






The background of the entire page is a photograph of a marina at night. The water is dark and reflects the lights from the buildings and palm trees in the background. A blue boat is visible on the right side of the image.A decorative graphic consisting of a cluster of yellow dots arranged in a pattern that resembles a stylized arrow or a compass rose, located on the right side of the page.

Franchise DEVELOPMENT PROPOSAL

"Our Business is Franchising Your Business"

A decorative graphic consisting of a cluster of yellow dots arranged in a pattern that resembles a stylized arrow or a compass rose, located on the left side of the page.

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FRANCHISE DEVELOPMENT PROPOSAL

Today's Date

Client:

Vendor:

Franchise Marketing Systems

, Owner

Christopher James Conner, President

I. Franchise Strategic Planning

- I. Implementation Call
- II. Current Business Examination
- III. Initial Strategic Plan
- IV. Franchise Competitive Analysis
- V. Franchise Fee Structure Development
- VI. Franchise Structure Report
- VII. Franchise Business Plans

II. Legal Document Development

- I. Franchise Disclosure Document Development
- II. Franchise Agreement Completion
- III. State Registration Applications

III. Operations Services

- I. PROSPECT BUSINESS Manual Initial Analysis and Outline
- II. Onsite Analysis and Consulting
- III. Franchise Operations Manual

IV. Franchise Marketing Services

- I. Marketing Plan
- II. Franchise Collateral Materials
- III. Franchise Sales Training

V. Ongoing Support

- I. Marketing and Media
- II. Franchise Consulting and Coaching

I. PROSPECT BUSINESS FRANCHISE STRATEGIC PLANNING

Franchise Implementation Call

The Franchise Marketing Systems development team will introduce resources, background and overall process for the franchise development model. Client will introduce the brand, background and leadership team to the Franchise Marketing Systems team. Implementation call will be conducted to both start the development process and initiate the engagement and relationship between both parties.

Current Business Examination

Franchise Marketing Systems will collect key information from client to review, discuss and analyze the business model, brand and current state of the organization in order to best prepare to launch the franchise system and begin awarding franchise units.

- A. Review Current Brand
- B. Current Website
- C. Logo/Brand Colors
- D. Social Media
- E. Customer Profile
- F. Current Suppliers
- G. Technology in Place Currently
- H. Review of Existing Financials
- I. Market Size
- J. Local Competitors
- K. Market Trends
- L. Government Regulations

PROSPECT BUSINESS Strategic Expansion Plan

Franchise Marketing Systems will develop and work with PROSPECT BUSINESS to complete a franchise strategy questionnaire which accurately describes PROSPECT BUSINESS's expansion goals and key success targets. These points will be used in the franchise development process and communicated through the franchise business plan.

- A. Strategic Survey and Questionnaire – Franchise Marketing Systems will complete strategic survey and Questionnaire with PROSPECT BUSINESS.
- B. Brand Development Focus – Franchise Marketing Systems will work with PROSPECT BUSINESS to formalize a plan for brand and concept expansion.
- C. PROSPECT BUSINESS Goal Establishment – Franchise Marketing Systems will establish and document the goals for the franchise development of PROSPECT BUSINESS.
- D. Market Focus – Franchise Marketing Systems will document and design a market layout for the franchise expansion and develop a regionalized plan of expansion for PROSPECT BUSINESS – this will be documented for PROSPECT BUSINESS

Franchise Competitive Analysis

Franchise Marketing Systems will review the industry competitors for PROSPECT BUSINESS concept and industry segment. This competitive analysis will then be used for benchmarking purposes to understand where to position your brand against competing franchise systems. This will provide PROSPECT BUSINESS with a full understanding for the industry lay out and the strategic implications of PROSPECT BUSINESS Franchise Strategy. Franchise Marketing Systems will DOCUMENT a competitive summary based on the following analysis of the industry segment.

- A. Document Competitive Concepts and Design Business Plan.
- B. Analyze and Document Other Franchise Systems Mistakes, Opportunities and relevant franchise strategies.
- C. Build a Competitive Analysis of Franchise Fees to Document PROSPECT BUSINESS Fee.
- D. Provide PROSPECT BUSINESS with Analysis of Industry Royalty Fee Averages and Value Proposition.
- E. Develop Market Analysis for Restaurant Services concepts to Document
- F. Research and document Sales and Earnings of Competitive Franchises
- G. Franchise Marketing Systems will acquire all publicly available franchise documentation from competitive franchise systems for use in developing PROSPECT BUSINESS Documents.

Franchise Marketing Systems will run a comparative analysis of the top potential competitors of the PROSPECT BUSINESS offering.

