportionate part, for any trading period of less than a month.
- D. **Technology Fees.** During the term of this Agreement, You will pay to **EXM** a monthly fee for hosting and maintenance of Your website, domain and email account(s) or address(es) of One Hundred Twenty Dollars (\$120.00) or the then current fee.
- E. For the purposes of this Agreement, “Gross Revenue” means the entire amount of all of Your revenues arising out of the ownership or operation of the Store or any business at or about the Store. This amount is to include, without limitation, revenues derived from or relating to all sales and fees charged for products and services rendered at, or for orders placed at or completed for delivery in, through, or from the Store. The revenues are determined regardless of whether they are evidenced by cash, credit, checks, services, property or other means of exchange, excepting only the amount of any sales taxes that are collected and paid to the taxing authority. Cash refunded or credit given to customers, shall be deducted in computing Gross Revenue to the extent that such cash or credit represent amounts previously included in Gross Revenue on which Royalty and Marketing Fees were paid. Gross Revenue shall be deemed received by You at the time the goods, products, merchandise, or services from which they were derived is completed regardless of whether same has been delivered. Gross Revenue consisting of property or services shall be valued at the prices applicable, at the time such Gross Revenue are received, to the products or services exchanged for such Gross Revenue.
- F. You shall report to **EXM** Your Gross Revenue by the 5th day of the month by submitting electronically, or in such other form as **EXM** may designate from time to time, a monthly Royalty Fee and Marketing Fee Statement.
- G. Payment of the Royalty Fees, Marketing Fees and Technology Fees will be through electronic withdrawal from Your bank account and shall be done during the period from the 6th through the 10th day of the month following the month to which the fee applies. **EXM** reserves the right to change the method of payment from electronic transfer to such other manner of payment that **EXM** deems appropriate.
- H. Upon execution of this Agreement and/or at any other time thereafter at **EXM**’s request, You shall sign an authorization substantially in the form attached to this Agreement as Schedule C and all other documents necessary to permit **EXM** to withdraw funds from Your designated bank account by electronic funds transfer in the amount of the Royalty

Fee, the Marketing Fee and all other fees and amounts described in this Agreement. Any fee calculated by reference to Gross Revenue shall be based on the information in the applicable fee statement submitted pursuant to Section 10.F. above or, if the statement has not been submitted on a timely basis, **EXM** may process an electronic transfer for the subject month based on the average of the three most recent fee statements provided by You to **EXM** plus a late report fee of One Hundred Dollars (\$100.00). If the fee statement(s) for the subject month is (or are) subsequently received and reflects (i) that the actual amount of the fee(s) due **EXM** or the Fund was greater than the amount withdrawn, then **EXM** shall be entitled to withdraw additional funds from Your bank account for the difference; or (ii) that the actual amount of the fee due was less than the amount of the withdrawal, then **EXM** shall credit the excess amount to the payment of Your future obligations or other amounts due to **EXM** or the Fund. Should any electronic funds transfer not be honored by Your Bank for any reason, You agree that You shall be responsible for that payment plus any service charge applied by **EXM** or its bank. If any payments due **EXM** under this Agreement, whether to be paid by electronic funds transfer or otherwise, are not received when due, interest on the amount past due will be charged interest by **EXM** at the rate of 18% per annum or the maximum rate of interest permitted by law, whichever is less plus a late charge of \$10.00 per day for each day the payment is late. You acknowledge and agree that You have no right to withhold payment of the fees due under this Section 10 by right of Your dissatisfaction with **EXM's** performance of its obligations under this Agreement and that if You are so dissatisfied, You will pursue other remedies at law which may be available. Additionally, in the event of non-payment by You of any of Your obligations under this Agreement and the failure to cure such non-payment within 15 days of the due date of the payment, **EXM**, at its option, may withhold services from You including but not limited to store support, email access, remote support, website access and Fund-sponsored services.

- I. As security for all Your monetary and other obligations to **EXM**, or its affiliates, You hereby grant to **EXM** a first priority security interest in all of Your assets used in connection with the Store and wherever located, including, without limitation, all furniture, fixtures, machinery, equipment, inventory, and all other property, tangible or intangible), now owned or hereafter acquired by You, as well as all contractual and related rights of You under this Agreement and all other agreements between the parties. All assets subject to **EXM's** security interest which can be kept within the Premises of the Store shall be kept within said Premises and shall not be sold (except in the ordinary course of business), or transferred, assigned, conveyed, encumbered, destroyed, relocated, moved or removed from such Premises without **EXM's** prior written consent. You agree to execute such financing statements, continuation statements, notices of lien, assignments, or other documents as may be required in order to perfect and maintain **EXM's** security interest. **EXM** agrees to subordinate its security interest to any working capital lender of Yours and to the purchase money security interest of an approved equipment vendor for any equipment purchased by You and used in the operation of the Store. You shall pay all filing fees and costs for perfecting **EXM's** security interest. You acknowledge that this Agreement constitutes a security agreement for the purposes of the attachment, perfection, and enforcement of the foregoing security interest. Upon the occurrence of any default under this Agreement, **EXM** shall have and be entitled to exercise all rights to which a

secured party may be entitled under the version of the Uniform Commercial Code of the state where the Premises are located.

Eleven: ACCOUNTING AND REPORTING

A. You shall:

- i. install and use the Electronic Point of Sale (“EPOS”) System specified by **EXM**. You shall accurately record all transactions through the EPOS System and shall ensure that **EXM** shall have access to Your EPOS System at all times for the purpose of obtaining information relating to the Business. In the event of any failure of the EPOS System, during the operation of the Business, You shall manually keep accurate records which shall be entered into the EPOS System as soon as may be practicable following rectification of the cause of the breakdown. Upon **EXM**’s request, You shall modify, upgrade and replace the EPOS System from time to time and shall install and use the modified, upgraded or new EPOS System in accordance with this Section;
- ii. maintain on the Premises in a form approved by **EXM** (and preserve the same for at least six years after the end of the financial year to which they relate and thereafter for so long as any dispute shall remain outstanding between the parties) full and accurate balance sheets and profit and loss statements and all underlying or supporting records and vouchers (including the cash register rolls, bank statements, deposit slips and tax returns) relating to the Business. You shall permit **EXM** (or any person, firm or company nominated by **EXM**) during business hours to inspect and take copies of Your books of account and records including but not limited to, records stored within Your EPOS System, cash register rolls, bank statements, deposit slips, tax returns and other financial books of account and records. At **EXM**’s request, You shall promptly transmit or send copies of Your books of account and records to **EXM** (or any person, firm or company nominated by **EXM**) for review and inspection. If, on any such inspection or review, a discrepancy greater than 2% of Gross Revenue is found between the sums reported as Gross Revenue and the actual Gross Revenue for any reporting period, then You shall, without prejudice to any other rights which **EXM** may have, reimburse **EXM** for all costs incurred in conducting such inspection including travel, hotel, subsistence, salaries and fees;
- iii. perform a full inventory on the last day of each month and make copies available in writing for **EXM**’s review;
- iv. for each of Your accounting years supply to **EXM** financial statements (including a balance sheet and profit and loss statement) for Your full accounting year prepared by your accountant which shall be certified by you to **EXM** as correct. Such certificate and financial statements shall be delivered to **EXM** within 45 days from the end of the said accounting year. You agree to have such annual financial statements prepared separately for the **Experimax** Business and not on a

consolidated basis with the assets or liabilities or profits and losses of any other business with which You are associated reflected therein;

- v. for each of Your tax years supply to **EXM** copies of your federal and state tax returns and sales tax returns or in lieu of federal tax returns supply to **EXM** each tax year IRS Form 4506-T (or any successor form designated by the IRS), executed by You and authorizing the IRS to send **EXM** a copy of Your Tax Return Transcript. You agree to prepare and file such returns separately for the **Experimax** Business and not on a consolidated basis with the income, sales, expenses or deductions of any other business with which You are associated reported therein.

B. EXM shall:

- i. have the right to verify all of Your sales directly with customers; and
- ii. have the right to verify all of Your purchases and other expenses directly with Your suppliers, vendors, and employees.

C. You shall not combine and/or commingle Your **Experimax Business operations with that of any other business. You shall not use the bank account or EPOS System designated for Your **Experimax** Store to process transactions, sales, make deposits or pay expenses for another business. You agree to keep the financial books of account and records of Your **Experimax** Business separate and apart from Your personal financial books and records and from the books and records of any other business with which You are associated. You shall not file consolidated tax returns for the **Experimax** Business which consolidate the income or deductions of the **Experimax** Business with those of another business.**

D. You acknowledge that **EXM has the right to access remotely all EPOS data on Your computer and other data which may be hosted on servers and that **EXM** may use such data for such business purposes as it deems proper provided that **EXM** shall not sell, transfer or share such data to or with any other person or entity during the term of this Agreement except in connection with: (i) the transfer of this Agreement as permitted under Section Fifteen of this Agreement; (ii) the compilation of operating statistics on all franchises, or subsets thereof, for public distribution; (iii) the compilation of sales rankings and/or comparative sales charts and tables and benchmarks for publication to franchisees via an intranet site; (iv) financial performance representations for publication in **EXM's** franchise disclosure documents for prospective franchisees; and (v) other similar purposes.**

Twelve: ADVERTISING/MARKETING

- A. You shall pay the Fund a monthly Marketing Fee as specified in Section 10.C. The Fund will have the right to use the Marketing Fees in its absolute judgment and apply it to national marketing programs and promotional campaigns, as well as Internet advertising, web hosting and development and franchise recruiting efforts. The methods of marketing and promoting, media employed and contents, terms and conditions of marketing campaigns and promotional programs will be within the sole discretion of the Fund. Neither **EXM** or any affiliate of **EXM** will be required to pay Marketing Fees. Upon

written request **EXM** will provide You with an unaudited annual summary of the receipts and disbursements from the Fund.

- B. You shall be responsible for all Your own direct marketing and local advertising of the Business. In addition to the Marketing Fee paid to the Fund, You shall expend at least an amount equal to 5% of all gross revenues on direct marketing or local advertising (including public relations) in each year. **EXM** also believes in and encourages You to participate in cooperative advertising where available. For the purposes of this Paragraph, the term "direct marketing or local marketing" shall mean all marketing and public relations, sales personnel costs, advertising and promotions effected through the medium of the Internet, mobile marketing, email and other digital communications media advertising and promotions effected through the medium of local radio or television broadcasts, newspapers, periodicals, billboards and public relations.
- C. You alone at all times shall be responsible for ensuring your marketing materials and activities conform to applicable laws and regulations, do not infringe the intellectual property rights of any third party, including the intellectual property rights of third parties whose brands, trademarks, trade names or logos appear on Products offered for sale at the Business, and conform to any applicable guidelines, directions or permissions published or provided by the third parties in relation to the marketing, promotion or sale of Products that contain or are associated with brands, trademarks, trade names or logos of the third parties. In addition, You shall comply with the criteria and/or guidelines that **EXM** will establish from time to time for marketing and advertising (including public relations) activities. **EXM** will require that Your advertising materials include contact information for obtaining information regarding **EXM** franchises and the **EXM** franchise system. **EXM** may, from time to time, provide samples of certain marketing materials that You may duplicate and use, subject to You ensuring Your compliance with all applicable laws and regulations. In addition, **EXM** may provide sample copies of Yellow Pages or other telephone directory advertising or reproduction proofs of newspaper advertising from time to time, which, if observed, will not require any consent from **EXM**. All other marketing campaigns or promotional activities (including public relations) conducted by You shall be subject to the prior written approval of **EXM** whose decision will not be unreasonably delayed, although **EXM's** approval does not modify your obligations as outlined above, which remain your obligations alone.
- D. You shall, upon being requested to do so, provide **EXM** with details of Your proposed marketing, advertising and promotional activities. You acknowledge that **EXM** has explained the importance of the creation and maintenance of a full-time marketing program. You further acknowledge that a vital factor to the success of any Store lies in the creation and maintenance of a full-time marketing program. You agree to create and continuously conduct, during the Term a full-time and ongoing marketing program, and devote a minimum of three (3) hours per day, either personally or through an employee, to conducting such a marketing program. You further agree to create a marketing file and record all marketing activities therein. This file shall remain on the Premises and be available to **EXM** to review upon reasonable notice.

- E. You shall not actively market, advertise or solicit orders from customers within the Designated Territory of another franchisee, except as part of a cooperative advertising program with one or more other franchisees.
- F. You acknowledge that nothing in this Agreement imposes upon **EXM** or the Fund the duty or the obligation to provide direct or indirect marketing or promotion in relation to the Store. Neither **EXM** nor the Fund can ensure that its marketing or promotional activities will benefit You directly or be proportionate or equivalent to the Marketing Fees that You pay to the Fund.

Thirteen: INSURANCE

- A. You are required to obtain and maintain at Your cost and expense such policies of insurance in such amounts and from such carriers as may reasonably be required by **EXM** from time to time throughout the Term. You shall periodically provide **EXM** with such proof as **EXM** may require from time to time that You have obtained and are maintaining the insurance coverage required hereunder. Such insurance shall include, without limitation:
 - i. comprehensive general liability policy with a minimum combined single limit covering bodily injury and property damage with respect to the Premises and products, and completed operations of One Million Dollars (\$1,000,000);
 - ii. owned auto insurance with a minimum combined sign limit covering bodily injury and property damage of One Million Dollars (\$1,000,000); and
 - iii. all insurance required by applicable law, including workers compensation and disability (limits may vary according to geographical location). If the applicable laws in Your state do not require the owners of a business to be covered by workers compensation insurance, You shall elect coverage for Yourself.
- B. You shall name **EXM** as an additional named insured on all insurance policies required hereunder which policies shall be considered as primary in the event of loss or claim.
- C. You shall not terminate any insurance policy required to be obtained and maintained hereunder, nor modify or amend the terms thereof, without **EXM's** prior written consent, which consent shall not be unreasonably withheld, and each policy must provide that it shall not be canceled, modified or subjected to non-renewal, without at least 10 days prior written notice to **EXM**.
- D. This Section 13 references minimum requirements. You should consult with Your local insurance agent and legal counsel to ensure Your Business is adequately insured, You have all insurance required by law or by the terms of any agreement to which You are a party.

Fourteen: TRADEMARKS

- A. You shall only use the Trademarks in connection with the operation of the Business and only in a form and manner approved by **EXM**. All domain names and e-mail addresses to

be used in Your Business must be approved in writing prior to use and all domain names that include the word **Experimax** or any of the Trademarks will be the property of **EXM**.

- B. In no circumstances shall You apply for registration with respect to any of the Trademarks or which would conflict with the Trademarks, nor shall You take any action or refuse or decline to take any action which may result in harm to the Trademarks or put any registrations or applications to register at risk.
- C. You shall comply with **EXM's** instructions in filing and maintaining the requisite fictitious, trade or assumed name registrations for the Trademarks.
- D. You shall, in all representations of the Trademarks on the Products, attach in a manner approved by **EXM** such inscription as is usual or proper for indicating that such Trademarks are registered.
- E. You acknowledge that the use of the Trademarks outside the scope of this Agreement, without **EXM's** prior written consent, is an infringement of **EXM's** rights in the Trademarks, and You expressly covenant that during the Term, and after the expiration or sooner termination of this Agreement, You shall not, directly or indirectly, commit an act of infringement or contest, or aid in contesting the validity or right of **EXM** to the Trademarks, or take any other action in derogation of such rights.
- F. In the event of any claim of infringement, unfair competition or other challenge to Your right to use the Trademarks, or in the event You become aware of any use of or claims to the Trademarks by persons other than **EXM** or its authorized franchisees, You shall promptly (but in no event more than 15 days later) notify **EXM** in writing. You shall not communicate with anyone except **EXM** and its counsel in connection with any such infringement, challenge, or claim except pursuant to judicial process. **EXM** shall have sole discretion as to whether it takes any action in connection with any such infringement, challenge or claim, and the sole right to control exclusively any litigation or other proceeding arising out of any infringement, challenge or claim relating to the Trademarks. You must sign all instruments and documents, render any assistance, and do any acts that **EXM's** attorneys deem necessary or advisable in order to protect and maintain **EXM's** interest in any litigation or proceeding related to the Trademarks or otherwise to protect and maintain **EXM's** interests in the Trademarks.
- G. If it becomes advisable at any time, in **EXM's** sole discretion, to modify or discontinue the use of any of the Trademarks and/or use one or more additional or substitute names or marks, for reasons including, but not limited to, the rejection of any pending registration or revocation of any existing registration of any of the Trademarks, or the superior rights of senior users thereof, You will immediately, upon written notice from **EXM** and at Your expense, make all changes or modifications to the Trademarks as specified by **EXM**.

Fifteen: ASSIGNMENT & RESALE (SALE OF BUSINESS)

- A. You shall have the right to assign the Franchise and to sell the Business with the prior written consent of **EXM**, which consent shall not be unreasonably withheld and subject to the conditions listed in Section 15.C. below.

- B. **EXM** will grant to a purchaser of the Business who is acceptable to it a franchise for a period equal to the term then being granted by **EXM** to new franchisees (commencing the date of the sale of the Business) and upon similar terms and conditions to **EXM's** then current form of franchise agreement, excluding the payment of an initial fee.
- C. Subject to Sections 15.D. through 15.F. below, the conditions required to obtain the written consent of **EXM** to the sale of the Business by You shall be that:
- i. any prospective purchaser shall submit his offer in writing, shall be bona fide and at arms length, and shall meet **EXM's** standards with respect to the selection of new franchisees;
 - ii. the prospective purchaser or its management team must agree to successfully complete **EXM's** initial training program prior to assuming the daily duties of the Business;
 - iii. the prospective purchaser must enter into a new franchise agreement prior to attending or receiving such training as may be required by **EXM**;
 - iv. Your Store is in compliance with **EXM's** current standards for equipment, fixtures, signage, store displays and furnishings, or is brought into compliance prior to the completion of the transfer to the prospective purchaser;
 - v. You or the prospective purchaser shall pay to **EXM** a transfer fee of the greater of \$29,500.00 or the then current transfer fee charged under the then current agreement;
 - vi. You must not, at the time of Your application for consent, be in breach of any of Your obligations to **EXM** under the terms of this Agreement; and
 - vii. payment is made by You of all costs and all obligations by or of You to **EXM** and any suppliers are discharged without any right of deduction or set-off.
- D. You shall, as soon as possible, submit to **EXM** a copy of each written offer or full details of any other offer which You receive from any prospective purchaser to purchase Your Business from You, together with the following information:
- i. a financial statement and the business history of the prospective purchaser; and
 - ii. details of all terms that may have been agreed or proposed between You and the prospective purchaser.
- E. **EXM** shall, in addition to its other rights under this Agreement, have an option to purchase the Business for the same amount and upon the same terms as the prospective purchaser has offered. In the event of (i) a transfer or assignment of stock, share capital or similar ownership interest or (ii) Your insolvency or bankruptcy, the offer shall be for Your interest in this Agreement, and the equipment, inventory, fixtures and leasehold interest used in the

operation of the Business. An amount and terms of purchase under these conditions shall be established by a qualified appraiser selected by the parties.

- F. **EXM** shall have a period of 10 days after receipt of written notice and the information referred to in Section 15.D. above, to exercise its option to purchase by notice in writing to You. The sale and purchase shall be completed within 15 days following the service of **EXM's** Notice, or if any landlord's license is required, 10 days after such license shall have been obtained.
- G. For the purpose of this Section, any change in Your beneficial ownership of the issued share capital or of Your true control shall be deemed to be an assignment of this Agreement. In addition, in the event of any attempt by You to circumvent the provisions of this Section by selling or transferring all or any portion of the assets of the Business without transferring Your rights under this Agreement, You shall be liable to **EXM** for the full amount of the fee due **EXM** under Section 15.C.v. of this Agreement.
- H. In the event of Your death or incapacity, where You are an individual, or in the case that You are a corporation, then in the event of the death or incapacity of the owner, this Agreement will be transferable without additional fee or penalty, provided that the transferee meets **EXM's** approval, as noted above in this Section 15, which shall not be unreasonably withheld.
- I. **EXM** reserves the right to sell or assign, in whole or in part, its interest in this Agreement. Any sale or assignment shall inure to the benefit of any assignee or other legal successor.

