

The Playbook

During the term of the Franchise Agreement, we will grant you access to our web based interactive confidential Playbook, our proprietary operations manual which describes the procedures, standards and methods for operating and maintaining a Franchised Business. The table of contents to the Playbook is attached to this disclosure document as Exhibit L. The Playbook is interactive and totals approximately 557 pages. We update our Playbook regularly with new information, and the exact number of pages is difficulty to quantify as one "page" of interactive material may include multiple "pages" of information.

We reserve the right to change the contents of the Playbook. We will post changes to the Playbook through the portal and you are required to log into our portal daily, Monday through Friday, to check for updates or changes to the Playbook. You agree to comply with each new or changed provision in the Playbook. Revisions to the Playbook are based on what we, in our sole discretion, deem to be in the best interest of the System, including the enhancement of quality and goodwill, increased efficiency, decreasing administrative burdens, or improve our and our franchisees' profitability. You must agree that because complete and detailed uniformity under many varying conditions may not be possible or practical, we reserve the right, in our sole discretion and as we deem to be in the best interests of all concerned in any specific instance, to vary standards for any franchisee based upon the peculiarities of the particular Territory, density of population, business potential, existing business practice, or any condition we deem to be of importance to the successful operation of the franchised businesses. (Agreement, Sections 3.3; 4.4)

Specifications for the use of the Marks are contained in the Playbook and Item 13, below.

FSBI University - Continuing Professional Education Program

You will immediately (within 48 hours of being awarded your Franchise) start the Continuing Professional Education Program. Continuing Professional Education is conducted through FSBI University, on-site at the PEC (Southbury, Connecticut) and virtually (from your location) over the Internet and through our proprietary web based instructional portal called FSBI-U. With the Performance Enhancement Center's assistance, you will have everything needed to be fully operational within days of beginning your CPE. Franchisees typically attend and complete on-site training within 60-120 days of signing their Franchise Agreement, dependent upon meeting the Franchise Launch Curriculum requirements.

Continuing Professional Education consists of a virtual and in-person curriculum designed to provide you with a full understanding of our Systems (Agreement, Sections 3.1; 3.5; 4.1; 4.9). Continuing Professional Education is ongoing throughout the term of your Franchise Agreement conducted virtually for approximately 1 hour every two weeks and as advances in our systems are made. There is no additional cost for the ongoing CPE unless you request or require any extraordinary Continuing Professional Education support or services from us in addition to that which we ordinarily provide to our franchisees.

TRAINING PROGRAM

Franchise Launch Curriculum

SUBJECT/DAY	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
Administrative:			
Purchase Leads		1	V <mark>irtually</mark>
Upload Chart of Account to QuickBooks		1-2	Virtually
Review and sign Confidentiality Agreement		1	V <mark>irtually</mark>
Complete ILWE		2	Virtually
Business Setup		5	Virtually



On-site classes are held every sixty (60) days, or when appropriate, at the Performance Enhancement Center in Southbury, Connecticut. Launch Curriculum and Virtual Curriculum are conducted live via our interactive FSBI-U and are available to you 24/7 from the archive. You are enrolled in FSBI-U within 48 hours of becoming a franchisee and will begin the Launch Curriculum immediately upon enrollment.

Virtual Curriculum is conducted live via our interactive FSBI-U and available to you 24/7 from the archive. In addition to the curriculum listed in the table above, we provide Continuing Professional Education throughout the term of your Franchise Agreement conducted virtually through our FSBI-U website for approximately 1 hour every two weeks and as advances in our systems are made. There is no cost associated with this on-going Continuing Professional Education.

On-site Curriculum materials are a combination of PowerPoint presentations and our Interactive Continuing Professional Education programs and the Playbook.

Experience Of The Facilitators:

Terry Powell, Brian Miller, Tamara Loring, Mark Elson and Richard Giannini are the instructors. Each instructor has been trained to present all of the various curriculum topics.

Brian Miller has been employed by our Affiliate TES since 2003 and is currently the Chief Operating Officer and President at the Performance Enhancement Center for ERC and for all our related brands. Mr. Miller has 23 years of experience in franchising and franchise systems.

Tamara Loring has been employed by our Affiliate TES since 2002 and is currently is our VP of Franchise Systems. Ms. Loring manages the daily administration related to the Continuing Professional Education Program, and designs continuing education curricula. Ms. Loring has 12 years of experience as an instructor; eight of those years have been in franchisee education.