Franchise Marketing Systems will examine the basic concept, operational format, and general marketing characteristics of PROSPECT BUSINESS business model. Each element of PROSPECT BUSINESS concept will be benchmarked against the previously listed of comparable franchisors and businesses. These business comparisons will be evaluated in terms of their overall effect upon the franchise program. This review will encompass types of products and services offered; types and sizes of locations utilized; total investment for establishing a territory; and sales and earnings of the corporate entity and franchising concept. As a Restaurant franchise, we will undoubtedly be compared to other similar concepts and we will be able to benefit from the mistakes these companies have made in their franchise programs.

Franchise Fee Structure for PROSPECT BUSINESS

Franchise Marketing Systems will review PROSPECT BUSINESS revenue options and recommend appropriate revenue sources that may contribute to the new franchise organization's income and profits. Among the available revenue sources are the following:

Initial Franchise Fees

Franchise fees will be determined after weighing various factors, among them the marketability of the franchise at various price levels, competition from other business opportunities available to potential buyers, and the cash flow produced by the business. The recommended initial franchise fee will be structured in light of a number of factors,

such as front-end selling expenses, advertising, commissions, training, site and start-up assistance costs, market needs, and other variables.

Franchise Marketing Systems will develop the appropriate Franchise Fee for the brand based on numerous factors:

- Competitive Analysis
- Market Positioning
- Cost of Franchise Advertising
- Franchise Commissions
- Training and Support Expenses
- Travel
- Staffing Expenses

Franchise Marketing Systems will develop a structure and business model for working with brokers and independent referral agents for PROSPECT BUSINESS.

Royalties

Royalties will be recommended after a review of PROSPECT BUSINESS business and considering the needs of franchisees and current industry practices. They will be based on the need to maintain sufficient corporate cash flow, to support general and administrative costs and franchise services, and to provide ongoing income for the continuing operation of the franchise. They must also be affordable for franchisees.

Advertising Requirements for Franchisees

Franchise Marketing Systems typically recommends three levels of Franchise Advertising requirements that your franchisees will to follow:

1. Local Advertising Requirements – Franchisee will be required to have a minimum advertising spend in their market.
2. Regional Cooperative Advertising – Franchisees in a particular region will be required to pool funds and advertise together in a given market.
3. Marketing Fund – Franchisees will be required to pay this Marketing Fund Fee to you in conjunction with Royalty Fees.

Local, cooperative, and corporate advertising fees will be recommended after an evaluation of the amounts currently spent for advertising in operating units and the type of advertising needed at the unit level. Corporate advertising fees required of franchisees will be based on the opportunity for leveraging buying power to promote the brand and scale the offering.

The Franchise Business Plan in addition to the franchise operations manual will document and define exactly how PROSPECT BUSINESS Franchisees may use PROSPECT BUSINESS logos, marketing collateral and branding. Everything that PROSPECT BUSINESS franchisees does from a marketing standpoint will be required to pass through

franchisor approval before being released out into the marketplace. PROSPECT BUSINESS will also have direct control and management over where the advertising fees will be spent. The corporate ad fund will be managed directly by the franchisor, while the local advertising will be managed by the franchisees with oversight from the franchisor.

Additional Revenue Opportunities for PROSPECT BUSINESS

Selling of Products to Franchisees:

Franchise Marketing Systems will work with PROSPECT BUSINESS to develop a business model for additional revenue streams from products and item sales to franchisees. This may include sales of advertising, print or other related products or supplies, marketing materials, items needed to operate the business or research and development for new products, lead support products, materials, supply items and other services to be offered within PROSPECT BUSINESS business model.

Vendor Rebates

Franchise Marketing Systems will support PROSPECT BUSINESS in making decisions related to vendors, suppliers and structuring vendor rebate programs. This includes potentially identifying vendors, negotiating vendor relationships and structuring rebate compensation models.

Additional Franchise Fees:

- Technology Fee – monthly fee paid by Franchisees to PROSPECT BUSINESS for technology support.
- Additional Training Fees – charged to Franchisee should they require additional training or support.
- Transfer Fee – fee charged to Franchisee for selling the franchise to a new owner.
- Special Inspection Fees – fees charged to Franchisee should an inspection be required.

These recommendations are incorporated into the legal, operations, and marketing documents and strategies. These issues include policy formulation, market potential, speed of expansion, the franchise structure best suited to PROSPECT BUSINESS situation, and current company resources available to meet franchise goals.