Sixteen: TERMINATION

- A. **EXM** may terminate this Agreement by written notice to You without any opportunity to cure if:
 - i. You fail to commence the Business within the period of 180 days from the date of this Agreement;
 - ii. You fail to keep the Store open for business for a consecutive period of 10 days unless this is because of major refurbishment or repair or because of the effects of explosion flood or fire or for a reason to which **EXM** has given its prior written consent;
 - iii. in Your franchise application or supporting details You have provided **EXM** with information which contains any false or misleading statements or omits any material fact which may make any statement misleading;
 - iv. You become insolvent, adjudicated a bankrupt, have a voluntary or involuntary petition in bankruptcy or any other arrangement under the bankruptcy laws filed by or against You, make an assignment for the benefit of creditors, or if a receiver or trustee in bankruptcy is appointed to take charge of Your affairs or property;

- v. You commence dissolution proceedings or have such proceedings commenced against You;
 - vi. You permit a judgment against You to remain unsatisfied or un-bonded of record for 30 days;
 - vii. You knowingly maintain false, inaccurate, or incomplete books or records, or knowingly submit a false report to **EXM**;
 - viii. You receive 2 or more prior notices of default hereunder from **EXM** during any twelve 12 consecutive-month period, notwithstanding that such defaults were cured;
 - ix. there shall be a purported or deemed assignment of this Agreement or of the Business other than a sale of the Business under and in accordance with the provisions of Section 15;
 - x. **EXM** suspects, on reasonable grounds, that any material proprietary information concerning **EXM**'s business, the System, or particulars of any communication from **EXM** to You is being or has been communicated in any way to any competitor of **EXM** by You or at Your direction, by any of Your employees (or the Principal or any of Your shareholders) or any other person associated with Your employees, the Principal, or any shareholder; or
- B. In addition to the immediate termination rights set forth in Section 16.A., **EXM** may terminate this Agreement by written notice to You if You neglect or fail to perform any of Your other obligations under this Agreement including failure to pay any amounts due to **EXM** under this Agreement or any other obligation of Franchisee to **EXM** or submit reports, or You fail to provide the Services to the standards required by **EXM** as set out in the Operating Manual, and You fail to remedy such default, neglect or failure to **EXM**'s satisfaction within (i) 15 days after written notice from **EXM** in the case of a failure to provide monthly sales reports or pay royalty and marketing fees or, (ii) in the case of any other default, neglect or failure, within 30 days after written notice from **EXM**.
- C. All Your rights under this Agreement shall cease if **EXM** terminates this Agreement under the provisions of this Section 16.
- D. THIS LICENSE AGREEMENT MAY BE TERMINATED ONLY BY **EXM** AND NO PROVISION IS MADE IN THIS AGREEMENT FOR THE UNILATERAL TERMINATION OF THIS AGREEMENT BY YOU.

Seventeen: CONSEQUENCES OF TERMINATION

Upon the expiration or sooner termination of this Agreement:

- A. You will immediately discontinue the use of the Trademarks, signs, cards, notices and other display or advertising matter indicative of **EXM**, or of any association with **EXM** or of the Business or Products of **EXM**, and will make or cause to be made such changes in signs,

cards, notices and other display or advertising matter, buildings and structures as **EXM** shall direct so as effectively to distinguish the business from its former public image and marketing image as an **Experimax** Store including but not by way of limitation a change in the colors used. If within 30 days of such direction You fail or omit to make or cause to be made any change, then **EXM** shall have the power (without incurring any liability to You), without Your consent, save this consent that You give irrevocably, to enter upon the Premises and to make or cause to be made any such change, at Your expense, which expense You shall pay on demand. In addition, all items that may have been loaned to You by **EXM**, including the Operating Manual, shall be returned immediately to **EXM** at Your expense. You shall also forthwith pay to **EXM** (without any deduction or right of set-off) all sums of money which may be payable or owing (whether or not then due for payment) from You to **EXM** or the Fund.

B. You shall further and forthwith:

- i. provide **EXM** with an electronic file containing a list (including names addresses and telephone numbers) of all customers, the customer database, sales records, inventory database; all customer files including all past invoices, address card-file entries, and business cards; a copy of the customer list, databases, records to be turn over to **EXM** may not be sold or otherwise transferred to any person or entity without our written consent; and copies of such information can only be retained by You to the extent needed to file required tax returns
- ii. assign to **EXM** in such form as **EXM** shall require, the benefit of such contracts with customers as **EXM** may specify and pay over to **EXM** any sums received on account of such contracts (without any deduction or right of set off);
- iii. join with **EXM** in canceling any permitted use of the Trademarks;
- iv. cease the use of all material of whatever nature of which the copyright is vested in **EXM** or where its continued use would in any way infringe **EXM's** copyright; and
- v. maintain the System and other information relating to the conduct of the Business in strict confidence and secret, and not use, disclose, publish, or otherwise make it available to any third party.

C. You shall change and, if requested, assign to **EXM**, any listed telephone numbers, fax numbers, domain names and e-mail address relating to the Store and also execute any and all documentation necessary to assign any such telephone and fax numbers, domain names and e-mail address to **EXM**. You hereby authorize and irrevocably constitute and appoint as Your attorney-in-fact for such limited purpose **EXM** to take such actions and to make, execute, and deliver such documents for and on Your behalf as may be required to assign to **EXM** the right to use and own such telephone and fax numbers, domain names and e-mail address, the foregoing power being a power coupled with an interest, and hereby direct the appropriate telephone company, domain name registry and internet service provider to so transfer the ownership of said numbers, domain names and e-mail address as may be directed by **EXM**, in accordance with the Assignment of Telephone Numbers, Domain

Names and E-Mail Addresses signed herewith, a copy of which form is attached as Schedule B.

- D. You shall not maintain call forwarding telephone number referral with respect to any telephone numbers formerly used in connection with the Store.
- E. In the event the Premises are leased from a third party, You shall, at **EXM's** option, assign to **EXM** Your interest in the Lease. You shall be and remain liable for all of its obligations accruing up to the effective date of any lease assignment. In conjunction with the foregoing, You shall execute and deliver to **EXM** an Assignment of Lease in such form as may be requested by **EXM**.
- F. Noncompete Covenant:
 - i. Upon the expiration or termination of this Agreement and for a period of two years thereafter, You shall not, within a radius of twenty-five (25) miles from the Premises or the premises of any other Store, be engaged, concerned, or interested in any capacity whatsoever in a business which competes with the Business or any other business within the Network (except as the holder of not more than 5% of the shares in any company whose shares are listed or dealt in any Stock Exchange or other recognized public market).
 - ii. You shall not, for a period of eight months after the expiration or termination of this Agreement, solicit for business from any person who was, during the period of two years prior to such expiration or termination, a regular customer of or in the habit of dealing with the Business.
 - iii. You acknowledge and confirm that the length of the term and geographical restrictions contained in this Section are fair and reasonable and not the result of overreaching, duress, or coercion of any kind. You further acknowledge and confirm that Your full, uninhibited, and faithful observance of each of the covenants contained in this Paragraph will not cause You any undue hardship, financial or otherwise, and that enforcement of each of the covenants contained in this Section will not impair Your ability to obtain employment commensurate with Your abilities and on terms fully acceptable to You, or otherwise to obtain income required for the comfortable support of Your family, and Your satisfaction of the needs of Your creditors. You acknowledge and confirm that Your special knowledge of the business of a Store (and anyone acquiring such knowledge through You) is such as would cause **EXM** and its franchisees serious injury and loss if You (or anyone acquiring such knowledge through You) were to use such knowledge to the benefit of a competitor or were to compete with **EXM** or any of its franchisees.
 - iv. In the event any court shall finally hold that the time or territory or any other provision stated in this Section constitutes an unreasonable restriction upon You, You agree that the provisions of this Agreement shall not be rendered void, but shall apply as to time and territory or to such other extent as such court may

judicially determine or indicate constitutes a reasonable restriction under the circumstances involved.

- G. **EXM** shall have the option (but not the obligation) to be exercised by providing written notice of intent to do so, within 30 days after the expiration or sooner termination of this Agreement, to purchase any items bearing the Trademarks or other assets owned by You, including, without limitation, any or all signs, advertising materials, supplies, inventory, equipment, furnishings, fixtures, or other items at a price equal to Your cost or fair market value, whichever is less. If the parties cannot agree on fair market value within a reasonable time, an independent appraiser shall be designated by **EXM** whose costs shall be borne equally by the parties, and his or her determination shall be final and binding. The fair market value of tangible assets shall be determined without reference to good will, going concern value, or other intangible assets. If **EXM** elects to exercise its option to purchase, it shall have the right to set off all amounts due from You under this Agreement, and the cost of the appraisal, if any, against any payment to You. Should You fail or refuse to execute and deliver the necessary documents to transfer good title to Your assets to **EXM**, or its nominee, **EXM** shall be entitled to apply to any court of competent jurisdiction for a mandatory injunction to compel You to comply with the rights granted in this Agreement. All costs and expenses relating to such litigation, including **EXM's** reasonable attorneys' fees and costs, shall be payable by You to **EXM**, upon demand, and may be credited by **EXM** to the agreed purchase price.

Eighteen: ENTIRE AGREEMENT; FAILURE TO EXERCISE RIGHTS NOT TO BE A WAIVER

- A. You acknowledge:
- i. that You have been told that if there are any pre-contractual statements which You consider have been made to You which have induced You to enter into this Agreement, You are obliged to submit the particulars thereof to **EXM** so that any misconceptions or misunderstandings can be resolved. In such case, an agreed form of pre-contractual statements upon which You relied on may be annexed to and made part of this Agreement;
 - ii. You have been given the opportunity to provide **EXM** particulars of any pre-contractual statements which You consider have been made to You which have induced You to enter into this Agreement; and
 - iii. this Agreement therefore contains the entire agreement between the parties and accordingly no pre-contractual statements shall add to or vary this Agreement or be of any force or effect unless such pre-contractual statements are either contained in this Agreement or in an annex to it, and You waive any right You may have to sue for damages and/or rescind this Agreement for any pre-contractual statements not contained in this Agreement or an annex to it. Nothing in this Agreement or in any related agreement, however, is intended to disclaim the representations made in the Disclosure Document that **EXM** furnished to You. Nothing within this Agreement

shall be considered a waiver of reliance by You of the representations made in the Disclosure Document or its exhibits or amendments.

- B. In this Section, the expression “pre-contractual statements” includes written or oral pre-contractual statements or agreements, financial statements, profit projections, representations, warranties, inducements or promises whether or not made innocently or negligently.
- C. Your waiver contained in this Section shall be irrevocable and unconditional, but it is expressly provided that such waiver shall not exclude any liability of **EXM** for pre-contractual statements made by it fraudulently.
- D. No failure of **EXM** to exercise any power given to it under this Agreement or to insist upon strict compliance by You with any obligation and no custom or practice of the parties at variance with the terms of this Agreement shall constitute any waiver of any of **EXM**’s rights under this Agreement.
- E. Waiver by **EXM** of any particular default by You shall not affect or impair **EXM**’s rights in respect to any subsequent default of any kind by You nor shall any delay or omission of **EXM** to exercise any rights arising from any of Your defaults affect or impair **EXM**’s right in respect to said default or any other default of any kind.

Nineteen: INDEPENDENT CONTRACTOR

- A. This Agreement does not create a fiduciary relationship or the relationship of principal and agent between You and **EXM**. **EXM** is an independent contractor and, except as expressly permitted under this Agreement for certain rights of **EXM**, neither You nor **EXM** will under any circumstances, act or hold itself out as an agent or representative of the other nor incur any liability or create any obligation whatsoever in the name of the other.
- B. You agree to take such affirmative action as may be requested by **EXM** to indicate that You are an independent contractor, including placing and maintaining a plaque in a conspicuous place within the Premises and a notice on all stationery, business cards, sales literature, contracts, and similar documents which states that the Store is independently owned and operated by You. The content of such plaque and notice is subject to the prior written approval of **EXM**.
- C. You agree to take affirmative action to make Your Manager and staff conspicuously aware of the proper identity of their employer which is You and not **EXM** and also aware that notwithstanding any advice, guidance, standards and specifications provided by **EXM** to Your Business, **EXM** is not an employer, co-employer or joint employer with You of Your employees.

Twenty: ACKNOWLEDGEMENTS AS TO ADVICE GIVEN AND OTHER MATTERS

- A. You hereby acknowledge the exclusive right of **EXM** in and to the System as presently developed or as it may be improved and expanded during the term of this Agreement,

including practices, know-how, trade secrets, designs, marks, logos, window graphics, store decoration, signs, and slogans presently in use and to be used hereafter.

- B. You understand and acknowledge the importance of **EXM's** high standards of quality and service and the necessity of operating the Business franchised hereunder in strict conformity with **EXM's** standards and specifications.
- C. You acknowledge that **EXM**, in giving advice to and assisting You in establishing the Business (including but without prejudice to the generality of the foregoing recommending equipment and materials, and the assessment of Your suitability) bases its advice and recommendations on experience actually obtained in practice and is not making or giving any representations, guarantees or warranties except that its advice is based upon such previous experience as it has and the degree of success or lack of success in its dealings on its own account and with its franchisees. You acknowledge that You have been advised by **EXM** to discuss Your intention to enter into this Agreement with other franchisees of **EXM** and Your business advisors and that You must decide on the basis of Your own judgment of what You have been told by **EXM** or such other franchisees whether or not to enter into this Agreement. You further acknowledge that You recognize that the business venture contemplated by this Agreement involves business risks and that Your success will be affected by Your ability and commitment as an independent businessperson.
- D. Except where the context otherwise requires, each of the restrictions contained in this Agreement and in each Section and Paragraph shall be construed as independent of every other restriction and of every other provision of this Agreement, and the existence of any claim or course of action by You against **EXM** whatsoever shall not constitute a defense to the enforcement by **EXM** of said restrictions or of any of them.
- E. It is expressly agreed between the parties hereto that having regard to the recitals and other provisions of this Agreement, each of the restrictive covenants contained in this Agreement and in each Section and Paragraph is reasonably necessary for the protection of **EXM**, **EXM's** intellectual property rights and the other franchisees of **EXM** and does not unreasonably interfere with the freedom of action by You. You acknowledge that You have been advised by **EXM** to obtain independent legal advice before executing this Agreement, and that You are fully aware of its provisions and accept that they are fair and reasonable in all the circumstances known to or in the contemplation of **EXM** and You as of the date of this Agreement. In particular, You acknowledge that the provisions of this Agreement relating to the limits on Your right to make deductions or set offs (to which You may claim to be entitled) against payment of Royalties are fair and reasonable. You recognize that Your failure or refusal to make payments of such fees or contributions because of Your dissatisfaction with **EXM's** performance may result in Your continued involvement in the Network being subsidized by other franchisees who make payment of such fees and contributions. You also recognize that Your failure to pay such fees and contributions may adversely and materially affect the provision of services to franchisees who are members of the Network. You accept that the remedies available to You are not affected by the set-off or deduction provisions of this Agreement and the remedies are sufficient for Your purposes including as they do a right to sue for damages.

- F. You warrant that, except pursuant to an agreement with **EXM** entered into prior to the execution of this Agreement, You had no direct knowledge of the **Experimax** Business or how to operate a business similar to the **Experimax** Business or how to conduct the Business or of **EXM's** trade secrets, know-how methods or the System.
- G. In order to enable **EXM** to ascertain whether You are complying with the obligations imposed upon You under this Agreement, and in order to enable **EXM** to enforce rights given to it by this Agreement, **EXM** may, at any reasonable time, enter the Premises without Your consent.
- H. YOU SPECIFICALLY ACKNOWLEDGE THAT THERE IS NO **EXPERIMAX** STORE THAT MAY BE CONSIDERED TO BE A "TYPICAL" OR "AVERAGE" STORE. **EXM** MAKES NO REPRESENTATIONS OR GUARANTEES AS TO NET/GROSS SALES, PROFITS, COSTS OR EARNINGS YOU CAN EXPECT. YOU ARE NOT ENTITLED TO ANY COMPENSATION OR REIMBURSEMENT FOR LOSS OF PROSPECTIVE PROFITS, ANTICIPATED SALES, OR OTHER LOSSES OCCASIONED BY CANCELLATION OR TERMINATION. NO PERSON IS AUTHORIZED TO GIVE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN OR INCORPORATED IN THIS FRANCHISE AGREEMENT, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED.

Twenty-One: NO WARRANTIES WITHOUT AUTHORITY

You shall make no statements, representations, or claims and shall give no warranties to any customer or prospective customer in respect to the Products sold by You or the Services or the System or any of them, except for those warranties which are implied by law or which may have been specifically authorized in writing by **EXM**.

Twenty-Two: ACTIONS AGAINST FRANCHISEE

In the event any claim, demand, action, or proceeding is brought against You, or if You are notified of any violation of an applicable rule or statute, You will immediately (but in no event later than five days of such notification) notify **EXM** thereof, giving full particulars, and will diligently and expeditiously defend, compromise, cure, or satisfy such claim, action, demand, proceeding, or violation.

Twenty-Three: ADDITIONAL REMEDIES OF EXM

- A. You recognize that the business franchised hereunder is intended to be one of a large number of businesses identified by the Trademarks in selling to the public the products and services associated with the Trademarks, and hence the failure on the part of a single franchisee to comply with the terms of its franchise agreement is likely to cause irreparable damage to **EXM**, and damages at law would be an inadequate remedy. Therefore You agree that in the event of a breach or threatened breach of any of the terms of the Agreement by You, **EXM** shall be entitled to seek an injunction restraining such breach and/or decree a specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and costs incurred in obtaining said equitable relief.

The foregoing equitable remedy shall be in addition to all remedies or rights that **EXM** may otherwise have by virtue of any breach of this Agreement by You. **EXM** shall be entitled to seek such relief without the posting of any bond or security, and if a bond shall nevertheless be required by a court of competent jurisdiction, the parties agree that the sum of \$100 shall be a sufficient bond.

- B. **EXM** shall also be able to seek injunctive relief to prohibit any act or omission by You or Your employees that constitutes a violation of any applicable law, is dishonest or misleading to Your customers of other businesses, or constitutes a danger to Your employees or customers or to the public or which may impair the goodwill associated with the Trademarks.
- C. You expressly consent and agree that **EXM** may, in addition to any other available remedies, obtain an injunction to terminate or prevent the continuance of any existing default or violation, and/or to prevent the occurrence of any threatened default by You of this Agreement.

Twenty-Four: NOTICES

- A. All notices that **EXM** is required or may desire to give to You under this Agreement may be delivered personally or may be sent by certified mail or registered mail, postage prepaid, addressed to You at either the Premises address, or home address as noted in this agreement. All notices which You may be required or desire to give to **EXM** shall be sent by certified mail or registered mail, postage prepaid, addressed to: **Experimax Franchising, LLC** 2121 Vista Parkway, West Palm Beach, FL 33411. The addresses herein given for notices may be changed at any time by either party by written notice given to the other party as herein provided. Notices shall be deemed given upon personal delivery or 2 business days after deposit in the U.S. Mail.
- B. You must provide **EXM** with immediate written notice of any breach of this Agreement, or any other agreement between You and any of the following parties, that You believe to have been committed or suffered by **EXM**, its affiliates, or their respective owners, officers, directors, employees, or representatives. Notice of such breaches extends, without limitation, to breaches arising out of, or related to, the negotiation or performance of this Agreement by **EXM** or concerning misrepresentations or any acts of misfeasance or nonfeasance. If You fail to give **EXM** written notice within one year from the date of any such breach, then such breach shall be deemed to have been waived by You and, thereupon, You shall be permanently barred from commencing any action relating to such believed breach.