Mark Elson is our Director of Franchise Systems for ERC and all our related brands since 2008. Mr. Elson has 15 years of experience in franchising, having been a franchisee in a retail franchise system, and 10 years of training and operations management experience.

Richard Giannini has 10 years of experience as a franchisee and business coach as well as 11 years of experience training business coaches.

In addition to our instructors, persons who are active operations and administrative managers, as well as support staff, all of whom have industry experience, assist our instructors. In addition, we draw upon the substantial experience of our management, personnel from our various suppliers, experts in various relevant fields and occasionally from other franchisees to enhance Continuing Professional Education programs.

You must pay a Tuition of \$10,000.00 for your enrollment and the enrollment of any other Principal Operator enrolled in CPE, and \$5,000.00 for any Associates enrolled in CPE. When attending on-site classes, you must pay for your own meals, travel and lodging expenses, and any miscellaneous expenses of travel. There is no charge for materials.

You (and your Principal Operator and/or Associates, if applicable) must participate and successfully complete our Continuing Professional Education Program and complete all curricula to our satisfaction throughout the term of your Franchise Agreement. If an individual fails to successfully complete any portion of the Continuing Professional Education Program, the individual will be required to retake those portions of the program and successfully complete the portion within one month. If an individual fails to successfully complete the on-site instruction to our satisfaction, the individual must reattend the on-site instruction and you must make payment of the Additional CPE Support fee, which is \$770.00 per day. Your failure to successfully complete any Continuing Professional Education program may result in termination of the Franchise Agreement.



We may require that you complete additional refresher programs either at our Performance Enhancement Center in Southbury, Connecticut or elsewhere. There may be a cost associated with refresher programs. Most refresher programs occur through our interactive FSBI University website at no additional cost to you.

If you request or require any extraordinary Continuing Professional Education support or services from us in addition to that which we ordinarily provide to our franchisees you must pay us a fee of \$770 per day for each day that we provide such additional support or services.

ITEM 12 TERRITORY

Franchise Agreement

Attachment 1 of the Franchise Agreement describes your non-exclusive Territory. You must operate your Franchised Business from a location within the Territory. The size of the Territory will be determined based on the number of businesses located within the Territory, as reported and classified by the U.S. Census Bureau on its website (www.census.gov/csd/). In each Territory, we will only license one Single Unit Franchise for every 1,000 businesses located in the Territory that are classified by the U.S. Census Bureau as businesses that pay payroll tax. If you fail to meet your obligations under the Franchise Agreement, we may terminate your Franchise Agreement and any and all rights you have to use our Marks, whether in the Territory or otherwise, will be lost or take other action, including but not limited to surpassing the Saturation Policy within your Territory.

If you desire to relocate your Franchised Business during the term of your Franchise Agreement with us, you must make a request in writing to us. We will approve or disapprove based on a number of factors, including but not limited to the availability of units within the territory in which you are seeking to relocated based on our Saturation Policy, our ability to place franchised businesses into the requested territory, our plans for development into the requested territory, and other business considerations that we, in our sole discretion, consider relevant to the question of relocation. Our approval or disapproval will be provided to you within 30 days of written request.

If you wish to operate multiple franchised businesses, you are required to enter into additional franchise agreements with us. You must notify us, in writing, of your desire to enter into a subsequent franchise agreement. We will provide you with the then-current disclosure document, subject to the availability of units within the territory in which you are seeking to relocate and our right, pursuant to state franchise registration, where applicable, to offer franchises in the requested territory. You must meet our system's licensing standards at the time you enter into subsequent unit franchise agreements with us; these include being in substantial compliance with all terms of your existing franchise agreements. You may only operate one franchised business under any single franchise agreement.

You do not obtain any options, rights of first refusal, or similar rights to acquire additional franchises.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We will abide by our Saturation Policy within your Territory unless you fail to meet the minimum annual performance standards of \$75,000 in gross revenue per year as described in Attachment 2 to the Franchise Agreement.

You may not advertise outside of your Territory either through traditional or alternative channels of distribution (except for advertising intended for the Territory that may inadvertently and unintentionally be disseminated beyond the Territory. Social Media such as LinkedIn, Twitter, Facebook, etc. is not considered advertising outside of your Territory for the purposes of this franchise), unless you submit and receive prior written approval from us within five business days. However, if you are in full compliance with your Franchise Agreement and all other agreements related to the Franchise Agreement, we may allow you to market in undeveloped areas (a Territory where we have not located another ERC franchisee). You must make your request to market outside your Territory to us in writing

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