Franchise Structure Report

Franchise Marketing Systems will make recommendations relating to the critical business decisions that become the foundation of the franchise program for PROSPECT BUSINESS. These recommendations are incorporated into the legal, operations, and marketing documents and strategies. These issues include policy formulation, market potential, speed of expansion, the franchise structure best suited to PROSPECT BUSINESS situation, and current company resources available to meet franchise goals.

Franchise Owner Profile:

- Develop a Target Franchisee profile

- Capital Requirements
- Required Background and Experience
- Markets which we will focus growth
- Franchisee required business skills
- Owner Involvement in the Business

Type of Franchise Offered:

- Individual Franchises – Owner Operator
- Area Development Franchises
- Multi Unit Franchises
- Conversion Franchises (Sell to Existing Restaurant Services Locations)
- International Franchise Growth
- License Model
- Structure of Licensing the Brand
- Co-Branding and Co-Tenancy Evaluation and Documentation
- Structure of Franchisee Ownership (Business Format – Sole Proprietorship, LLC, Partnership...)

Territory Structure for Franchisee:

- Population Base
- Demographics of Area
- Income Levels of Customer Base
- Support Structure for Franchisees
- Distance Between Corporate and Franchisees
- Competitive Analysis for Each Market
- Saturation Level Analysis

Franchisee Support Programs:

- Corporate Training Structure
- Field Training Model
- Support Structure
- Field Support – Number of Visits to Franchisees
- Phone Support – 800#
- Intranet Development
- Supplying Marketing Materials to Franchisees
- Leveraging Strategic Partnerships for Franchisees
- Franchisee Conventions
- Website Support Program - Development of Content and Strategy

Internal Staffing:

- Documenting and Identifying Key Roles for the Franchise Management
- Establishing Responsibilities
- Job Functions within the Franchise System
- Bringing on New Team Members
- When to Hire Franchise Management Staff
- How to Hire Franchise Management Staff
- Setting Expectations and Management Structure

Franchise Business Plan

Following the analysis, we will review all critical decisions and weigh the impact of these decisions on key aspects of the franchise program. This will include a written business plan for PROSPECT BUSINESS organization in addition to the individual unit business plan which can be used for PROSPECT BUSINESS owners.

- Financial Projections for PROSPECT BUSINESS Model
- Cash Flow Analysis of PROSPECT BUSINESS System
- Franchisee ROI analysis
- Franchise Model Cash Flow Analysis for Operator
- Financial Projections for Sales and Business Development
- Franchise Growth Goals and Analysis
- Structured Franchise Business Plan
- Operational, Legal and Marketing Recommendations

Additional Areas of Documentation:

Brand Licensing – PROSPECT BUSINESS will also retain the rights to license the brand to other areas and markets outside of the franchise distribution model. This will be documented in the business plan as well as in the legal documents for PROSPECT BUSINESS.

Vendor and Supplier Management for PROSPECT BUSINESS – As PROSPECT BUSINESS develops the franchise system, vendors will be added and removed from the strategic growth plan based on discounts, strategic advantages and relationship management issues.

Location Analysis – Franchise Marketing Systems will work with PROSPECT BUSINESS to develop a plan for Territory types: How large and expansive the territories are, where they are located and what an office requirement should be for franchisees.

Protection of Intellectual Property and Proprietary Work – Franchise Marketing Systems will develop a business plan that accounts for PROSPECT BUSINESS retaining and protecting all the rights and ownership to all copyrights, trademarks, logos, information, developments.

Corporate Structure and Defining Entities – Franchise Marketing Systems will develop a business model and approach that defines the overall corporate structure and the relationship between each of the entities. This will require legal input from PROSPECT BUSINESS Counsel.

- Start-Up Analysis
- Market Overview
- Concept Potential
- PROSPECT BUSINESS History
- Value to the Customer
- Cash Flow Projections
- Financial Analysis

Business Planning for PROSPECT BUSINESS Franchisees:

Franchise Marketing Systems will prepare a structured and detailed business plan that franchise partners of PROSPECT BUSINESS may use in presenting to financial institutions, malls, community centers or other purposes. This business plan will also include a marketing plan for the franchise owners of PROSPECT BUSINESS. This will be a final written document for PROSPECT BUSINESS.

*Focus: Build Long-term valuation and sustainable local market effective growth network.



*Franchise Marketing Systems Affiliate, Franchise Funding Solutions (www.FranchiseFundingSolutions.com) will develop the financial presentation of the PROSPECT BUSINESS franchise to ready for SBA financing. Franchise Funding Solutions will coordinate, implement and execute franchise funding throughout the franchise sales process. This includes lines of credit, SBA loans, Business lines of credit, 401k Rollovers and other franchise lending solutions.