Twenty-Five: DISPUTE RESOLUTION

- A. Any controversy or claim arising out of or relating to this Agreement, the business franchised hereunder or the relationship between the parties, including any claim that this Agreement, or any part thereof, is invalid, illegal, or otherwise void, shall be determined exclusively in the Circuit Court in and for Palm Beach County, Florida, and each party waives any objection to the jurisdiction of the Florida Courts over them, agrees that, except

as to Federal Lanham Act claims, Florida law will apply to this Agreement and waives any right to objection to the jurisdiction or venue of the Palm Beach County Courts. However, prior to any Court proceeding taking place, either party may, at its option, submit the controversy or claim to non-binding mediation before the CPR Institute in accordance with its National Franchise Mediation Program or the American Arbitration Association, if the CPR Institute or other mutually agreeable mediator, is unable to conduct the mediation, in which event both parties shall execute a confidentiality agreement reasonably satisfactory to **EXM**. Upon submission, the obligation to attend mediation shall be binding on both parties. Each party will bear its own costs with respect to the mediation, except the fee for the mediator will be split equally. In the event of litigation, the reasonable attorney fees and costs of the prevailing party shall be paid by the non-prevailing party.

- B. The provisions of this Section 25 shall be construed as independent of any other covenant or provision of this Agreement; provided that if a court of competent jurisdiction determines that any such provisions are unlawful in any way, such court shall modify or interpret such provisions to the minimum extent necessary to have them comply with the law.
- C. **EXM** and You (and their respective owners) waive to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained by it.
- D. Mediation shall take place in Your home state.
- E. You acknowledge and agree that it is the intent of the parties that mediation or litigation between **EXM** and You shall be of **EXM**'s and Your individual claims, and that none of Your claims shall be mediated or litigated on a class-wide basis or on a joined or consolidated claim basis.

Twenty-Six: MISCELLANEOUS PROVISIONS

- A. This Agreement shall be binding upon the parties hereto, their heirs, successors, and permitted assigns. All persons signing as You shall be jointly and severally liable for its obligations to **EXM** under this and any other agreements between the parties.
- B. As to any provision in this Agreement wherein approval is required, or modification desired, such approval or modification must be in writing and signed by the party to be charged.
- C. If any portion of this Agreement is declared to be invalid by any court, such determination shall not affect the balance of this Agreement and the same will remain in full force and effect.
- D. The parties acknowledge that a substantial portion of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Palm Beach County, Florida, and that, therefore, each of the parties irrevocably and unconditionally:
 - (a) agrees that any suit, action or legal proceeding arising out of or relating to the offer,

negotiation, performance, validity or interpretation of this Agreement, shall be brought only in the courts of record of the State of Florida in Palm Beach County; (b) consents to the jurisdiction of each such court in any suit, action or proceeding; (c) waives any objection which he, she or it may have to the laying of venue of any such suit, action or proceeding in any of such courts; and (d) agrees that service of any court paper may be effected on such party by U.S. mail, or by any other manner as may be provided under applicable laws or court rules in the State of Florida. Notwithstanding the foregoing, if **EXM** deems it necessary to commence an action in Your jurisdiction to more fully or expeditiously determine, interpret or protect its rights, it may do so.

- E. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and any other agreement relating to this Agreement and all transactions contemplated by this Agreement and any other agreement relating to this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Florida without regard to principles of conflicts of laws.
- F. The captions herein are inserted for convenience only, and will not be deemed or construed to be a part of this Agreement or to define or limit the contents of the paragraph thereof.
- G. You acknowledge that State and Federal law may require the **EXM** to disclose Your home address in particular circumstances. You agree and give Your consent to use the same.
- H. **EXM** expressly reserves the right to revise, amend and change from time to time brand standards, branding standards, its standards, specifications and methods of establishing, developing and operating Stores and all such revisions, amendments, changes and improvements developed by **EXM**, You or other franchisees, shall be and become the sole and absolute property of **EXM**, and **EXM** shall have the sole and exclusive rights to copyright, patent, register and protect such improvements in **EXM's** own name, and You agree to abide by and conform to any such changes.
- I. THIS AGREEMENT AND THE SCHEDULES ATTACHED HERETO AND MADE A PART HEREOF CONTAIN THE ENTIRE AGREEMENT OF THE PARTIES. NO OTHER AGREEMENTS, WRITTEN OR ORAL, SHALL BE DEEMED TO EXIST, AND ALL PRIOR AGREEMENTS AND UNDERSTANDINGS, EXCEPT FOR OR OTHER THAN THOSE CONTAINED IN THE DISCLOSURE DOCUMENT AND ANY ADDENDUMS OR AMENDMENTS THERETO, ARE SUPERSEDED HEREBY. THIS AGREEMENT SHALL NOT BE BINDING UPON **EXM** UNTIL EXECUTED BY AN AUTHORIZED OFFICER THEREOF. THIS AGREEMENT CANNOT BE MODIFIED OR CHANGED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY ALL OF THE PARTIES HERETO OR EXCEPT AS PROVIDED OTHERWISE WITHIN THIS AGREEMENT.

SIGNATURES ON FOLLOWING PAGE

THE PARTIES HERETO acknowledge that they have read and fully understand all of the above and foregoing. By signing below, each party agrees to abide by all of the terms and conditions contained in this Agreement.

EXPERIMAC FRANCHISING, LLC

FRANCHISEE:

By: _____
Print Name/Title:

Date: _____

Signature: _____
Print Name:

Date: _____

Signature: _____
Print Name:

Date: _____

Corporate Name (If Applicable):

By: _____
Print Name/Title Corporate Official:

Date: _____

ADDENDUM TO THE FRANCHISE AGREEMENT

REQUIRED FOR CALIFORNIA FRANCHISEES

Section Twenty-Six, entitled “MISCELLANEOUS PROVISIONS”, of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The undersigned hereby acknowledge having read this Addendum, understand its contents to be bound by all of its terms, and agree it shall become effective the _____ day of _____, 201__.

EXPERIMAC FRANCHISING, LLC

By: _____
Franchisor

Franchisee

Franchisee

STATE OF ILLINOIS

ADDENDUM TO FRANCHISE AGREEMENT

Illinois law governs the franchise agreements.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the 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.

Franchisees rights 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 of Illinois is void.

The undersigned hereby acknowledge having read this Addendum, understand its contents to be bound by all of its terms, and agree it shall become effective the _____ day of _____, 201____.

EXPERIMAC FRANCHISING, LLC

FRANCHISEE

By: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Date: _____

Date: _____

Signature: _____

Print Name: _____

Date: _____

STATE OF MARYLAND

ADDENDUM TO THE FRANCHISE AGREEMENT

1. Sections Twenty Four B and Twenty Six E of the Franchise Agreement are amended by adding the following language:

“A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

2. Section Two E of the Franchise Agreement is amended by adding the following language:

“Nothing in this Franchise Agreement or any related Agreement requiring You to assent to a release, estoppel, or waiver of liability is intended to nor act as a release, estoppel, or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.”

Agreed to this ____ day of _____, 201__.

FRANCHISOR:

FRANCHISEE:

EXPERIMAC FRANCHISING, LLC

By: _____

Franchisee Signature

Franchisee (print name)

Franchisee Signature

Franchisee (print name)

STATE OF MINNESOTA

ADDENDUM TO FRANCHISE AGREEMENT

1. Section Two E. of the Franchise Agreement is amended by adding the following language:

“The general release that is required as a condition of a renewal, sale, or transfer of the franchise shall not apply to liability of the franchisor under the Minnesota Franchisor Act, MINN STAT §80C.01-22.”

2. Section Sixteen B. of the Franchise Agreement is amended by adding the following language:

“Minnesota Law provides franchisees with certain termination and non-renewal rights. Minn. Stat. Sec. 80C. 14, Subd. 3, 4, and 5 require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement”.

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

“Minn. Stat. 80C21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document or this Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights as provided for by the laws of the jurisdiction.”

4. The franchisor will protect the franchisee’s rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

5. Minnesota considers it unfair to not protect the franchisee’s right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

Date: _____

EXPERIMAC FRANCHISING, LLC

By _____

Franchisee

Franchisee

STATE OF NORTH DAKOTA

ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to the Franchise Agreement is agreed to this ____ day of _____, 201__, between Experimac Franchising, LLC and Franchisee herein, to amend and revise said agreement as follows:

1. Section Two. E of the Franchise Agreement is amended by the following:

The Commissioner has determined that franchise agreements which require the franchisee to sign a general release upon renewal of the franchise agreement is unfair, unjust, and inequitable with the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

2. Sections Seventeen F of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

Covenants not to compete upon termination or expiration of a franchise agreement are generally considered unenforceable in the State of North Dakota.

3. Section Twenty-Five of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

Any provision that provides that the parties waive their right to claim punitive, exemplary, incidental, indirect, special, or consequential damages or any provision that provides that parties waive their right to a jury trial may not be enforceable under North Dakota Law.

The Commissioner has determined that franchise agreements which provide that parties agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Section 51-19-09 of the North Dakota Franchise Investment Law provides that any provision in a franchise agreement requires that jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

4. Section Twenty-Six E. of the Franchise Agreement is amended by substituting State of North Dakota for State of Florida as the applicable law.

EXPERIMAC FRANCHISING, LLC

FRANCHISEE:

BY: _____

STATE OF RHODE ISLAND

ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the State of Rhode Island Franchise Investment Act §19-28.1 et seq., the Franchise Agreement for Experimac Franchising, LLC, for use in the State of Rhode Island, is amended as follows:

1. **Section Twenty-Six D.** shall be amended to read: §19-28.1-21 (a) A person who violates any provision of this act is liable to the franchisee for damages, costs, and attorneys and experts fees. In the case of a violation of §§19-28.1-5, 19-28.1-8, or 19-28.1-17(1)-(5), the franchisee may also sue for rescission. No person shall be liable under this section if the defendant proves that the plaintiff knew the facts concerning the violation. (b) Every person who directly or indirectly controls a person liable under this section, every principal executive officer or director of the liable person, every person occupying a similar status or performing similar functions, and every agent or employee of a liable person, who materially aids in the act or transaction constituting the violation, is also liable jointly and severally with and to the same extent as the person liable under this section, unless the agent, employee, officer, or director proves he or she did not know, and in the exercise of reasonable care could not have known of the existence of the fact by reason of which the liability is alleged to exist.
2. **Section Twenty-Six E.** shall be amended to read: §19-28.1-14 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.

Date: _____

EXPERIMAC FRANCHISING, LLC

FRANCHISEE:

By: _____

STATE OF WASHINGTON

AMENDMENT TO FRANCHISE AGREEMENT

The State of Washington has a Statute, RCW 19.100.180 which 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 involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act 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, 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.

EXPERIMAC FRANCHISING, LLC

By: _____
Franchisor

The undersigned does hereby acknowledge receipt of this addendum.

Dated this ____ day of _____, 201__.

Franchisee

Franchisee

STATE OF WISCONSIN

ADDENDUM TO FRANCHISE AGREEMENT

THE WISCONSIN FAIR DEALERSHIP LAW SUPERSEDES ANY PROVISIONS OF THE FRANCHISE AGREEMENT INCONSISTENT WITH SAID LAW. WISCONSIN FAIR DEALERSHIP LAW, CHAPTER 135, 1973.

Section Sixteen – Termination: In accordance with the State of Wisconsin Fair Dealership Laws, the Franchisor, directly or through any officer, agent, or employee, may terminate, cancel, fail to renew, or substantially change the competitive circumstances of the franchise agreement with good cause. The burden of proving good cause shall be on the grantor.

The Franchisor shall provide Franchisee at least 90 days prior written notice of termination, cancellation, non-renewal, or substantial change in competitive circumstances, and Franchisee shall have 60 days in which to rectify any claimed deficiency. If the deficiency is rectified within 60 days, the notice shall be deemed void.

The above notice provision shall not apply if the reason for termination, cancellation, or non-renewal is insolvency, the occurrence of any assignment for the benefit of creditors, or bankruptcy. If the reason for termination, cancellation, non-renewal, or substantial change in competitive circumstances is nonpayment of sums due under the license, the Franchisee shall be entitled to written notice of such default and shall have 10 days to remedy such default from the date of delivery or posting of such notice.

Section Seventeen – Consequences of Termination: In the event the Franchise granted herein is terminated by the Franchisor, as provided for above, then at the option of the Franchisee, the Franchisor shall repurchase all inventory sold by it to the Franchisee for resale under this Agreement at the fair, wholesale market value of such items. Such repurchase shall be only for merchandise that has affixed or printed on it a name, trademark, label, or other mark which identifies the Franchisor.

EXPERIMAC FRANCHISING, LLC

BY: _____
Franchisor

Franchisee

Franchisee

EXPERIMAX

Schedule A 2018 – United States

TECHNOLOGY DISPLAY WALL

This Technology Wall is a sturdy framed structure with multiple sections to display computers and many other products. This wall unit has metal shelves that can be adjusted to hold the larger items that are for sale. Three (3) lockable bottom **storage cabinets** securely holds all overstock inventory.

CONSULTATION AND SALES STATIONS

Three (3) **Consultation and Sales Stations** are located in your showroom area. These units can be used to display the many products you have for sale or to consult with customers. It is also ideal for learning about a client's product usage and doing an initial assessment of a customer's repair or refurbishment project(s). These stations will have plenty of lockable storage for overflow of products.

CUSTOMER SEATING AREA

This **Customer Seating Area** consists of **two comfortable chairs** and a **high definition television** surrounded by one of your **Merchandise Displays**. Customers can use this area while their quick turnaround repairs are being made by your expert staff. Family and friends will be entertained here while purchasing decisions, sales, and payments occur at the **Point of Sale Station** or the **Consultation Station**.

MERCHANDISE DISPLAYS

These three (3) **Merchandise Displays** are located in your showroom area. They are primarily responsible for showcasing multiple items you have available for sale in your store. The flat table displays will display the computers you have available for sale.

ACCESSORIES WALL DISPLAYS

Three (3) custom **Wall Displays** are included to feature a variety of cases, adapters, peripherals and other accessories you have available for sale. These wall units will be strategically placed in the **Lounge Area** and around the **Merchandise Displays** for great additional sales opportunities.

SERVICE COUNTERS

A high quality custom-built counter is a perfect area for client transactions. This counter includes storage opportunities and lockable cabinets. This counter houses your **Point of Sale Station, Printer, Cash Drawer** and **Inventory Control and Bar Coding System** to easily complete a customer's transaction.

PROFESSIONAL COMPUTER TOOLS AND REPAIR KIT

This industrial grade computer and repair kit is supplied to be used by your employees. It consists of specific tools and instruments designed for the repair and maintenance of information technology equipment. This kit also includes the necessary connections and cables used with the **Work Benches**, allowing for testing and evaluation of client supplied equipment.

SECURE WORK BENCH

A **Secure Work Bench** completes your repair area. This heavy duty reinforced table serves as a storage area for high value products during non-work hours. The cabinet area below the work

table is hardened and lockable. This means that valuable equipment can always be under lock and key whenever necessary.

WORK BENCHES

Two (2) High Tech sturdy **Work Benches** and two (2) **lab chairs** are provided in your technician repair area. The benches are great work areas for your employees to use in the repair of customers' products. The work benches will allow you and your other technicians plenty of storage and workspace.

STORAGE SHELVING AND CABINET

Your Store's storage is enhanced by these rugged shelving units and a full size locking cabinet. These are used for the organization of parts, manuals, product boxes and materials, and other inventory items in the back of your store.

POINT OF SALE STATION

The **Point of Sale Station** is perfect for advanced productivity and enhanced inventory control. This system consists of an Apple iMac desktop computer. It consists of a dual-core Intel processor, onboard memory, and large storage capacity it works seamlessly with your **Inventory Control and Bar Coding System** to ensure the proper pricing and services are being allocated to your customers.

POINT OF SALE DESKTOP PRINTER

This Desktop Printer is a fast and reliable digital color printer. It prints high-impact color and crisp black documents, perfect for invoicing your customers from your Point of Sale System.

INVENTORY CONTROL SYSTEM

Proper cataloging and inventory is done through the latest Point of Sale System. This system is necessary to streamline your store's operation and keep up-to-date inventory of all of your many different bar codes you have in your store.

ACCOUNTING SOFTWARE

The **Accounting Software** can be used to record monthly sales & expenses, handle payroll, generate business reports and customer mailing lists. The entire package has been designed to help your business run smoothly and efficiently. (provided for 1-year)

JOB TRACKING SYSTEM

Your Store's workflow is easily organized and visible with this clever **Job Tracking System**. A pegboard display and multiple clipboards will be provided to allow your employees to organized and execute the first-in, first-out method of service.

SHIPPING TABLE AND PACKAGING KIT

The **Shipping Table and Packaging Kit** will contain a spacious table work area, an assortment of sturdy boxes, bubble wrap, and shipping tape. These items are used together to neatly and safely transport items to and from manufacturers, suppliers and customers.

SHOWROOM DIRECTIONAL SIGNAGE

Internal signage is strategically placed around your showroom to make your customers shopping experience easy. This signage will consist of your **Experimax** logo proudly displayed behind your front counter and professionally printed posters in frames.

IN STORE COMPUTER NETWORK & ROUTER

These networking components allow you to share your printers, files and the internet over your store's computer network. A Wi-Fi base station and an easy-to-use backup device will be provided for daily use in your location. (DSL or Cable modem not included – Local Internet Service Provider required)

MANAGEMENT OFFICE FURNITURE

A dual pedestal, laminate **Manager's Desk** with a **Chair** will be supplied for a comfortable and spacious work area for day to day operations. A vertical 4 drawer lockable **filing cabinet** can be used for storing accounting and store operation files.

DIGITAL MARKETING AND PRINTED MATERIALS

A one-year subscription for digital marketing products and services and mobile phone display advertising. A collection of stationary, envelopes and flyers will be printed with your Store's specific information. One box of double sided color business cards will also be sent to you to help promote your new business.

APPAREL PACKAGE

An initial supply of *Experimax* embroidered polo shirts is supplied to enhance and support other branding and advertising efforts you do in your store. This **Apparel Package** will communicate a level of professionalism to your customers.

PROMOTIONAL PRODUCT GIVEAWAYS

A variety of **Promotional Product Giveaways** are used as an additional marketing effort. This is an opportunity to leave a lasting impression with potential clients, vendors or anyone you meet.

GRAND OPENING PACKAGE

This **Grand Opening Package** consists of various items to launch the opening of your new business. **Internet Marketing** will be conducted in your marketing area. **Coroplast Step Stake Signs** can be used around your area announcing your opening and a **Banner Stand** can be used for trade show or other off-premise events. Finally, a **Spinner Sign** will be provided to give you an opportunity to drive people into your store from the street.

CUSTOM EXPERIMAX LOCAL WEBSITE

This **Website** will showcase your products, services, photos and other important information on the Internet. Your business will be prominently displayed on an attractive website that you can update or change. (A monthly subscription is required for your maintenance and hosting.)

MANAGEMENT COMPUTER

The **Management Computer** is an Apple iMac desktop computer. It consists of a dual-core Intel processor, onboard memory, and large storage capacity. This computer system features a HD camera, stereo speakers, dual microphones, multiple connections and expansions, wireless capabilities and a keyboard and mouse set.

MANAGEMENT PRINTER

A multi-function wireless printer/fax/scanner is attached to the Management Computer to print out documents and pricing information from the EPOS program and word processing program. It makes short run copies, sends and receives faxes and scans documents to your computer.

UFG HUB

You will have access to our proprietary vendor/product-listing program known as UFG HUB that is used to easily procure vendors and get product information. You can also send and receive emails and posts with other Experimax franchisees.

****FRONT WINDOW GRAPHICS**

Quality multi-color vinyl Window Graphics will be installed on the entrance to your store. This will allow you to use your windows as an advertising tool by publicizing who you are and the products you supply.

****OPENING BANNER & A-FRAME**

This Banner will announce the coming soon of your location. Once your store is open and ready for business, a second banner can be displayed to announce you're Now Open. An A-Frame is provided for advertising in front of your store or on the street. This durable product allows you to easily change the message on your sign by getting a new face printed.

****VEHICLE GRAPHICS**

The Experimax logo and your store's contact information will be displayed on a car or truck of your choice for additional exposure on the job or around the community.

****ELECTRIC OUTDOOR SIGN**

The Experimax logo is proudly displayed on an illuminated sign or channel letters, dominating the face of your store. The sign is constructed of the finest materials and will serve as a tremendous advertisement for your business. (Channel letters are a maximum of 2'x15').

SHIPPING AND DELIVERY

Shipping, delivery and installation are included in the package.

* * * * *

Equipment Total \$94,900

* Plus Tax and Customs for all Equipment and Furnishings.

**All interior and exterior signs may be subject to approval by local municipal authorities and landlords. If changes are required, *Experimax Franchising, LLC* will order signs to conform to the landlords and municipal authority's requirements. A pop-up banner will be substituted for an A frame if not allowed by local law.

Because we are constantly improving our products and equipment, we reserve the right to revise, change and/or substitute product features, dimensions, specifications and designs without notice to improve our stores capabilities and quality. Prices are subject to change without notice.

Experimax Addendum

NEW RETAIL ACCESSORIES PACKAGE AND REPAIR INVENTORY

The **Retail Accessories Package** will consist of a multitude of consumer friendly cases, chargers, cables, adapters, USB driver, protective covers and software. For your **Customer Repairs and Upgrades Package**, a selection of common phone and computer parts are included from memory, hard drives, glass and internal components. This inventory is purposefully selected to encourage rapid sales growth upon opening your store. This collection will vary slightly based on current trends and supply.

\$5,000 to \$10,000 paid directly to Premium Supplier Inc., but checks may also be made payable to Experimax Franchising, LLC.

OPENING INVENTORY

Preowned **computers, tablets** and other devices should be purchased for the initial stock for your Experimax store. These items will be used to sell directly to your customers.

\$10,000 to \$26,000 paid directly to Premium Supplier Inc., but checks may also be made payable to Experimax Franchising, LLC.

Total: \$15,000 - \$36,000

SCHEDULE B

ASSIGNMENT OF TELEPHONE NUMBERS, DOMAIN NAMES AND EMAIL ADDRESSES

Date: _____

This assignment shall be effective as of the date of termination of the Franchise Agreement entered into between Experimac Franchising, LLC, d/b/a Experimax (“**EXM**”) and _____ (“Franchisee”). Franchisee hereby irrevocably assigns to **EXM** or its designee the telephone number or numbers and listings, domain names and email addresses issued to Franchisee with respect to each and all of Franchisee’s franchised businesses. Franchisee agrees to pay all amounts, whether due and payable or not, that any domain name registry (“Registry”) or internet service provider (“ISP”) may require in connection with such transfer. This assignment is for collateral purposes only and **EXM** shall have no liability or obligation of any kind whatsoever arising from this assignment, unless **EXM** desires to take possession and control over the telephone numbers, domain names and email addresses.

EXM is hereby authorized and empowered upon termination of the Franchise Agreement and without any further notice to Franchisee to notify the telephone company, as well as any other company that publishes telephone directories (“telephone companies”), the Registry and the ISP to transfer the telephone numbers, domain names and email addresses to **EXM** or such other person or firm as is designated by **EXM**. In furtherance thereof, Franchisee hereby grants an irrevocable power of attorney to **EXM** and appoints **EXM** as its attorney-in-fact to take any necessary actions to assign the telephone numbers, domain names and email addresses including but not limited to, executing any forms that the telephone companies, the Registry or the ISP may require to effectuate the assignment. This assignment is also for the benefit of the telephone companies, the Registry and the ISP and the telephone companies, the Registry and the ISP may accept this assignment and **EXM**’s instructions as conclusive evidence of **EXM**’s rights in the telephone numbers, domain names and email addresses and **EXM**’s authority to direct the amendment, termination or transfer of the telephone numbers, domain names and email addresses as if they had originally been issued to **EXM**. In addition, Franchisee agrees to hold the telephone companies, the Registry and the ISP harmless from any and all claims against them arising out of any actions or instructions by **EXM** regarding the telephone numbers, domain names and email addresses.

FRANCHISEE:

Experimac Franchising, LLC

By_____

SCHEDULE C

ELECTRONIC FUNDS TRANSFER AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO EXPERIMAC FRANCHISING, LLC D/B/A EXPERIMAX ("PAYEE")

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, and electronic debits (collectively, "debits") drawn on such account which are payable to the above named Payee. It is agreed that Depository's rights with respect to each such debit shall be the same as if it were a check drawn and signed by Depositor. It is further agreed that if any such debt is not honored, whether with or without cause and whether intentionally or inadvertently, Depository shall be under no liability whatsoever. This authorization shall continue in force until Depository and Payee have received at least thirty (30) days written notification from Depositor of its termination.

The Depositor agree with respect to any action taken pursuant to the above authorization:

- (1) To indemnify the Depository and hold it harmless from any loss it may suffer resulting from or in connection with any debit, including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Depository in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection therewith.
- (2) To indemnify Payee and the Depository for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.
- (3) To defend at Depositor's own cost and expense any action which might be brought by a depositor or any other persons because of any actions taken by the Depository or Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or Payee's participation therein.

Name of Depository: _____

Name of Depositor: _____

Designated Bank Acct.: _____
(Please attach one voided check for the above account)

Store Location: _____

Store #: _____

Address: _____

Phone #: _____

Fax #: _____

Name of Franchisee/Depositor (please print)

By: _____
Signature and Title of Authorized Representative

Date: _____

FRANCHISEE'S RATIFICATION

In consideration of the execution of the foregoing Franchise Agreement with Experimax Franchising, LLC ("EXM"), the Franchisee hereby acknowledges that:

I have read and understood the foregoing Franchise Agreement and understand that if I do not understand any terms of the Franchise Agreement, or if I do not understand any terms of the Franchise Disclosure Document, I have the right to have my own attorney explain any terms of this Agreement to me.

EXM ENCOURAGES YOU TO SEEK THE ADVICE OF ANY ATTORNEY PRIOR TO SIGNING THE FRANCHISE AGREEMENT.

I understand that although EXM will provide assistance and advice, as outlined in the Franchise Agreement, EXM cannot guarantee my success as a Franchisee, and my earnings as a Franchisee will be primarily dependent upon MY INDIVIDUAL EFFORTS in operating my Franchised Store.

I acknowledge that neither EXM nor any of its directors, officers, agents, or employees have made any claims or representations whatsoever regarding potential revenues, earnings, or profits, that a Franchisee will achieve as the owner of a Store. I represent that I have entered into the Franchise Agreement without relying upon any claim or representation not contained in the Disclosure Document, and to do so would be unreasonable. I understand that EXM is relying upon my representations in making its decision to grant the Franchise.

While EXM has offered assistance, I UNDERSTAND THAT I AM ASSUMING FULL RESPONSIBILITY FOR, AND HAVE HAD THE FINAL ULTIMATE APPROVAL OF, THE SITE SELECTED AND THE LEASE EXECUTED FOR THAT SITE. I further understand that I have the right to have my own attorney review the Lease and explain to me any provisions of the Lease.

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.

Executed this _____ day of _____, 201____.

Franchisee –

Franchisee –

Exhibit B
Loan Agreement for Purchase of Equipment



ADVANTAGE+

Your Direct Business Lender

Advantage+
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EQUIPMENT FINANCE AGREEMENT

SECTION A BORROWER INFORMATION	SECTION B VENDOR AND EQUIPMENT INFORMATION
BORROWER	VENDOR:
SECTION C FINANCING TERMS:	SECTION D ADDITIONAL PROVISIONS
Amount Advanced: Length of Term: 48 months Monthly Payment Amount:	You may pre-pay the contract after 12 payments. See Exhibit A for other Additional Provisions.

Definitions: All references to "we," "us," and "our" refer to Advantage Leasing Corporation. All references to "you" and "your" refer to the "Borrower" identified in Section A above. All references to "Equipment" refer to the goods and/or personal property described in Exhibit A hereto, and shall also include all additions, attachments, accessions and replacements to or of the foregoing and all proceeds of the foregoing. All references to "Vendor" means the Vendor described above in Section B or any other supplier of the Equipment.

Unconditional Payment; Non-Cancellable: We hereby agree to loan you the Amount Advanced, subject to the terms and conditions contained herein. By signing below, you hereby unconditionally promise to pay to the order of Advantage Leasing Corporation or its successors or assigns said amount plus interest as set forth herein and to perform all other obligations provided in this Equipment Finance Agreement (this "Agreement"). This is a non-cancellable agreement. You may only prepay the contract per Section D above. If you pay the loan off prior to the end of full term, you will pay us all future payments discounted to present value. (In addition to all other accrued and unpaid charges including, but not limited to fees and taxes.) To the fullest extent permissible under applicable law, you waive demand, diligence, presentment, protest, and notice of dishonor, notice of nonpayment and notices and rights of every kind. You certify that you have reviewed and acknowledged all terms and conditions of this Agreement, including the additional terms and conditions on page two of this Agreement and Exhibit A hereto. BY SIGNING BELOW, YOU AGREE THAT YOUR PROMISES HEREIN ARE IRREVOCABLE AND UNCONDITIONAL IN ALL RESPECTS AND SHALL CONTINUE IN FULL FORCE AND EFFECT REGARDLESS OF ANY DEFECT, DEFICIENCY OR NON-CONFORMITY IN OR OF THE EQUIPMENT, YOUR INABILITY TO USE THE EQUIPMENT OR ANY OTHER CIRCUMSTANCE WHATSOEVER; AND THAT SUCH OBLIGATIONS SHALL NOT BE AFFECTED BY ANY COUNTERCLAIM, SET-OFF OR OTHER ALLEGED RIGHT AGAINST ANY VENDOR, US, OR ANY ASSIGNEE; AND YOU MAY NOT CANCEL THIS AGREEMENT. WE MAKE NO (AND HEREBY EXPRESSLY DISCLAIM ANY AND ALL) WARRANTIES, EXPRESS OR IMPLIED, AND INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN CONNECTION WITH THIS AGREEMENT OR WITH RESPECT TO THE EQUIPMENT. WE DO NOT TAKE RESPONSIBILITY FOR THE INSTALLATION OR PERFORMANCE OF THE EQUIPMENT. THE VENDOR IS NOT AN AGENT OF OURS AND NOTHING THE VENDOR STATES CAN AFFECT YOUR OBLIGATIONS UNDER THIS AGREEMENT. YOU AGREE THAT YOU HAVE SELECTED THE VENDOR AND EACH ITEM OF EQUIPMENT BASED UPON YOUR OWN JUDGMENT AND DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY US. YOU AGREE THAT REGARDLESS OF CAUSE, WE ARE NOT RESPONSIBLE FOR AND YOU WILL NOT MAKE ANY CLAIM AGAINST US FOR ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL, OR INDIRECT. YOU AUTHORIZE THE PURCHASE OF THE EQUIPMENT FROM THE VENDOR, AND YOU MAY CONTACT THE ABOVE VENDOR FOR YOUR WARRANTY RIGHTS, IF ANY, AND ANY SEPARATE SERVICE OBLIGATIONS, NEITHER OF WHICH ARE OUR RESPONSIBILITY. YOU HEREBY AGREE THAT YOUR OBLIGATIONS HEREUNDER SHALL BE PAID AND PERFORMED WITHOUT ANY ABATEMENT, REDUCTION, DIMINUTION, SETOFF, DEFENSE, COUNTERCLAIM OR RECOUPMENT WHATSOEVER, INCLUDING ANY PAST, PRESENT OR FUTURE CLAIMS THAT BORROWER MAY HAVE AGAINST US OR OUR AFFILIATES, ANY VENDOR OR ANY OTHER PERSON OR ENTITY WHATSOEVER

Governing Law; Jury Trial Waiver; Miscellaneous. This Agreement contains the entire agreement between the parties and may not be amended except by written agreement. The validity, construction and enforcement of this Agreement are governed by the internal laws of Wisconsin. Invalidity of any provision of this Agreement shall not affect the validity of any other provision. If any provision of this Agreement is declared unenforceable, the other provisions shall remain in full force and effect. You expressly and unconditionally consent to the jurisdiction and venue of any court in the State of Wisconsin and waive right to trial by jury for any claim or action arising out of or relating to this Agreement or the Equipment. You agree that a facsimile copy of this Agreement with facsimile signature may be treated as an original. You agree to take any other action we request to protect our rights under this Agreement from time to time. You authorize us to insert or correct missing information on this Agreement including your proper legal name, serial numbers and any other information describing the Equipment. The undersigned individual executing this Agreement on behalf of Borrower hereby represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of Borrower.

Additional Terms and Conditions

1. **Finance Agreement; Term; Security Interest:** Rather than pay the Vendor directly for the Equipment, you have chosen for us to finance such amounts for you in accordance with the terms of this Agreement. This Agreement is not a "Consumer Transaction", as defined in the Uniform Commercial Code, and you acknowledge that the funds advanced hereunder and Equipment purchased therewith are each **SOLELY FOR YOUR BUSINESS PURPOSES** and not for consumer, personal, family or household purposes. The term of this Agreement (the "Term") shall commence on the date on which we advance any portion of the Amount Advanced to the Vendor (the "Commencement Date") and, provided that you have successfully performed all of your duties and obligations hereunder, the Term shall end on the same day of the month as the Commencement Date at the end of the number of months set forth in Section C as the "Length of Term"; provided, however, that if we elect in our sole discretion for your first payment hereunder to be due on a date (the "Initial Payment Date") that we specify that is not more than thirty (30) days after the Commencement Date, the Term shall be extended by the number of days lapsing between the Commencement Date and the Initial Payment Date. To secure your obligations hereunder and under all other agreements with us, including, without limitation, the payment of all principal, interest, charges, fees and indemnities provided for hereunder and under any other agreement with us and any extensions, renewals,

Initials _____

deferrals, modifications or consolidations of the same (together, the "Obligations"), you hereby grant to us a first priority, purchase money security interest in the Equipment; all leases, chattel paper, accounts and security deposits relating thereto; and all proceeds of any of the foregoing.

2. **Payments:** In consideration for our agreement to loan you the Amount Advanced, you promise to repay to us such amount, together with interest and certain other amounts we charge in connection with the loan made hereunder, by making payments to us or our assigns as follows: (a) you shall make monthly payments, each in the amount of the "Monthly Payment Amount" set forth in Section C on the first page, with the first such payment being due on the Initial Payment Date and subsequent payments being due each month thereafter on the same day of the month as the Initial Payment Date; and (b) without limiting the foregoing, on the Initial Payment Date, in addition to the Monthly Payment Amount, you shall also make an interim payment calculated on a per diem basis (1/30th of a Monthly Payment Amount) that is equal to such per diem amount multiplied by the number of days lapsing between the Commencement Date and the Initial Payment Date. All payments due hereunder shall be payable to us at our address set forth on the first page hereof or to any other address we subsequently give to you in writing for purposes of making payment. We will have the right to apply all sums received from you to any amounts due and owed to us under the terms of this Agreement in the order we determine in our sole discretion. We may charge you a \$30.00 fee for any check that is returned. Late payments are subject to a late charge of 15% for each late payment or \$25.00, whichever is greater. You also agree to reimburse us, on demand, for costs and expenses we incur in documenting and servicing this transaction or protecting or enforcing our rights, including filing fees or titling fees we incur to protect our interest under the Uniform Commercial Code or otherwise and all costs of collection, including attorneys' fees. You expressly acknowledge and agree that the maximum interest rate we charge for advancing the Amount Advanced in accordance with the terms hereof can be calculated using the Amount Advanced, the Term and the amount and timing of each scheduled payment and is therefore ascertainable within the four corners of this Agreement. You also expressly agree that the effective interest rate may be less after taking into account documentation fees or out of pocket amounts that we pay to third parties or otherwise incur in connection with this transaction, including broker or origination fees, legal fees and filing fees. If any interest payment hereunder exceeds the highest amount allowed by law, it shall be reduced to such rate and the excess amount shall be deemed to be a repayment of principal. In such event, you agree we will not be subject to any penalties provided by law for collecting or charging interest in excess of lawful rates.

3. **Location; Maintenance; Inspection; Indemnity:** You hereby agree that you shall: (a) not move the Equipment from the "Equipment Location" identified on Exhibit A without our prior written consent; (b) immediately advise us in writing of any change in your name or address; (c) at your own expense: (i) maintain the Equipment in good condition and repair and not permit its value to be impaired; (ii) keep the Equipment free from all liens, encumbrances and security interests (other than those created or expressly permitted by this Agreement); and (iii) defend the Equipment against all claims and legal process by persons other than us; (d) not sell, lease or otherwise dispose of the Equipment or permit it to become a fixture or an accession to other goods except as specifically authorized in this Agreement or in writing by us; (e) not permit the Equipment to be used in violation of any applicable law, regulation or policy of insurance; (f) allow us to examine the Equipment wherever located at any reasonable time or times and you shall assist us in making any such inspection; and (g) indemnify us from and against any liabilities, damages, claims, costs, and expenses, including reasonable attorneys' fees, incurred by or asserted against us in any way relating to or arising out of this Agreement or the Equipment. This indemnity shall survive the termination of this Agreement and repayment of the Obligations.

4. **Insurance; Risk of Loss; Casualty Occurrence:** Throughout the entire term of this Agreement, you shall keep the Equipment insured against all risks under insurance policies with such provisions, by such insurers and for such amounts as shall be satisfactory to us from time to time, but in no event less than the greater of (a) replacement value (special form replacement insurance) or (b) the total of all unpaid Monthly Payments and other amounts due for the remaining term of the Agreement. You shall furnish evidence of such insurance satisfactory to us upon our request. You shall ensure that we are named loss payee and additional insured on all insurance policies required hereunder. You assign (and direct any insurer to pay) to us the proceeds of all such insurance and any premium refund. You authorize us to, and grant us an irrevocably power of attorney (coupled with an interest), to endorse, in your name, any instrument for such proceeds or refunds. You expressly agree that: (i) no loss, damage, theft or requisition of the Equipment from any cause whatsoever (each, a "Casualty Occurrence") shall release you from any of your Obligations hereunder; (ii) in any event, including a casualty occurrence, in any event within three (3) days thereof, give us written notification of said event and the facts pertaining thereto; and (iii) if, in our sole judgment, any Equipment is damaged in any material respect, then, at our option, you shall pay to us, on the next Monthly Payment date following the Casualty Occurrence, an amount we reasonably calculate (without regard to insurance) to be equal to the portion of the Prepayment Amount (as defined in Section 7 below) that we determined corresponds to such Equipment. In determining such amount we may, but shall not be obligated to, consider the initial cost of the applicable Equipment as well as the depreciation thereof.