II. FRANCHISE LEGAL DOCUMENTATION

Franchise Disclosure Document

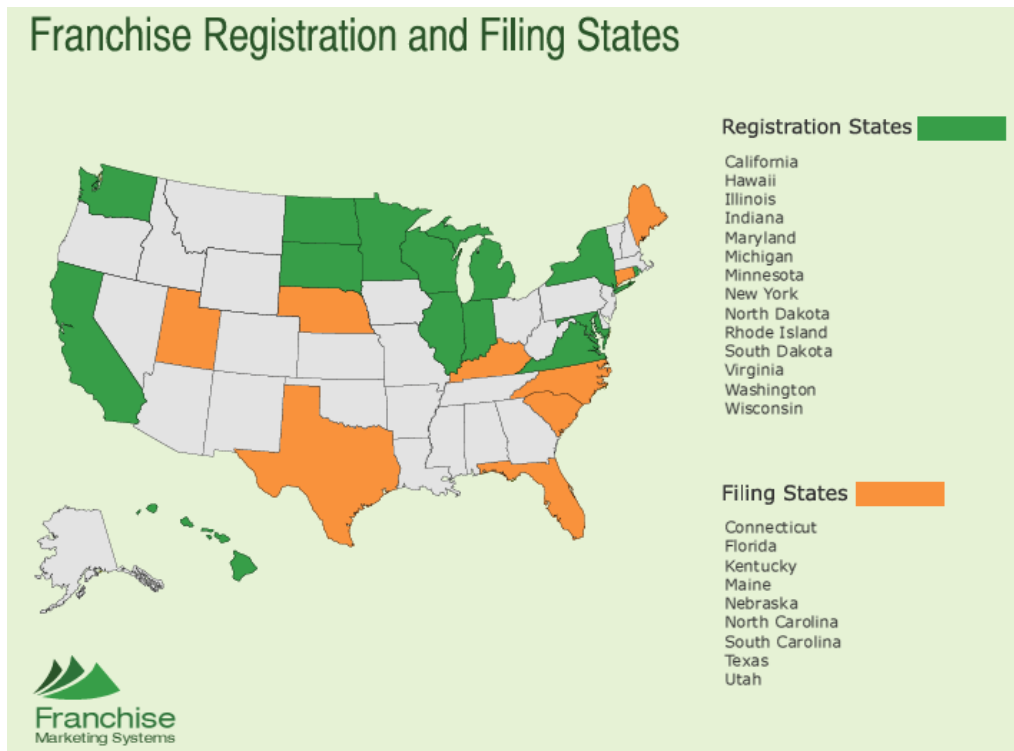
Franchise Law Firm will draft and prepare the franchise Disclosure Document for use in signing franchise relationships. This document will define the franchise relationship as based on the Federal Trade Commission guidelines and rules. There are 23 points of disclosure that will be handled in putting together these documents. The Disclosure Document will appropriately describe the principals involved in operating the business and the structure of the franchise program as defined by the franchise business plan.

Franchise Agreement

Franchise Law Firm will prepare the franchise agreement for use in signing and acquiring franchisees. The Franchise Agreement will appropriately define the structure of the franchise relationship and protect PROSPECT BUSINESS as a franchisor.

State Registrations

Franchise Law Firm will prepare and manage the state registration process for PROSPECT BUSINESS. The State registration fees will be in addition to this proposal – Franchise Marketing Systems will develop a strategic plan for PROSPECT BUSINESS that appropriately develops a strategy to manage the state registration process.



The White States are all “registered” with the development of the FDD.

III. OPERATIONS SERVICES

PROSPECT BUSINESS Manual Initial Analysis and Outline

Franchise Marketing Systems will develop a preliminary outline that identifies and describes the topics that should be covered in PROSPECT BUSINESS Operations Manual. Based on discussions through our planning meetings and material supplied by PROSPECT BUSINESS and employees, this outline will reflect Franchise Marketing Systems’ initial understanding of the issues relevant to the franchisee and will be specifically tailored to the franchise concept. It will also indicate the points at which the manual should cross-reference the provisions of the Franchise Agreement and will delineate the areas for which systems must be developed to monitor the operations of the franchisee. The outline is designed to aid the process of implementing the franchise program and will further serve as the agenda for the field visit.