5. **Assignment; Lease; Encumbrance; Taxes and Fees:** You agree not to transfer, sell, lease, assign, pledge or encumber either the Equipment or any rights under this Agreement without our prior written consent. You agree that we may assign this Agreement without prior notice to you and without your consent. Our assignee will have the same rights and benefits we now have under this Agreement but none of our obligations. You agree that the rights of our assignee will not be subject to any claims, defenses or setoffs that you may have against us or any other person or entity, including the Vendor. As owner of the Equipment, you agree to pay when due all taxes and fees (including without limitation all sales, use, and personal property taxes, fines, and penalties) relating to this Agreement or the Equipment, including its purchase and use. If we pay any of the above for you, you agree to reimburse us and to pay us a processing fee selected by us for each payment we make on your behalf.

6. **Default:** Each of the following, together or individually, shall constitute an "Event of Default": (a) you fail to pay any amount hereunder when due or to perform any other of your Obligations hereunder or in any evidence of or document relating to the Obligations; (b) you or a guarantor, surety or other party obligated for the Obligations (an "Obligor") (i) dies; (ii) ceases to exist; (iii) becomes insolvent or the subject of bankruptcy or insolvency proceedings; or (iv) without our prior written consent, merges with or into any legal entity or sells substantially all of your or its assets, or changes your or its composition, form of business association or ownership; (c) any warranty or representation made by you or any other Obligor under this Agreement or in any evidence of or document relating to the Obligations, is false or misleading in any material respect when made; or (d) any other event which causes us, in good faith, to deem ourselves insecure.

7. **Remedies:** Upon an Event of Default, we may in our sole discretion, do any or all of the following, each of which shall be construed as cumulative, and no one of them as exclusive of the others: (a) proceed by appropriate court action or actions, either at law or in equity, to enforce your performance of the Obligations and/or to recover damages for the breach thereof and/or for attachment of and foreclosure on the Equipment or other assets allowed at law or in equity; (b) whether or not this Agreement is terminated, take possession of any or all of the Equipment wherever situated, and for such purpose, enter upon any premises without liability for so doing; (c) disable, sell, dispose of, hold, use or lease (in full or partial satisfaction as the case may be) any Equipment as we in our sole discretion may decide; (d) by written notice to you declare immediately due and payable, as liquidated damages for loss of bargain and not as a penalty, the Prepayment Amount (as hereinafter defined); (e) immediately apply or setoff any deposits or security we hold, including any insurance proceeds or refunds, toward Monthly Payments and/or any of your other Obligations (provided, however, that upon an Event of Default under clause 6(b)(iii) above, all of the foregoing Obligations shall automatically, without notice or demand, become immediately due and payable); and (f) exercise any other right, remedy, election or recourse provided by the Wisconsin Uniform Commercial Code or any other applicable law, as well as any evidence of or document relating to the Obligations. As used herein, the "Prepayment Amount" means an amount equal to the sum of: (i) all unpaid Monthly Payments set forth herein, discounted to present value at a rate equal to the interest rate implicit in the Monthly Payments; plus (ii) a prepayment premium equal to the product of: (A) the amount calculated pursuant to subsection (i) of this definition; times (B) the Prepayment Rate in Section C of the first page hereof times the number of full or partial years remaining under the original Term hereof; plus (iii) all costs and expenses we incur in any repossession, storage, refurbishing, advertising, sale, re-lease, or other disposition of the Equipment or the enforcement of our rights hereunder, including attorneys' fees; plus (iv) interest on all of the foregoing from the date due at a rate equal to 18% per year. For purposes of clarity, if there were twenty-five months remaining in the scheduled Term of this Agreement and the Prepayment Rate were one percent, the prepayment premium described in subsection (ii) of the foregoing definition would be equal to three percent times the amount we calculate under subsection (i) of such definition. With respect to all rights and remedies hereunder: (1) we may take possession of the Equipment without notice or hearing, which you waive; (2) we may require you to assemble the Equipment and to make it available to us at any convenient place designated by us; (3) you and we each agree that written notice, when required by law, sent at least five calendar days (counting the day of sending) before the date of a proposed disposition shall be deemed sufficient; (4) we may apply the proceeds of payment to the Obligations in such order and amounts as we elect; and (5) we may waive any default without waiving any other subsequent or prior default by you.

BORROWER:

LENDER: ADVANTAGE LEASING CORPORATION

Print Name

Signature

Date

Signature

Print Name

Title

Title

Loan#

Federal Tax ID: _____ State of Incorporation _____

EXHIBIT A

EQUIPMENT LOCATION:

EQUIPMENT DESCRIPTION:

All items listed on the invoice shall be included in the EFA.

ADDITIONAL PROVISIONS

(None)

Initials _____

CONTINUING GUARANTY

Borrower: _____

Contract Number: _____

Dated: _____, 20____

GUARANTY. For value received, and to induce Advantage Leasing Corporation, a Wisconsin corporation ("Lender"), to extend credit to the person or persons identified above as Borrower (the "Borrower"), the undersigned jointly and severally guaranties payment of all indebtedness, obligations and liabilities evidenced by an Equipment Finance Agreement between Lender and Borrower, dated on or about the date hereof, and under all other past, present or future agreements with Lender plus interest, charges, fees and indemnities provided for in any of the foregoing and any extensions, renewals, deferrals, modifications or consolidations of the same (the "Obligations"). Without limiting the foregoing, the Obligations for the undersigned is jointly and severally liable includes the amount of payments made to Lender or another by or on behalf of Borrower which are recovered from Lender by a trustee, receiver, creditor or other party pursuant to applicable federal or state law, and to the extent not prohibited by law, all costs, expenses and attorneys' fees at any time paid or incurred before and after judgment in endeavoring to collect all or part of any of the above, or to realize upon this Guaranty, or any collateral securing any of the above, including those incurred in successful defense or settlement of any counterclaim brought by Borrower or the undersigned or incident to any action or proceeding brought pursuant to the United States Bankruptcy Code. This Guaranty is valid and enforceable against the undersigned even if any Obligation is invalid or unenforceable against Borrower. **THIS IS A GUARANTY OF PAYMENT AND PERFORMANCE AND NOT A GUARANTY OF COLLECTION.**

WAIVER. To the extent not prohibited by applicable law, the undersigned expressly waive (a) notice of the acceptance of this Guaranty, the creation of any present or future Obligation, default under any Obligation, proceedings to collect from Borrower or anyone else, (b) all diligence of collection and presentment, demand, notice and protest, (c) any right to disclosures from Lender regarding the financial condition of any Borrower or guarantor of the Obligations or the enforceability of the Obligations, and (d) all other legal and equitable surety defenses. No claim, including a claim for reimbursement, subrogation, contribution or indemnification which any of the undersigned may, as a guarantor of the Obligations, have against a co-guarantor of any of the Obligations or against Borrower shall be enforced nor any payment accepted until the Obligations are paid in full and no payments to or collections by Lender are subject to any right of recovery.

PERSONS BOUND. This Guaranty benefits the Lender, its successors and assignees, and binds the undersigned and its successors and assignees. This Guaranty shall continue in full force and effect notwithstanding any change in structure or status of Borrower, whether by merger, consolidation, reorganization or otherwise.

ENTIRE AGREEMENT. This Guaranty is intended by the undersigned and Lender as a final expression of this Guaranty and as a complete and exclusive statement of its terms, there being no conditions to the full effectiveness of the Guaranty. This Guaranty may not be supplemented or modified except in writing.

CONSENT. To the extent not prohibited by applicable law, with respect to any of the Obligations, Lender may from time to time without notice to the undersigned and without affecting the liability of the undersigned (a) release, impair, sell or otherwise dispose of any security or collateral, (b) release or agree not to sue any guarantor or surety, (c) fail to perfect its security interest in or realize upon any security or collateral, (d) fail to realize upon any of the Obligations or to proceed against the Borrower or any guarantor or surety, (e) renew or extend the time of payment, (f) increase or decrease the rate of interest, (g) accept additional security or collateral, (h) determine the allocation and application of payments and credits and accept partial payments, (i) determine what, if anything, may at any time be done with reference to any security or collateral, and (j) settle or compromise the amount due or owing or claimed to be due or owing from any Borrower, guarantor or surety, which settlement or compromise shall not affect the undersigned's liability for the full amount of the Obligations. The undersigned expressly consent to and waive notice of all of the above.

REPRESENTATIONS. The undersigned acknowledges and agrees that Lender (a) has not made any representations or warranties with respect to, (b) does not assume any responsibility to the undersigned for, and (c) has no duty to provide information to the undersigned regarding, the enforceability of any of the Obligations or the financial condition of the Borrower or any guarantor. The undersigned has independently determined the creditworthiness of Borrower and the enforceability of the Obligations and until the Obligations are paid in full will independently and without reliance on Lender continue to make such determinations.

NOTICE TO GUARANTOR

You are being asked to guarantee the obligations of the Borrower identified above. If Borrower does not pay, you will have to. You may also have to pay collection/legal costs. Lender can collect the obligations from you without first trying to collect from Borrower or another guarantor.

Guarantor One

X _____
Guarantor Signature _____ Date _____

Home Address: _____

Home Phone: _____

Work Phone: _____

Mobile Phone: _____

Email Address: _____

Guarantor Two

X _____
Guarantor Signature _____ Date _____

Home Address: _____

Home Phone: _____

Work Phone: _____

Mobile Phone: _____

Email Address: _____

Exhibit C
Deposit Receipt

DEPOSIT RECEIPT LETTER

By this Receipt, **EXPERIMAC FRANCHISING, LLC** (“EXM”) acknowledges that it has received a fully refundable deposit of \$9,500 (USD) from:

Name: _____

Address: _____

together with an application for an **EXPERIMAX** Franchise.

We’ve reviewed your application within our offices and would be pleased to move forward, including assisting you to locate and lease a suitable site for your new **EXPERIMAX** store.

The deposit you paid will, at the time of signing your Franchise Agreement, be credited to the remainder of the franchise fee. In the event that you decide not to accept the Franchise Agreement for any reason, your deposit will be refunded. In addition, in the event you and EXM cannot agree on a suitable location for your franchise within ninety (90) days from the date of this Deposit Receipt, we reserve the right to refund your deposit.

Thank you for your sincere interest in purchasing an **EXPERIMAX** store. We believe we have assembled the best products, support staff, and system in our industry. We look forward to providing this to you and welcoming you into our franchise system.

Sincerely,

EXPERIMAC FRANCHISING, LLC

By: _____

Print Name

CANDIDATE:

Signature

Date

Print Name

Exhibit D
Financial Statements

Experimac Franchising, LLC

Audited Consolidated Financial Statements

December 31, 2017, December 31, 2016, and December 31, 2015

EXPERIMAC FRANCHISING, LLC

TABLE OF CONTENTS

Independent Auditor's Report	1-2
Consolidated Financial Statements:	
Consolidated Balance Sheet	3
Consolidated Statement of Income and Members' Equity	4
Consolidated Statement of Cash Flows	5
Notes to Consolidated Financial Statements	6-8

MILBERY & KESSELMAN, CPA's, LLC

Certified Public Accountants

To the Board of Directors
Experimac Franchising, LLC
West Palm Beach, Florida

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Experimac Franchising, LLC, which comprises the consolidated balance sheet as of December 31, 2017, December 31, 2016, and December 31, 2015, and the related consolidated statements of income and members' equity, and cash flows for the periods then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

2800 West State Road 84 • Suite 105 • Fort Lauderdale, Florida 33312
T: 954.583.3223 • F: 954.583.3259 • www.mkcpafirm.com • jack@mkcpafirm.com

Member: Florida Institute of C.P.A.'s / American Institute of C.P.A.'s

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Experimac Franchising, LLC as of December 31, 2017, December 31, 2016, and December 31, 2015, and the results of its consolidated operations and cash flows for the periods then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Milbery & Kesselman, CPAs".

Milbery & Kesselman, CPAs, LLC
February 27, 2018

EXPERIMAC FRANCHISING, LLC

Consolidated Balance Sheet

As of December 31, 2017, December 31, 2016, and December 31, 2015

	2017	2016	2015
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 321,994	\$ 1,837,192	\$ 433,259
Accounts Receivable, net	1,533,265	445,706	325,186
Inventory	327,668	242,419	155,561
Prepaid Expense	52,588	108,657	6,333
Promissory Notes	-	9,753	-
Total Current Assets	2,235,515	2,643,727	920,339
 Property and Equipment, net	 -	 -	 -
 Other Assets			
Security Deposits	3,373	3,373	-
 TOTAL ASSETS	 \$ 2,238,888	 \$ 2,647,100	 \$ 920,339
LIABILITIES AND MEMBERS' EQUITY			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 631,444	\$ 452,578	\$ 506,453
Accrued Expenses	1,123,185	434,897	8,000
Franchisee Deposits	183,631	1,190,912	243,000
Taxes Payable	71,825	94,709	56,097
Total Current Liabilities	2,010,085	2,173,096	813,550
 Long Term Liabilities	 -	 -	 -
 TOTAL LIABILITIES	 2,010,085	 2,173,096	 813,550
 COMMITMENTS AND CONTINGENCIES	 -	 -	 -
 MEMBERS' EQUITY	 228,803	 474,004	 106,789
 TOTAL LIABILITIES AND MEMBERS' EQUITY	 \$ 2,238,888	 \$ 2,647,100	 \$ 920,339

See accompanying independent auditor's report and notes to financial statements

EXPERIMAC FRANCHISING, LLC
Consolidated Statement of Income and Members' Equity
For the periods ended December 31, 2017, December 31, 2016, and December 31, 2015

	2017	2016	2015
Income			
Franchise Fees	\$ 4,012,093	\$ 4,622,684	\$ 2,343,800
Product	7,007,413	7,084,435	1,948,431
Royalty Income	1,255,637	527,522	34,723
Other Income	174,296	108,025	17,085
Total Income	<u>12,449,439</u>	<u>12,342,666</u>	<u>4,344,039</u>
Cost of Goods Sold	5,528,659	6,160,722	1,863,507
Gross Profit	<u>\$ 6,920,780</u>	<u>\$ 6,181,944</u>	<u>\$ 2,480,532</u>
Expenses			
Advertising	487,765	480,584	282,979
Automobile	125,521	76,926	26,443
Bad Debt	306,384	38,990	9,464
Bank Service Charges	20,200	14,808	3,124
Commissions	1,116,651	1,479,769	607,749
Contributions	1,105	1,456	1,210
Dues and Subscriptions	15,532	15,818	2,783
Insurance	23,176	23,604	4,618
Licensing and Registrations	62,548	30,319	28,809
Office	201,912	112,536	34,895
Payroll	3,269,915	2,530,918	932,765
Professional Fees	60,694	105,425	35,361
Rent	38,529	44,916	1,272
Telephone	104,538	65,223	11,739
Training	897	1,820	669
Travel	874,583	700,851	340,821
Total Expenses	<u>6,709,950</u>	<u>5,723,963</u>	<u>2,324,701</u>
Net Income before Other Income/(Expense)	210,830	457,981	155,831
Other Income/(Expense)			
Foreign Currency Exchange	12,479	(11,434)	(101)
Interest/Dividend Income	370	1,338	-
Interest Expense	(8,442)	(3,704)	(312)
Income Tax	(10,438)	(26,966)	(15,000)
Total Other Income/(Expense)	<u>(6,031)</u>	<u>(40,766)</u>	<u>(15,413)</u>
Net Income	<u>\$ 204,799</u>	<u>\$ 417,215</u>	<u>\$ 140,418</u>
Members' Equity, Beginning	474,004	106,789	66,371
Members' Withdrawal	(450,000)	(50,000)	(100,000)
Members' Equity, Ending	<u>\$ 228,803</u>	<u>\$ 474,004</u>	<u>\$ 106,789</u>

See accompanying independent auditor's report and notes to financial statements

EXPERIMAC FRANCHISING, LLC
Consolidated Statement of Cash Flows
For the periods ended December 31, 2017, December 31, 2016, and December 31, 2015

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities			
Net Income	\$ 204,799	\$ 417,215	\$ 140,418
Adjustments to reconcile net income to net cash provided by Operations:			
Depreciation	-	-	-
(Increase)/Decrease in Accounts Receivable	(1,087,559)	(120,520)	(195,258)
(Increase)/Decrease in Inventory	(85,249)	(86,858)	(129,418)
(Increase)/Decrease in Prepaid Expense	56,069	(102,324)	(6,333)
(Increase)/Decrease in Security Deposits	-	(3,373)	-
Increase/(Decrease) in Accounts Payable	178,866	(53,875)	441,258
Increase/(Decrease) in Accrued Expenses	688,288	426,897	(116,837)
Increase/(Decrease) in Franchisee Deposits	(1,007,281)	947,912	232,000
Increase/(Decrease) in Taxes Payable	(22,884)	38,612	48,869
Cash provided/(used) by Operating Activities	<u>(1,074,951)</u>	<u>1,463,686</u>	<u>414,699</u>
Cash Flows from Investing Activities			
Cash used for Investing Activities	-	-	-
Cash Flows from Financing Activities			
Promissory Notes	9,753	(9,753)	-
Members' Withdrawal	(450,000)	(50,000)	(100,000)
Cash used by Financing Activities	<u>(440,247)</u>	<u>(59,753)</u>	<u>(100,000)</u>
 Increase/(Decrease) in Cash	 <u>(1,515,198)</u>	 <u>1,403,933</u>	 <u>314,699</u>
Beginning Balance	<u>1,837,192</u>	<u>433,259</u>	<u>118,560</u>
Ending Balance	<u><u>\$ 321,994</u></u>	<u><u>\$ 1,837,192</u></u>	<u><u>\$ 433,259</u></u>

See accompanying independent auditor's report and notes to financial statements

Experimac Franchising, LLC
(A Limited Liability Company)

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies

Nature of business - Experimac Franchising, LLC (the "Company"), a Florida limited liability company, was formed on June 26, 2013 and is headquartered in West Palm Beach, Florida. The Company sells franchises that allow the purchaser to own and operate a retail business that buys, sells, repairs, and refurbishes used cell phones, computers, tablets, and other electronic equipment.

The Company has elected a year end of December 31.

Principles of consolidation - The financial statements include the operations of Experimac Franchising, LLC, and its wholly owned subsidiary Experimac PTY LTD. All significant intercompany transactions have been eliminated in consolidation.

All foreign operations are translated to U.S. dollars at the exchange rate in effect at year-end. Income and expense items and cash flows are translated at the average exchange rate for each year.

A summary of the Company's significant accounting policies follows:

Accounting estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition - Initial franchise fees are recognized as revenue when services required under the franchise agreement have been performed by the Company. Franchise royalty revenues are based on franchisees' sales and are recognized as earned. Product and equipment revenue is recorded when legal title is transferred to the customer, generally when the product is shipped.

Cash concentration - The Company maintains its cash in two banks which, at times, may exceed the federally-insured limits. The Company has not experienced any loss in such accounts. The Company believes it is not exposed to any significant credit risk on such accounts.

Accounts receivable - Trade receivables are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis; thus trade receivables do not bear interest, although a finance charge may be applied to such receivables that are more than 30 days past due.

Experimac Franchising, LLC
(A Limited Liability Company)

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Credit risk - The Company performs on-going credit evaluations of each franchisee's financial condition. Accounts receivable are principally with franchises that are secured under the franchise agreements. The franchise agreements provide the Company with certain collateral, including inventory and fixed assets. Consequently, risk of loss is considered minimal.

Property and equipment - Property and equipment is stated at cost. Depreciation is computed by the straight-line method over the following estimated useful lives:

	<u>Years</u>
Vehicles	7
Machinery and equipment	10
Computer equipment	3.5 – 7
Software	3.5
Leasehold improvements	10

Long-lived assets - Long-lived assets held for use are subject to an impairment assessment if the carrying value is no longer recoverable based upon the undiscounted future cash flows of the asset. The amount of the impairment is the difference between the carrying amount and the fair value of the asset. The Company's estimate of undiscounted cash flows indicated that such carrying amounts were expected to be recovered.

Income taxes - The Company has elected to be taxed under sections of the federal and state income tax laws that provide that, in lieu of corporate income taxes, the members separately account for their pro rata shares of the Company's items of income, deduction, losses and credits. Therefore, no provision for federal income taxes is reflected in the Company's financial statements. The provision for state income taxes for 2017, 2016, and 2015 consisted of the following:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Various State Income Taxes	\$10,438	\$26,966	\$15,000

The Company is subject to taxation in various state jurisdictions. State jurisdictions have statutes of limitations that generally range from three to five years. As of December 31, 2017, none of the Company's tax returns are under examination.

Subsequent Events – The Company has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through February 27, 2018.

Experimac Franchising, LLC
(A Limited Liability Company)

Notes to Consolidated Financial Statements

Note 2 Accounts Receivable

Accounts receivable at December 31, 2017, 2016, and 2015 consisted of the following:

	2017	2016	2015
Franchise Fees Receivable	\$ 1,690,545	\$ 402,467	\$ 321,081
Other	172,995	91,531	13,569
Allowance for Doubtful Accounts	(330,275)	(48,292)	(9,464)
	<u>\$ 1,533,265</u>	<u>\$ 445,706</u>	<u>\$ 325,186</u>

The bad debt deducted for the year ended 2017 was \$306,384. The bad debt deducted for the year ended 2016 was \$38,990. The bad debt deducted for the year ended 2015 was \$9,464.

Note 3 Cash and Cash Equivalents

The Company maintains cash balances at two financial institutions. Accounts at the United States institution are insured by the Federal Deposit Insurance Corporation for up to \$250,000. Accounts at the Australian institution are insured by the Financial Claims Scheme for up to \$195,170. At December 31, 2017, the Company had uninsured cash balances amounting to \$62,987. At December 31, 2016, the Company had uninsured cash balances amounting to \$1,411,368. At December 31, 2015, the Company had uninsured cash balances amounting to \$65,597.

Note 4 Transactions with Related Parties

The Company reimburses and receives reimbursements to and from Related Parties, for certain operating expenses, including home office rent, payroll, and other administrative expenses. The balance of net accounts payable from related companies for the year ending December 31, 2017 was \$4,184. The balance of accounts payable to related companies for the year ending December 31, 2016 was \$117,836. The balance of accounts payable to related companies for the year ending December 31, 2015 was \$151,337.

Experimac Franchising, LLC
(A Limited Liability Company)

Notes to Consolidated Financial Statements

Note 5 Commitments and Contingencies

The company entered into a 5 year lease agreement on March 15, 2016 for a property located at 283 Alfred Street, Unit G2-4, North Sydney, Australia for an annual rent of AUS\$57,078, with an annual increase of 4%. The lease is set to expire on March 14, 2021. The company has no other lease agreements in affect as of December 31, 2017.

Rent expense was \$38,529 for the year ended December 31, 2017 and \$44,916 for the year ended December 31, 2016 and \$1,272 for the year ended December 31, 2014.

Note 6 Litigation

From time to time, the Company is involved in litigation, and most of which is incidental and normal to its business. In February 2017, an Opposition was filed with the U.S. Patent and Trademark Office (USPTO) Trademark Trial and Appeal Board (TTAB) against the Company's application for a registration of its logo mark. June 2017, a Petition for Cancellation was filed with the USPTO to cancel the registration of the Company's registered trademark. The Company has been engaged in ongoing settlement negotiations. Outside counsel has expressed an opinion that they believe the matter will be resolved resulting in a resolution of the TTAB proceedings and without litigation. The Company has accrued \$300,000 for future expenses associated with the matter.

Exhibit E
Operating Manual Table of Contents

COMPANY OVERVIEW – 6 pages

- Welcome Letter from CEO
- UFG Mission Statement
- Core Company Values
- UFG Social Mission
- UFG Code of Conduct
- History of UFG
- History of EXM

GETTING STARTED – 7 pages

- Mission Statement
- Goal Setting
- Business Plan

ADVERTISING/MARKETING – 10 pages

- Overview Marketing
- Your Marketing Programs
- Handle Incoming Sales Calls
- Contacting Your Customer Base
- Free Advertising
- Paid Advertising
- Marketing Corporate Accounts
- Social Media
- Grand Opening
- Public Relations
- Indirect Marketing
- Sales Promotions
- Tickler System
- Telephone Basics
- Direct Mail
- Other Retailers

SALES – 16 pages

- Variety of Sales
- Negotiating
- Profit / Margin
- Accessory Guide
- Don't Oversell
- Sales Basics
- Positive Answers
- Maximize Profitability
- Trading
- Selling Guide
- Frequently Asked Questions
- High Demand Items
- Trades
- Appraisal

SERVICE & REPAIR – 20 pages

- Universal Principles
- Troubleshooting
- Repairs
- Repair Management
- Scheduling Work
- Product Testing
- Phone repair
- Ordering Parts
- Tools & Testers
- Manuals and Resources
- Completion of Job
- Used Inventory Repair/Part Days
- Repair Bench Procedures
- Computer Repair

PRODUCTS – 15 pages

- Terms and Definitions
- Products in Showroom
- Repair and Upgrade Lists
- Used Part Management
- Tracking Products Bought
- Warranty Management
- New Inventory Stock

PHONES, COMPUTERS AND ACCESSORIES – 10 pages

- Types of Phones
- Types of Computers
- History and Use

FINANCIAL MANAGEMENT – 9 pages

- Forms of Payment
- Hiring a Bookkeeper
- Payroll

COMPLIANCE STANDARDS – 9 pages

- Operations
- Royalties
- Obligations
- Store Appearance
- Advertising/Marketing
- Legal
- Insurance
- Trademark

OPERATIONS – 58 pages

- Hours of Operation
- Opening and Closing Procedures
- Daily Morning Meeting
- Register Procedure
- Cash Handling and Cash Drawers
- Customer Service Family
- Phone Etiquette
- Experimax Return Policy
- Safety Procedures
- Quality Assurance
- Work Schedule
- Sample Work Schedule
- Dress Code/Personal Hygiene
- Visitor Policy
- Slip/Trip/Fall Hazards
- Incident Report
- Security Systems
- Employee Theft
- Animals in the Workplace
- American with Disabilities Act
- Franchise Location and Relocation
- Filing System
- Record Keeping
- Business Licenses and Permits
- Housekeeping
- Equipment Maintenance Plan
- Labor Law Compliance
- OSHA Compliance

HUMAN RESOURCES – 68 pages

- Manpower
- Staffing
- Roles/Responsibilities
- Employment Standards
- Attendance Policy
- Compensation Policy
- Workplace Health and Safety
- Drug Policy
- Sexual Harassment/Discrimination
- Americans with Disabilities Act
- Hiring Procedures
- Employee Handbook
- Sample Employee Handbook
- Math Test
- Aptitude Test
- Employee Performance Evaluation

EMERGENCY PROCEDURES – 35 pages

- Non-Emergency Contact
- Overview
- Training
- Prevention
- Evacuation
- Earthquake
- Explosions
- Fire Emergency
- Hazardous/Infectious Spill
- Medical Emergency
- Power Outage
- Theft
- Flooding
- Workplace Violence
- Tornado
- Triage
- Fire Inspection
- Fire Safety Checklist
- Fire Safety Inspection
- Alarms

SUPPORT – 3 pages

- Resources
- Year One
- Exclusions
- On-Going

CLOSING – 3 pages

- The Six Keys to Success

Total of 269 Pages

Exhibit F
Agents for Service of Process/State Administrators

CALIFORNIA

California Department of Business Oversight
320 West 4th Street, Suite 750
Los Angeles, California 90013-1105
Telephone: 213-576-7500

Commissioner of the Department of Business
Oversight of the State of California
320 West 4th Street, Suite 750
Los Angeles, California 90013-1105
Telephone: 213-576-7500

HAWAII

Commissioner of Securities of the State of
Hawaii
335 Merchant Street
Room 205
Honolulu, HI 96813

ILLINOIS

Attorney General State of Illinois
500 South Second Street
Springfield, Illinois 62706

INDIANA

Agent for Service of Process
Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204

State Administrator
Securities Commissioner
Indiana Securities Division
302 West Washington, Room E-111
Indianapolis, Indiana 46204

MARYLAND

Agent to Receive Process
Securities Commissioner
Division of Securities
200 St. Paul Place
Baltimore, Maryland 21202-2020

State Authority
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

MICHIGAN

Consumer Protection Division
Attn.: Franchise
G. Mennen Williams Building, First Floor
525 West Ottawa Street
Lansing, MI 48933

MINNESOTA

Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East
Suite 500
St. Paul, Minnesota 55101

NEW YORK

Agent to Receive Process
Secretary of State
State of New York
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001

State Administrator
New York State Department of Law
Bureau of Investor Protection and Securities
120 Broadway, 23rd Floor
New York, New York 10271

NORTH DAKOTA

North Dakota Securities Department
State Capital, 5th Floor
600 East Boulevard Avenue
Bismarck, North Dakota 58505
Telephone: (701) 328-4712

RHODE ISLAND

Rhode Island Department of Business Regulation
Securities Section
John O. Pastore Complex – Building 69-1
1511 Pontiac Avenue
Cranston, RI 02920

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, SD 57501
Telephone: (605) 773-3563

VIRGINIA

Agent to Receive Process
Clerk of the State Corporation Commission
Tyler Building, 9th Floor
1300 E. Main Street
Richmond, VA 23219

State Administrator

State Corporation Commission
Division of Securities and Retail Franchise
1300 East Main Street, 9th Floor
Richmond, Virginia 23219

WASHINGTON

Director
Department of Financial Institutions
Securities Division
150 Israel Rd S.W.
Tumwater, WA 98501

WISCONSIN

Division of Securities
Department of Financial Institutions
201 W. Washington Avenue, Suite 300
Madison, Wisconsin 53703

Exhibit G
General Release Agreement

GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT (“Agreement”) is made between **EXPERIMAC FRANCHISING, LLC**, a Florida limited liability company (hereinafter referred to as the “Franchisor” or “EXM”)) and _____, whose business is located at _____ hereinafter referred to as the “Franchisee”).

INTRODUCTION

A. The Franchisor and the Franchisee entered into a Franchise Agreement (the “original Franchise Agreement”) dated _____, pursuant to which the Franchisor granted the Franchisee an Experimax franchise.

B. The parties desire to terminate the original Franchise Agreement on the terms and conditions set forth in this Agreement.

C. This Agreement has been supported by full and adequate consideration, receipt of which is hereby acknowledged by both the Franchisee and the Franchisor.

The parties agree as follows:

1. **Termination of Franchise Agreement and Related Agreements.** The parties agree that, subject to Section 3 hereof and the terms and conditions set forth in Schedule A attached hereto, the original Franchise Agreement and all obligations of the Franchisee and Franchisor under or arising from the original Franchise Agreement are hereby terminated.

2. **Mutual General Releases.** Subject to Section 3 hereof, the Franchisee, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge the Franchisor and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which the Franchisee ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the original Franchise Agreement, the Franchisor’s offer, sale or negotiation of the Experimax franchise, the relationship of the parties arising therefrom, or the Franchisor’s conduct in obtaining and entering into agreements.

Subject to Section 3 hereof, the Franchisor, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge the Franchisee and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which the Franchisor ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the original Franchise Agreement.

3. **Post-Term Covenants; Special Stipulation.** The termination and release provided in this Agreement shall have no effect on those obligations of the Franchisee (and its owners and guarantors, if any) arising out of the original Franchise Agreement or any other agreement which concern the payment of

any accrued but unpaid amounts owed to the Franchisor (whether known or unknown), or which otherwise expressly or by their nature survive the termination of the original Franchise Agreement, including, without limitation, obligations pertaining to the Franchisee's indemnification obligations, non-disclosure of the Franchisor's confidential information and non-competition with the Franchisor. In addition, all obligations of the parties, if any, in the original Franchise Agreement pertaining to mediation, arbitration and litigation of disputes and jurisdiction and venue for dispute resolution, shall apply with equal force to the terms and conditions of this Agreement, as if set forth herein. Such obligations shall continue in full force and effect in accordance with their terms subsequent to termination of the original Franchise Agreement and until they are satisfied or by their nature expire. The Franchisee acknowledges and agrees it has no right, title or interest in and to the trademarks associated with Franchisor's franchise system, including, without limitation, "Experimax," and any colorable imitation thereof.

4. **Confidentiality.** It is acknowledged by the Franchisee that the terms of this Agreement are in all respects confidential in nature, and that any disclosure or use of the same by the Franchisee may cause serious harm or damage to the Franchisor, and its owners and officers. Therefore, the Franchisee agrees, either directly or indirectly by agent, employee, or representative, not to disclose the termination, this Agreement or the information contained herein, either in whole or in part, to any third party, except as may be required by law.

5. **Non-Disparagement.** The parties agree that at no time will they make any derogatory statements about or otherwise disparage, defame, impugn or damage the reputation of integrity of the others, provided that nothing in this paragraph will preclude any party from providing truthful information in response to compulsory legal process. The parties further agree not to, and to use their best efforts to cause any of the parties' agents, employees or affiliates not to, disparage or otherwise speak or write negatively, directly or indirectly, of the parties' brands, systems, or any other service-marked or trademarked concept of the parties or the parties' affiliates, or which would subject such brands, systems or concepts to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of the parties or their brands, systems or service-marked or trademarked concepts.

6. **Binding Effect.** All of the terms and provisions of this Agreement, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, heirs, successors and permitted assigns.

7. **Interpretation.** Each of the parties acknowledge that they have been or have had the opportunity to have been represented by their own counsel throughout the negotiations and at the execution of this Agreement and all of the other documents executed incidental hereto, if any, and, therefore, the parties agree that none of the provisions of this Agreement or any of the other documents should be construed against any party more strictly than against the other.

8. **Entire Agreement.** This Agreement, including any Schedules attached hereto (which are considered a part of this Agreement), represent the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersede all other negotiations, understandings and representations if any made by and between the parties.

9. **Governing Law.** Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and all transactions contemplated by this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Florida without regard to principles of conflicts of laws.

10. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Confirmation of execution by telex or by telecopy facsimile signature page shall be binding upon any party so confirming or telecopying.

11. **Effectiveness of Agreement.** This Agreement shall not be effective until it has been signed by the Franchisee and the Franchisor and delivered fully executed to the Franchisee and the Franchisor.

THE UNDERSIGNED have read, fully understand, and, by executing below, agree to the terms and conditions of this Agreement.

EXPERIMAC FRANCHISING, LLC:

By: _____

Print Name: _____

Date: _____

The Franchisee:

Signature: _____

Print Name: _____

Date: _____

Signature: _____

Print Name: _____

Date: _____

SCHEDULE A TO GENERAL RELEASE

ADDITIONAL TERMS AND CONDITIONS **FOR TRANSFER AND ASSUMPTION OF FRANCHISE**

The Franchisee desires to transfer its rights to operate its Experimax Store operated under the original Franchise Agreement (the “Experimax Store”) to a successor franchisee, _____ desires to continue operating such Experimax Store pursuant to a Successor Franchise Agreement with Franchisor. The terms and conditions of this Schedule “A” supplement the terms and conditions of the foregoing General Release Agreement of which this Schedule forms a part.

The parties agree that the foregoing recitals are true and correct, and for good and valuable consideration, the receipt of which is acknowledged by each of the parties, the parties agree as follows:

1. **Transfer**. Effective as of the date of this Agreement, the Franchisee does hereby bargain, sell, assign, convey, and transfer all of Franchisee’s rights to the Successor Franchisee to operate the Experimax Store, pursuant to the Successor Franchise Agreement and any related written agreements between the Successor Franchisee and Franchisor. Subject to the terms of such Successor Franchise Agreement and related written agreements with Franchisor, the Successor Franchisee hereby accepts and assumes the rights and obligations of the Franchisee to operate the Experimax Store. Successor Franchisee is not assuming any liabilities of Franchisee to Franchisor. If for any reason the sale of Franchisee’s business to Successor Franchisee is not completed, the General Release Agreement will be deemed null and void and Franchisee shall continue to operate the Experimax Store under the terms of the original Franchise Agreement. Unless otherwise provided in a written agreement between Franchisee and Successor Franchisee, Franchisee, during the period from the date hereof to the final closing date of the sale of the Experimax Store to the Successor Franchisee, shall operate the Experimax Store for his/her own account.

2. **Successor Agreements and Payments**. The Successor Franchisee is hereby delivering to Franchisor its duly signed Successor Franchise Agreement and any related agreements that may be required as a result of this transaction under the original Franchise Agreements. The Successor Franchise Agreement means the current standard form of Franchise Agreement required by the Franchisor, subject to any modifications consented to in writing by Franchisor. The Successor Franchisee is also hereby delivering to Franchisor a training fee in the amount of \$29,500.00. No initial franchise fee shall be due under the Successor Franchise Agreement from the Successor Franchisee.

3. **Consents, Subordination and Acknowledgments**. The Franchisor consents to the transfer to and assumption by the Successor Franchisee in accordance with this Agreement. Such consent does not constitute approval of, nor agreement with, any of the provisions of any agreement (other than this Agreement) between the Franchisee and Successor Franchisee. The Franchisee and Successor Franchisee specifically acknowledge that the Franchisor is not a party to any such agreements. The Franchisee agrees that its rights pursuant to any agreements with the Successor Franchisee, are subject to and subordinate in all respects to Franchisor’s rights under the Successor Franchise Agreement and all related agreements, if any, between the Franchisor and Successor Franchisee, including all renewals, modifications, and extensions, if any, to such agreements. The Successor Franchisee agrees that its rights concerning the Franchisor exist pursuant only to the written agreements entered between the Franchisor and Successor Franchisee, and in the event of any conflict with the terms of this Agreement, except regarding the waiver of the payment of an initial franchise fee, the terms of such other agreements shall control. The Successor Franchisee acknowledges that it has received and reviewed the General Release Agreement of which this Schedule “A” forms a part. The Successor Franchisee further acknowledges that, except as expressly provided in this Agreement, Franchisor has no liability with respect to, related to, or arising out of, any transaction between the Franchisee and Successor Franchisee, and releases, indemnifies and holds the Franchisor harmless from same.

FRANCHISOR:

EXPERIMAC FRANCHISING, LLC:

By: _____
Print Name/Title

Date: _____

THE FRANCHISEE:

Signature: _____

Date: _____

Signature: _____

Date: _____

(Print Corporation Name -if one)

By: _____
Print Name/Title

Date: _____

SUCCESSOR FRANCHISEE:

Signature: _____

Date: _____

(Print Corporation Name -if one)

By: _____
Print Name/Title

Date: _____

Exhibit H
Compliance Certification

EXPERIMAX

COMPLIANCE CERTIFICATION

You are preparing to enter into a Franchise Agreement for the establishment and operation of an Experimax franchise business (a “franchise business”). The purpose of this Compliance Certification is to determine whether any statements or promises were made to you that Experimax Franchising, LLC (hereinafter referred to as “the Franchisor”) has not authorized and that may be untrue, inaccurate, or misleading.

A. The following dates are true and correct:

_____	_____	The date on which I first received a Franchise Disclosure Document about the Experimax franchise.
(Date)	(Initials)	
_____	_____	The date of my first face-to-face meeting with a franchise sales representative of the Franchisor to discuss the possible purchase of a franchise.
(Date)	(Initials)	
_____	_____	The date on which I signed the contracts and agreements as disclosed in my Franchise Disclosure Document
(Date)	(Initials)	
_____	_____	The earliest date on which I delivered cash, check, or other consideration to the Franchisor in connection with the purchase of a franchise.
(Date)	(Initials)	

B. Please review each of the following questions carefully and provide honest and complete responses to each question:

1. Have you personally reviewed the Franchise Agreement and the Franchise Disclosure Document? Yes ____ No ____
2. Do you understand all of the information contained in the Franchise Agreement and the Franchise Disclosure Document? Yes ____ No ____
If “No”, what parts of the Franchise Agreement and/or the Franchise Disclosure Document do you not understand? (Attach additional pages, if necessary)

3. Have you discussed the benefits and risks of establishing and operating a franchise business with an attorney, accountant, or other professional advisor? Yes ____ No ____
4. Do you understand that the success or failure of your franchise business will depend in large part upon your skills and abilities, competition from other agencies, interest rates, inflation, and other economic and business factors? Yes ____ No ____
5. Has any employee speaking on behalf of the Franchisor made any statement or promise concerning the revenues, profits, or operating costs of any business operated by the Franchisor or its franchisees? Yes ____ No ____

6. Has any employee speaking on behalf of the Franchisor made any statement or promise regarding the total amount of revenue you might achieve or operating profit you might realize from a franchise business? Yes ____ No ____
7. Has any employee speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating a franchise business that is contrary to or different from the information contained in the Franchise Disclosure Document? Yes ____ No ____
8. Has any employee speaking on behalf of the Franchisor made any statement, promise, or agreement concerning the advertising, marketing, training, support service, or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Franchise Disclosure Document ? Yes ____ No ____
9. Do you understand that your initial franchise fee is non-refundable upon entering into a Franchise Agreement? Yes ____ No ____

C. If you have answered “Yes” to any one of questions B. 5-8, or “No” to question B. 9 please provide a full explanation of each “Yes” answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below) If you have answered “No” to each of questions B. 5-8 and “Yes” to question B.9, please leave the following lines blank.

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Compliance Certification, you are representing that you have responded truthfully to the above questions.

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.

FRANCHISE APPLICANT:

APPROVED BY:

Signature: _____
 Print Name: _____

 Analyst: **Stacy Herig**

Date: _____

Date: _____

(If applicable)

Corporation Name: _____

By: _____
 Print Name/Title: _____

Date: _____

Exhibit I
Nondisclosure and Noncompetition Agreement

NONDISCLOSURE AND NON-COMPETITION AGREEMENT

THIS NONDISCLOSURE AND NON-COMPETITION AGREEMENT (this “Agreement”) made as of the ____ day of _____, 20____, (“Effective Date”) is by and between _____, (“FRANCHISEE”) d/b/a an Experimax Franchise, Experimac Franchising, LLC, a Florida limited liability company (“COMPANY”) and _____ a resident of the State of _____, (“INDIVIDUAL”) (collectively, the “Parties”).

W I T N E S S E T H:

WHEREAS, FRANCHISEE is a party to that certain franchise agreement dated _____ (the “Franchise Agreement”) by and between FRANCHISEE and COMPANY; and

WHEREAS, FRANCHISEE desires INDIVIDUAL to have access to and review certain Trade Secrets and other Confidential Information, which are more particularly described below; and

WHEREAS, FRANCHISEE is required by the Franchise Agreement to have INDIVIDUAL execute this Agreement prior to providing INDIVIDUAL access to said Trade Secrets and other Confidential Information; and

WHEREAS, INDIVIDUAL understands the necessity of not disclosing any such information to any other party or using such information to compete against COMPANY, FRANCHISEE or any other franchisee of COMPANY in any business (i) that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) the sale, trade, and purchase of pre-owned computers and other devices, sale of accessories for computers and other devices, and repair and upgrade of computers and other devices and/or other services or products the same as or similar to those provided by FRANCHISEE or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of FRANCHISEE, or COMPANY, any affiliate of COMPANY or COMPANY’s other franchisees (hereinafter, “Competitive Business”); provided, however, that the term “Competitive Business” shall not apply to any business operated by FRANCHISEE under a Franchise Agreement with COMPANY.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the Parties hereby mutually agree as follows:

1. Trade Secrets and Confidential Information

INDIVIDUAL acknowledges and understands FRANCHISEE possesses and will possess Trade Secrets and other Confidential Information that are important to its business.

a) For the purposes of this Agreement, a “Trade Secret” is information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords and lists of actual or potential customers or suppliers) related to or used in the development and/or operation of Experimax Stores that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement “Confidential Information” means technical and non-technical information used in or related to the development and/or operation of Experimax Stores that is not commonly known by or available to the public, including, without limitation, Trade Secrets and

information contained in the operating manual and training guides and materials. In addition, any other information identified as confidential when delivered by FRANCHISEE shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: (i) is now or subsequently becomes generally available to the public through no fault of INDIVIDUAL; (ii) INDIVIDUAL can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure by FRANCHISEE pursuant to this Agreement; (iii) is independently developed without the use of any Confidential Information; or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

c) Any information expressly designated by COMPANY or FRANCHISEE as “Trade Secrets” or “Confidential Information” shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve INDIVIDUAL of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. INDIVIDUAL understands FRANCHISEE’s providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between INDIVIDUAL and FRANCHISEE with respect to the Trade Secrets and other Confidential Information.

2. Confidentiality/Non-Disclosure

a) INDIVIDUAL shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of FRANCHISEE, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, INDIVIDUAL must take all steps reasonably necessary and/or requested by FRANCHISEE to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. INDIVIDUAL must comply with all applicable policies, procedures and practices that FRANCHISEE has established and may establish from time to time with regard to the Confidential Information and Trade Secrets.

b) INDIVIDUAL’s obligations under paragraph 2(a) of this Agreement shall continue in effect after termination or expiration of INDIVIDUAL’s relationship with FRANCHISEE, regardless of the reason or reasons for termination or expiration, and whether such termination or expiration is voluntary or involuntary, and FRANCHISEE and/or COMPANY are entitled to communicate INDIVIDUAL’s obligations under this Agreement to any future customer or employer to the extent deemed necessary by FRANCHISEE and/or COMPANY for protection of their rights hereunder and regardless of whether INDIVIDUAL or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in an Experimax Store.

3. Non-Competition

a) During the term of INDIVIDUAL’s relationship with FRANCHISEE and for a period of two (2) years after the expiration or termination of INDIVIDUAL’s relationship with FRANCHISEE, regardless of the cause of expiration or termination, INDIVIDUAL shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, divert or attempt to divert any business or customer of FRANCHISEE to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the COMPANY’s trademark “Experimax” and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as the COMPANY designates to be used in connection with Experimax Stores.

b) During the term of INDIVIDUAL’s relationship with FRANCHISEE, INDIVIDUAL shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry

on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business anywhere within the United States without the express written consent of FRANCHISEE and COMPANY.

c) For a two (2) year period following the term of INDIVIDUAL's relationship with FRANCHISEE, regardless of the cause of termination, INDIVIDUAL shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business within the Designated Territory of FRANCHISEE's Experimax Store or within the Designated Territory of any other Experimax Store without the express written consent of FRANCHISEE and COMPANY.

d) During the term of INDIVIDUAL's relationship with FRANCHISEE and for a period of two (2) years thereafter, regardless of the cause of termination, INDIVIDUAL shall not, directly or indirectly, solicit or otherwise attempt to induce or influence any other Experimax Store or franchisee to compete against, or terminate or modify his, her or its business relationship with COMPANY.

4. Reasonableness of Restrictions

INDIVIDUAL acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of FRANCHISEE, COMPANY, and COMPANY's Trade Secrets and other Confidential Information, the COMPANY's business system, network of franchises and trade and service marks, and INDIVIDUAL waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then INDIVIDUAL shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the Parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

5. Relief for Breaches of Confidentiality, Non-Solicitation and Non-Competition

a) INDIVIDUAL further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause FRANCHISEE and COMPANY immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, FRANCHISEE and COMPANY shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by INDIVIDUAL of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that FRANCHISEE and COMPANY may have at law or in equity.

b) In addition, in the event of a violation of the covenants contained in the Agreement, the Parties agree that damages for such violations would be difficult to quantify. Due to the difficulty in the quantification of resulting damages, the Parties agree that Company would be entitled to liquidated damages in the amount of \$85,500 per event of violation.

6. Miscellaneous

a) This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between INDIVIDUAL, COMPANY and FRANCHISEE with respect to the subject matter hereof. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the Parties.

b) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

c) ANY ACTION BROUGHT BY ANY OF THE PARTIES, SHALL ONLY BE BROUGHT IN THE APPROPRIATE STATE COURT LOCATED IN OR SERVING PALM BEACH COUNTY, FLORIDA. THE PARTIES WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSES OF CARRYING OUT THIS PROVISION. CLAIMS FOR INJUNCTIVE RELIEF MAY ALSO BE BROUGHT BY COMPANY OR FRANCHISEE WHERE FRANCHISEE IS LOCATED. THIS EXCLUSIVE CHOICE OF JURISDICTION AND VENUE PROVISION SHALL NOT RESTRICT THE ABILITY OF THE PARTIES TO CONFIRM OR ENFORCE JUDGMENTS OR AWARDS IN ANY APPROPRIATE JURISDICTION.

d) INDIVIDUAL agrees if any legal proceedings are brought for the enforcement of this Agreement, in addition to any other relief to which the successful or prevailing party may be entitled, the successful or prevailing party shall be entitled to recover attorneys' fees, investigative fees, administrative fees billed by such party's attorneys, court costs and all expenses, including, without limitation, all fees, taxes, costs and expenses incident to appellate, and post-judgment proceedings incurred by the successful or prevailing party in that action or proceeding.

e) This Agreement shall be effective as of the Effective Date and shall be binding upon the successors and assigns of INDIVIDUAL and shall inure to the benefit of FRANCHISEE and COMPANY and their subsidiaries, successors and assigns.

f) The failure of any Party to insist upon performance in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of the other Parties with respect thereto shall continue in full force and effect.

g) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

h) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

i) This Agreement may be modified or amended only by a written instrument duly executed by INDIVIDUAL, FRANCHISEE and COMPANY.

j) The existence of any claim or cause of action INDIVIDUAL might have against FRANCHISEE or COMPANY will not constitute a defense to the enforcement by FRANCHISEE or COMPANY of this Agreement.

k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon FRANCHISEE or COMPANY pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

THE PARTIES ACKNOWLEDGE THAT THE COMPANY SHALL BE ENTITLED TO ENFORCE THIS AGREEMENT WITHOUT THE COOPERATION OF THE FRANCHISEE. INDIVIDUAL AND FRANCHISEE AGREE THAT THIS AGREEMENT CANNOT BE MODIFIED OR AMENDED WITHOUT THE WRITTEN CONSENT OF THE COMPANY.

IN WITNESS WHEREOF, FRANCHISEE and COMPANY have hereunto caused this Agreement to be executed by its duly authorized officer, and INDIVIDUAL has executed this Agreement, all being done in triplicate originals with one (1) original being delivered to each Party.

WITNESS:

FRANCHISEE:

By:_____

WITNESS:

INDIVIDUAL:

Signature:_____

Name Printed:_____

WITNESS:

COMPANY:

By:_____

Its:_____

Exhibit J
Disclosure Document Addenda

STATE SPECIFIC ADDENDA TO DISCLOSURE DOCUMENT

STATE OF CALIFORNIA

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE COMMISSIONER OF BUSINESS OVERSIGHT NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, AND NOT MISLEADING.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT WWW.DBO.CA.GOV.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

Item 3 of the Disclosure Document is amended to add:

The franchisor, any person or franchise broker in Item 2 of the FDD is not subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

Item 10 of the Disclosure Document is amended to add:

The loan company identified in Item 10

We do not offer direct financing to you, however, if offered in the future, we will comply with all appropriate laws governing any direct financing offered by us to you including, if applicable, the California Finance Lenders Law.

Item 17 of the Disclosure Document is amended to add:

You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. Seq.).

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise agreement requires application of the laws of the State of Florida. This provision may not be enforceable under California law.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

Item 19 of the Disclosure Document is amended to add:

The financial performance representations figures do not reflect the costs of sales, operating expenses or other costs or expenses, that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

STATE OF ILLINOIS

Illinois law governs the agreements between the parties to this franchise.

1. Items 17 (v) and 17 (w) of the Disclosure Document are amended by adding the following language:

“Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.

Section 20 of the Illinois Franchise Disclosure Act provides that termination and non-renewal of a franchise agreement is governed by Illinois law.”

2. Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act, or any other law of Illinois is void.

STATE OF MARYLAND

1. Item 17 (f) of the Disclosure Document is amended by adding the following language:

“Termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law. (11USC Section 101 et seq)”

2. Item 17 (m) of the Disclosure Document is amended by adding the following language:

“A general release required as a condition of renewal, sale or transfer shall not apply to liability under the Maryland Franchise Registration and Disclosure Law.”

3. Item 17 (v) of the Disclosure Document is amended by adding the following language:

“Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

4. Item 17 (w) of the Disclosure Document is amended by adding the following language:

“A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

5. The Franchisee Ratification is amended by adding the following language:

“All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

STATE OF MINNESOTA

1. Item 17 (f) of the Disclosure Document is amended by adding the following language:

“Minn. Stat. Sec 80C.14 Subds. 3, 4, and 5 require except in certain cases that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days for non-renewal of the franchise agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.”

2. Item 17 (v) of the Disclosure Document is amended in its entirety to read as follows:

“Minn. Stat. Sec 80C.21 and Minn. Rule 2860.440J prohibit us from requiring litigation to be conducted outside of Minnesota.”

3. Trademarks. The following is added at the end of Item 13:

To the extent required by the Minnesota Franchises Act, we will protect your rights to use the trademarks, service marks, trade names, logo types, or other commercial symbols related to the trademarks or indemnify you from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the trademarks.

4. Minnesota Rule 2860.4400(D) prohibits us from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.

STATE OF NEW YORK

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL EHT STATE ADMINISTRATORS LISTED IN EXHIBIT F OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. 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, violation of franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or 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 ten 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, anti-fraud 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 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 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 at the end of Item 4:

Except as disclosed above, neither the franchisor, its affiliates, its predecessor, officers, or general partner during the ten year immediately before the date of the Disclosure Document: (a) filed as a debtor (or had filed against it) a petition to start an action under the United States 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 during or within one 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 cause 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 the 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 franchise 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 forgoing 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.

STATE OF NORTH DAKOTA

Per a requirement of the North Dakota Securities Department, the performance of Franchisor's obligations under the Franchise Agreement has been guaranteed by our affiliate, EmbroidMe.com, Inc. pursuant to a Guarantee of Performance.

STATE OF RHODE ISLAND

In recognition of the requirements of the State of Rhode Island Franchise Investment Act §19-28.1 et seq., the Franchise Disclosure Document for Experimac Franchising, LLC, for use in the State of Rhode Island, is amended as follows:

3. Item 17 (u) shall be amended to read: §19-28.1-21 (a) A person who violates any provision of this act is liable to the franchisee for damages, costs, and attorneys and experts fees. In the case of a violation of §§19-28.1-5, 19-28.1-8, or 19-28.1-17(1)-(5), the franchisee may also sue for rescission. No person shall be liable under this section if the defendant proves that the plaintiff knew the facts concerning the violation. (b) Every person who directly or indirectly controls a person liable under this section, every principal executive officer or director of the liable person, every person occupying a similar status or performing similar functions, and every agent or employee of a liable person, who materially aids in the act or transaction constituting the violation, is also liable jointly and severally with and to the same extent as the person liable under this section, unless the agent, employee, officer, or director proves he or she did not know, and in the exercise of reasonable care could not have known of the existence of the fact by reason of which the liability is alleged to exist.
4. Item 17 (v)(w) shall be amended to read: §19-28.1-14 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.

STATE OF WASHINGTON

The State of Washington has a Statute, RCW 19.100.180 which 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 involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act 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, 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.

Item 17(d) of the franchise disclosure document, titled “**Termination by franchisee**” is replaced with:

A franchisee may terminate the franchise agreement under any grounds permitted by law.

Exhibit K
List of Current Franchisees

Experimac Franchising, LLC
List of Franchisees as of December 31, 2017

First Name 1	Last Name 1	First Name 2	Last Name 2	Address	Address2	City	State	Zip	Country	Phone
Elise	Labbe-Coldsmith			3202 Dauphin St		Mobile	AL	36606	USA	251-460-7345
Priyanka	Kalra			4015 S. Arizona Avenue, Suite 4		Chandler	AZ	85248	USA	480-207-1150
Taylor	Rash			861 N Higley Rd, Suite 112		Gilbert	AZ	85234	USA	480-207-1150
Priyanka	Kalra			13802 N. Scottsdale Rd, Suite175		Scottsdale	AZ	85254	USA	480-203-8138
Chris	Thomas			1354 East Avenue, Suite S		Chico	CA	95926	USA	530-809-4088
Robert	Nonnemaker	Kevin	Nonnemaker	18597 Brookhurst Street		Fountain Valley	CA	92708	USA	714-716-5005
Krishan	Bibra			26552-D Moulton Parkway		Laguna Hills	CA	92653	USA	949-446-8860
Roberto	Garcia			6165 El Cajon Blvd, Suite 1-H		San Diego	CA	92115	USA	858-228-6527
Melissa	Morrissey			3940-3 Broad Street		San Luis Obispo	CA	93401	USA	805-439-4049
Ricardo	Salinas	Zachary	Salinas	8410 Wadsworth Blvd., Unit H-South		Arvada	CO	80003	USA	720-573-8659
Tony	Ngugi			5498 S Parker Road, Unit #31		Aurora	CO	80015	USA	720-870-6956
Bryce	Avallone			1468 Pearl Street, Suite 120		Boulder	CO	80302	USA	720-440-9312
Patrick	Wentland			6912 N. Academy Boulevard, 1C		Colorado Springs	CO	80918	USA	719-264-2380
George	Leonis			2209 W. Wildcat Reserve Parkway, E4		Highlands Ranch	CO	80129	USA	303-470-0026
Kurt	Peterson	Colleen	Peterson	935 West US Highway 50		Pueblo	CO	81008	USA	719-225-8656
Craig	Ruzicki	Melissa	Ruzicki	874 Boston Post Rd		Guilford	CT	06437	USA	203-457-5987
Matthew	Rusconi			2162 Silas Deane Highway, Unit B		Rocky Hill	CT	06067	USA	860-372-4012
Kevin	Lynn			1031 Santa Barbara Blvd. Unit 16 & 17		Cape Coral	FL	33991	USA	239-800-4552
Derrin	Jones			2475 McMullen Booth Road	Building B, #G	Clearwater	FL	33759	USA	727-281-2282
David	McCollister			3265 SW 34th Street, Suite 2		Gainesville	FL	32608	USA	352-204-5328
AGM Group Corp.		Mary	Lopez	1700 N.Semorano Blvd., Unit 130		Orlando	FL	32807	USA	407-802-4663
Norman	Viggiano	Lauri	Viggiano	820 Palm Bay Rd NE, #114		Palm Bay	FL	32905	USA	321-327-7497
Eddie	Sutton			10486 Roosevelt Blvd N.		Saint Petersburg	FL	33716	USA	727-289-3367
Francis	Rentz	C. Scott	Higginbotham	346 S. Magnolia Drive, Unit 2		Tallahassee	FL	32301	USA	850-933-3281
Chris & Deborah	Grace	Mark	Berry	11209 N. Dale Mabry Highway		Tampa	FL	33618	USA	813-280-2620
Ernest	Duncan			800 Peachtree St. NE, Unit D		Atlanta	GA	30308	USA	404-963-6754
Travis	Howe	Rebecca	Howe	1586 Market Place Blvd.		Cumming	GA	30041	USA	678-845-6977
Barry	Barnett	Tara	Barnett	125 Ernest Barrett Parkway, Suite 108		Marietta	GA	30066	USA	770-485-6544
Neil	Kent			5920 Roswell Road, Suite B-115		Sandy Springs	GA	30328	USA	770-857-3070
Mark	Simmons			2690 Cobb Parkway, Suite A-3		Smyrna	GA	30080	USA	404-872-0006
Robert	Jefferson	Rene	Jefferson	425 Buford Highway, Suite 106-A		Suwanee	GA	30024	USA	678-765-7625
M. Joseph	King			4884 Utica Ridge Road		Davenport	IA	52807	USA	563-275-7677
Kevin	Wright	Colette	Gabriel	1127 W Madison Street	1st Floor	Chicago	IL	60607	USA	312-243-1127
Thayer	Johnson			1523 North Aurora Rd, Suite 111		Naperville	IL	60563	USA	630-857-9984
Gary	Wolf			5011 W. American Prairie Drive		Peoria	IL	61615	USA	309-966-2568
Scott	Markovich			3220 Green Mount Crossing Drive		Shiloh	IL	62269	USA	618-726-2311
Oscar	Bautista			7572 West 119th Street		Overland Park	KS	66213	USA	913-258-8833
Donald	Dixon Jr			2380 Norman Lane, Suite 130		Lexington	KY	40503	USA	937-475-3446
Timothy	Larkins	Stephen	Hyde	2369 Airline Drive, Suite 100A		Bossier City	LA	71111	USA	318-383-0643
Frank	Vinyard Jr.			2819 Johnston Street		Lafayette	LA	70508	USA	337-534-4542
Timothy	Larkins	Stephen	Hyde	7013 Pines Road		Shreveport North	LA	71129	USA	318-349-7861
Timothy	Larkins	Stephen	Hyde	6114 Line Ave		Shreveport South	LA	71106	USA	318-383-0644
Phuc (Henry)	Pham			149 Main Street, unit #M		Middleton	MA	01949	USA	978-304-0134
Chris	Bumeko			4915 Fairmount Ave.		Bethesda	MD	20814	USA	301-272-2191
John	Park	Karen	Park	42114 Ford Road		Canton	MI	48187	USA	734-927-4047
Mark	Parent			33312 Plymouth Rd		Livonia	MI	48150	USA	734-469-4681
Tim	Holder			420 N. Rangeline Road, Suite 14		Joplin	MO	64801	USA	417-622-4662
Andrew	Morgan	Katarzyna	Morgan	1334 Patton Avenue, Suite 120	Buncombe County	Asheville	NC	28806	USA	828-505-6260
Robert	Schneider			16131 Lancaster Highway, Suite 3		Charlotte	NC	28277	USA	704-910-0972
Daniel	Boisse			2956 Owen Drive, Suite 100		Fayetteville	NC	28306	USA	910-223-2500
Gustav	Bone			518 SE Greenville Blvd., Suite E		Greenville	NC	27858	USA	252-689-6720
Andrew	Piatt	Lisa	Piatt	9832 Gilead Road, Suite 105D		Huntersville	NC	28078	USA	704-727-5333
Taylor	Rash	Alicia	Rash	2706 Rock Island Place, Suite 2		Bismarck	ND	58504	USA	701-595-7600
Louis	Halle			833 Islington Street, Suite 2		Portsmouth	NH	03801	USA	603-501-0410
Glenn	Trommer	Avivah Digital Commerce, LLC		2076 Marlton Pike East	Stores 3 & 4	Cherry Hill	NJ	08003	USA	856-375-2703
Lee	Morgenstein (deceased)	Daniel	Morgenstein	21-10 Saddle River Road		Fair Lawn	NJ	07410	USA	201-300-6010
Billy	Light	Susan	Bellamy	185 NJ-73, Unit 3		West Berlin	NJ	08091	USA	856-336-2657
Mark	Shor	Chaim	Shor	10545 South Eastern Avenue., #120		Henderson	NV	89052	USA	702-832-4895
Rochelle	Cavaretta			9101 W. Sahara Ave, Suite 104		Las Vegas	NV	89117	USA	702-202-2424
Brando	Younger			5515 Camino Al Norte, Unit 105		North Las Vegas	NV	89031	USA	702-790-4813
Adam	Tuzza			4773 Sunrise Highway		Bohemia	NY	11716	USA	631-319-1355
Jeffrey	Siepierski	Gina	Fontana-Siepierski	3229 Southwestern Blvd.		Orchard Park	NY	14127	USA	716-608-6874
Ronald	Mosley	Benita	Mosley	3220 Sheridan Dr. Suite 200		Akron-Fairlawn	OH	14226	USA	234-334-5006
Jihoon "Jason"	Ham			4605 Fulton Dr NW, Suite A		Canton	OH	44718	USA	330-409-7005
Eliza	Mallue	Jeffrey	Mallue	3633 Rigby Road		Dayton	OH	45342	USA	937-247-9197
Allison	Stahl	Stacey	Flowers	156 Clint Street		Pickerington	OH	43147	USA	614-868-3880
Dean	Kilton			1337 Worthington Centre Drive		Worthington	OH	43085	USA	614-987-5689
Stephen	Lyle			8044 South Memorial Drive		Tulsa	OK	74133	USA	918-940-3189
Paul	Abbott			20205 Powers Road, Suite 101		Bend	OR	97702	USA	541-797-6863
Steven	McGrath			140 Allendale Road, Suite 6		King of Prussia	PA	19406	USA	610-265-3174

Experimac Franchising, LLC
List of Franchisees as of December 31, 2017

First Name 1	Last Name 1	First Name 2	Last Name 2	Address	Address2	City	State	Zip	Country	Phone
David	Mehalick			4840 McKnight Road		North Pittsburgh	PA	15237	USA	412-548-3078
Eric	Sosa			10149-C Two Notch Road		Columbia	SC	29229	USA	803-401-5588
Perry "Mike"	Fields			1260 Bower Parkway, Suite A6		Columbia	SC	29212	USA	803-708-1555
Chris	Knight			7800 Rivers Avenue, Suite 1040		North Charleston	SC	29406	USA	843-207-4407
Ramona	Schiefelbein	Lawrence	Schiefelbein	1113 Murfreesboro Road #404		Franklin	TN	37064	USA	615-905-4167
Amit	Phillaura	Jana	Phillaura	3713 Belt Line Road		Addison	TX	75001	USA	214-774-9468
Hemanth	Sehgal			5400 East Mockingbird Lane, Suite 113		Dallas	TX	75206	USA	214-823-2673
Leslie	Cole	Chris	Cole	4141 Waller Creek, Suite Q-160		Highland Village	TX	75077	USA	972-317-0978
Michael	Maddux			301 North Loop W	"The Heights"	Houston	TX	77008	USA	832-582-7355
David	Scarbrough	Mary	Scarbrough	9930 Katy Freeway, Suite 150A		Houston	TX	77055	USA	832-426-4337
David	Scarbrough			8501 S Sam Houston Pkwy E #A110		Houston	TX	77075	USA	281-888-2190
Tulio	Scacciati	Valeria	Salis	21788 Katy Freeway, Suite 750		Katy	TX	77449	USA	281-394-9995
Jeffrey	Thwing	Kimberly	Thwing	2960 Eldorado Parkway, Suite 25		McKinney	TX	75070	USA	469-714-4014
Michael	Voss	Katherine	Voss	5910 Babcock Rd, Suite 201		San Antonio	TX	78240	USA	210-462-7052
Matthew	White			7306 Louetta Road, Suite A116		Spring	TX	77379	USA	713-575-5768
Jeff	Pradhan	Raymond "Gabe"	Miccio	1865-106 Carl D Silver Pkwy, Unit 106		Fredericksburg	VA	22401	USA	804-317-9475
Markandeya	Achanta			10311 West Broad St		Glen Allen	VA	23060	USA	804-525-4240
Ronald	Mosley	Benita	Mosley	8669 Sudley Road		Manassas	VA	20110	USA	571-379-5782
Timothy	Crum			13614 Hull Street Rd		Midlothian	VA	23112	USA	804-683-2561
Leonard	Blue			1307 West Main Street		Richmond (Downtown)	VA	23220	USA	804-709-1815
Rex	Lallmang	Judy	Lallmang	43053 Pemberton Square, Unit 150		South Riding	VA	20152	USA	703-815-4748
Shane	Cannon			86 Featherbed Lane		Winchester	VA	22601	USA	540-486-4472
Gordon	Geddins			2120 South 320th Street, Suite C4		Federal Way	WA	98003	USA	253-455-2990
Travis	Weaver	Ling	Weaver	6040 California Avenue SW, Suite A		Seattle	WA	98136	USA	206-935-3378

List of Franchisees that have signed franchise agreements, but have not opened as of December 31, 2017

First Name 1	Last Name 1	First Name 2	Last Name 2	Address	Address2	City	State	Zip	Country	Phone
Francis	Rentz	C. Scott	Higginbotham	346 S. Magnolia Drive, Unit 2		St. John/Jacksonville	FL		USA	850-765-2012
Francis	Rentz	C. Scott	Higginbotham	To be determined		Orange Park	FL		USA	850-765-2012
Ricardo	Salinas			To be determined		Fort Collins	CO		USA	720-838-8698
Matthew	Rusconi			To be determined		Manchester	CT		USA	860-372-4012
Mark	Terry			12320 Barker Cypress Rd, Suite 450		Cypress	TX	77429	USA	713-429-5055
Frank	Vinyard Jr.			4001 Nicholson Drive, Suite E		Baton Rouge	LA	70808	USA	713-503-0580
Tulio	Scacciati	Valeria	Salis	To be determined		Katy West	TX		USA	713-653-4990
Tulio	Scacciati	Valeria	Salis	To be determined		Katy South	TX		USA	713-653-4990
Tulio	Scacciati	Valeria	Salis	To be determined		Sugarland North	TX		USA	713-653-4990
Tulio	Scacciati	Valeria	Salis	To be determined		Westchase	TX		USA	713-653-4990
Tulio	Scacciati	Valeria	Salis	To be determined		Sugarland South	TX		USA	713-653-4990
Steven	McGrath			To be determined		Bryn Mawr	PA		USA	610-659-2876
Louis	Halle			To be determined		NH			USA	508-878-9591
Timothy	Larkins	Stephen	Hyde	To be determined		Alexandria	LA		USA	318-349-7861
Timothy	Larkins	Stephen	Hyde	To be determined		Longview	TX		USA	318-349-7861
Timothy	Larkins	Stephen	Hyde	To be determined		Tyler	TX		USA	318-349-7861
Taylor	Rash	Tomas	Doll	To be determined		Fargo	ND		USA	701-390-4495
Steven	McCunney	Brian	McCunney	75 Eglin Parkway NE		Fort Walton Beach	FL	32548	USA	850-586-7959
Pullum "Joe"	Tairi			18900 W. Bluemound Road, #151		Brookfield	WI	53045	USA	414-406-1621
Charles & Andrea	Amall	Michael	Small	11150 S Cleveland Ave, Suite 120		Fit Myers	FL	33907	USA	239-368-6620
Georgie	George	Satheesh	Madhathil	989 Story Road, Suite 8021		San Jose	CA	95122	USA	408-221-4639
Gary	Lundquist			9212 W. 159th Street		Orland Park	IL	60462	USA	815-469-6879

List of International Outlets as of December 31, 2017

First Name 1	Last Name 1	First Name 2	Last Name 2	Address	Address 2	City	State	Zip	Country	Phone
Anthony	Slade			Shop 2, 77 Grenfell Street		Adelaide	SA	5000	Australia	011 08 8223 2211
Neil	Wardle			823 Glenferrie Road		Hawthorn	VIC	3122	Australia	011 03 9819 9092
Haloti	Kailahi			Shop 9/459 Church Street		Parramatta	NSW	2150	Australia	0422524215
Martin	Savage			Shop 52 Wheelers Lane		Dubbo	NSW	2830	Australia	043-864-9122
Nicholas	Nofal			Shop 2, 41 St. Georges Terrace		Perth CBD	WA		Australia	0403819651
Jalil	Mohammadi			269 Lygon Street		Carlton	VIC	3053	Australia	011 04 2220 7324
Amara	Ashraf			Devonshire Mall		Windsor	ON	N8X 3Y8	Canada	519-966-5588
Javier Contreras Merino	Felipe Ulloa	Felipe Gonzalez	Luis Gariazzo	Mall Apumanque Manquehur Sur 31		Chile		7580001	Chile	011 56 9 53724136
Javier Contreras Merino	Felipe Ulloa	Felipe Gonzalez	Luis Gariazzo	Premium Outlet Buenaventura - Quilicura		Quilicura			Chile	011 56 9 53724136
Laetitia	Rohfrisch			9 Rue Du Parchemin		Strasbourg		67000	France	011 33 3 88 24 40
Colin	Donavan			Unit 23 Kinsale Road		Cork		T12EV2K	Ireland	011 00 353 88 613
Pablo	Gutierrez	Roberto	Gutierrez	Galerias Mall Sonora		Hermosillo	Sonora	83270	Mexico	011 52 662 000 2004
Julian	Nieuwoudt	Cesca	Nieuwoudt	Willowbridge South Mall - Shop G5		Tygervalley (Capetown)	Cape Town		South Africa	011 021 914 1733
Julian	Nieuwoudt	William	Nieuwoudt	Canal Walk Shopping Centre	Century City	Minerton	Cape Town	7441	South Africa	011 021 551 0460
Felipe	Sanguinetti Dobal	Gerardo	Uribe de Barros	Bvar.Espana 2603 - Montevideo		Colonia			Uruguay	011 2707 8400

Experimac Franchising, LLC
List of Franchisees as of December 31, 2017

First Name 1	Last Name 1	First Name 2	Last Name 2	Address	Address2	City	State	Zip	Country	Phone
Felipe	Sanguinetti Dobal	Gerardo	Uribe de Barros	Avenida 18 de Julio 1501		Montevideo			Uruguay	598 24088600

International outlets that have signed agreements, but have not opened as of December 31, 2017

First Name 1	Last Name 1	First Name 2	Last Name 2	Address	Address 2	City	State	Zip	Country	Phone
Mikhail	Mikhail			503 Ruthven Street		Toowoomba	QLD	4350	Australia	0421080270
Nicholas	Nofal			To be determined		Perth West	WA		Australia	0403819651
Kezhi	Cao			To be determined		Sydney Town Hall	NSW		Australia	0434503558
Ashwani	Raghav	Seema	Raghav	To be determined		Ultimo	NSW		Australia	041-341-9353
Ryan	Chonon			Shop 5, 164 New South Head Road		Edgecliff	NSW	2027	Australia	011 04 8882 4666
Lekon	Adebola			Plot 14B, DaSilva Street	Lekki Phase 1	Lagos		0001	Nigeria	27786057563
Leslie	King			To be determined		Zurich			Switzerland	41 76 343 04 75

Exhibit L
List of Terminated, Cancelled, or Not Renewed Franchisees

Experimac Franchising, LLC

List of Terminated, Cancelled or Not Renewed Franchisees as of December 31, 2017

First Name 1	Last Name 1	First Name 2	Last Name 2	City	State	Country	Phone
Walid*	Kaakoush			Chandler	AZ	USA	480-516-6812
Walid*	Kaakoush			Gilbert	AZ	USA	480-516-6812
Lynette*	Ray			Scottsdale	AZ	USA	602-799-7484
Andrew	King			Temecula	CA	USA	760-405-6100
Janice	Lee	James	Wang	Santa Ana	CA	USA	714-328-7788
Leroy	McCarty	Fonda	McCarty	Jacksonville	FL	USA	904-482-8733
Christophe	Sevin			Orlando	FL	USA	407-474-1971
Marie*	Umberger			Suwanee	GA	USA	770-363-2830
Pamela*	Zama			Bethesda	MD	USA	301-461-3503
Jeff	Van Horne			Portland	ME	USA	207-577-2119
Christine	Witte			Fenton	MO	USA	314-452-1101
Jeffery*	Prainito			Charlotte	NC	USA	980-475-0908
Okechukwu	Nwanna			West Hempstead	NY	USA	646-522-0679
David	Ifill, Jr.			Indian Land	SC	USA	704-651-9751
Leslie	Clendenin			Madison	TN	USA	615-855-3851
Scott	Maulsby			Mt. Juliet	TN	USA	615-606-1006
Athar	Sheikh			Arlington	TX	USA	850-321-6500
Abul	Ahmed	Samia	Ahmed	Carrollton	TX	USA	214-502-5817
Aroon	Desai	Vashka	Desai	Dallas	TX	USA	214-995-5654
Gerald	Odum			Frisco	TX	USA	972-625-2782
Michelle	Foley			Garland	TX	USA	214-850-9836
Michael*	Taylor			Houston	TX	USA	713-927-5987
Percy	Kennedy			Humble	TX	USA	281-804-9255
Wesley	Prince			Magnolia	TX	USA	281-259-4479
Sandra	Gonzalez	Bernadette	Morales	Pearland	TX	USA	956-537-2901
Charles*	Stuller, Jr.			Spring	TX	USA	713-447-5709
Karl	Vrba			Draper	UT	USA	801-319-6686
David	Elliott			St. George	UT	USA	907-301-2396
Kimberly	Bottemiller			Tacoma	WA	USA	206-920-4862

*Franchisees that sold their stores in 2017

International outlets that have been Terminated, Cancelled or Not Renewed as of December 31, 2017

First Name 1	Last Name 1	First Name 2	Last Name 2	City	State	Country	Phone
Michael	Snell			Southport	QLD	Australia	011 041 053 4420

Exhibit M
Disclosure Document Receipt

RECEIPT

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

If **EXPERIMAC FRANCHISING, LLC** offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale or sooner if required by applicable state law.

New York and Rhode Island laws require that we give you this 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.

Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If EXPERIMAC FRANCHISING, LLC does not deliver this disclosure document on time, or if it contains a false or misleading statement, or material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, or to your state agency listed in Exhibit F.

The Franchisor is Experimac Franchising, LLC, located at 2121 Vista Parkway, West Palm Beach, FL 33411. Its telephone number is (561) 640-5570.

Issuance Date: **February 28, 2018 as amended December 21, 2018.**

Franchise Seller: Michael White and/or the Sales Agent(s) listed below, EXPERIMAC FRANCHISING, LLC, 2121 Vista Parkway, West Palm Beach, FL 33411, (561) 640-5570.

EXPERIMAC FRANCHISING, LLC authorizes the respective state agencies identified in Exhibit F to receive service of process for it in the particular state. EXPERIMAC FRANCHISING, LLC further authorizes legal process to be served to it at 2121 Vista Parkway, West Palm Beach, Florida 33411.

I received a disclosure document issued **February 28, 2018 as amended December 21, 2018**, that included the following Exhibits:

- | | |
|---|--|
| A. Franchise Agreement | H. Compliance Certification |
| B. Equipment Lease | I. Nondisclosure and Noncompetition Agreement |
| C. Deposit Receipt | J. Disclosure Document Addenda |
| D. Financial Statements | K. Current List of Franchisees |
| E. Table of Contents for Operating Manual | L. List of Terminated, Cancelled, or Not Renewed Franchisees |
| F. Agents for Service of Process/State Administrators | M. Disclosure Document Receipt |
| G. General Release Agreement | |

DATE: _____
(Do not leave blank)

PRINTED Sales Agent Name(s)

Prospective Franchisee **SIGNATURE**

»

Prospective Franchisee **PRINTED NAME**

Prospective Franchisee **SIGNATURE**

»

Prospective Franchisee **PRINTED NAME**

(If Applicable) Corporation/Company Name

By: _____
Authorized **Corporate Officer Signature**

»

_____/_____
Corporate Officer Printed Name Title

RECEIPT

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| G. General Release Agreement | |

DATE: _____
(Do not leave blank)

PRINTED Sales Agent Name(s)

Prospective Franchisee **SIGNATURE**

Prospective Franchisee **PRINTED NAME**

Prospective Franchisee **SIGNATURE**

Prospective Franchisee **PRINTED NAME**

(If Applicable) **Corporation/Company Name**

By: _____
Authorized **Corporate Officer Signature**

Corporate Officer Printed Name Title