- Operations Definition
- Structuring PROSPECT BUSINESS
- Defining the Operating Standards
- POS Management
- Inventory management
- OSHA requirements
- Establishing the business
- Hiring Staff
- Marketing the Business
- Working with Customers

Operations Manual Table of Contents

Section A: Introduction

- Welcome letter from PROSPECT BUSINESS Management Team
- PROSPECT BUSINESS Quality Assurance
- Services of the Franchise Organization
 - o Site Selection
 - o Training and Assistance
 - o Advertising Materials and Sales Aids
 - o Operations Consulting
 - o Franchisee Networking Association
 - o Helpline
 - o Website
 - o Social Media
 - o Electronic Newsletter
- Responsibilities of a PROSPECT BUSINESS Franchise Owner
 - o Responsibilities to your Clients
 - o Responsibilities to your Fellow Franchisees
 - o Responsibilities to your Employees
 - o Responsibilities to the Franchisor
- The Monthly Sales Report Meeting
- Visits from the Corporate Office
 - o Your Field Consultant
- The Client Survey

SECTION B: Establishing A Franchise Business

- Introduction
- Selecting Your Business Type
 - o Proprietorship
 - o Partnership
 - o The Limited Partnership
 - o The Corporation
 - o Limited Liability Company (LLC)
 - o Subchapter “S” Corporation
- Your Status as a Franchisee
- Business Name
- Required Bank Accounts
 - o Accounts to Open
- Special Licenses and Permits
- Required Restaurant Insurance Coverage
- Selecting a Space
- Leasing Store/Office Space
 - o Required Lease Inclusions
- Signage
- Contracting Utilities and Services

- o Utilities
 - o Regular Services
 - o Occasional Services
- Phone Service
 - o A Business Phone Service
 - o Voicemail
 - o Standard Phone Protocol
 - o Cellular Telephones
- The PROSPECT BUSINESS Logo Specifications
 - o Sample Logo
- Checks, Stationery, and Business Forms
- Email Signature
- The PROSPECT BUSINESS Countdown-to-Opening Schedule
- Required Hardware and Software
- Recommended Equipment, Supplies, and Furnishings
- Required Initial Inventory
- Paying Taxes
 - o Employer Identification Number (EIN)
 - o How to Get an EIN
 - o When to Apply
 - o IRS-Required Reports
 - o Types of Federal Taxes
 - o Income Tax
 - o Self-Employment Tax
 - o Social Security, Medicare, and Withheld Income Taxes
 - o Federal Taxes: Withholding
 - o Unemployment Taxes
 - o Excise Taxes
 - o State Income Tax
 - o State Unemployment Tax
 - o Retail Sales Tax
 - o County or Town Taxes: Sales Tax
 - o Personal Property Tax
 - o County or Town Business Tax
 - o Federal Tax Filing Checklist
- Paying Additional Fees
 - o Late Payments
 - o Audits
 - o Restaurant Insurance Policies
 - o Transfer Fees
 - o Training
 - o Maintenance Requirements and Renovation
 - o Legal Fees
 - o Emergency Operating Fees
 - o Relocation Fees

- o Alternate Suppliers
- FDD: Fees, Item 6
- Modifications

SECTION C: Personnel

- Introduction
- Contacting the U.S. Department of Labor and Local State Labor Bureaus
- Complying with the Department of Homeland Security
- o Requirements by Law
- The PROSPECT BUSINESS Policy on Sexual Harassment
- Creating Your PROSPECT BUSINESS Staff Database
- o Recruiting Candidates
- o Interviewing Potential PROSPECT BUSINESS Staff
- o Maintaining Your Staff's Compliance
- Job Descriptions
- The Recruitment and Selection Process
- Protecting the PROSPECT BUSINESS System
- Opening Personnel Files
- Orientation and Training of Personnel
- o Steps for New Employees
- Sample Employee Training Outline
- The PROSPECT BUSINESS Uniform/Dress Code
- Establishing Personnel Policies
- Evaluating Employees
- Discipline and Termination
- o How to Discipline Your Employees
- o The Steps to Progressive Discipline
- o Grounds for Immediate Termination

SECTION D: Administrative Procedures

- Introduction
- Suggested Business Hours
- Franchise Reporting and Procedures
- o Monthly Reports
- o Financial Reports
- o Annual Reports
- Customer Service
- Handling Customer Complaints
- Pricing PROSPECT BUSINESS Products and Services
- o Products Sold by PROSPECT BUSINESS
- Ordering Equipment and Supplies
- o Using Vendors
- o Approved Vendor List

SECTION E: Daily Procedures

- Introduction
- Daily Procedures for a/a PROSPECT BUSINESS Franchise
- How to Set Up New Customers
- Conducting Customer Service
- Job Safety
 - o Safety and Health Requirement / Safety Hazard Citation
 - o Accident and Incident Reporting
 - o Minor First Aid Treatment
 - o Emergency Medical Treatment
 - o Emergency Phone Numbers
- First Aid Training
 - o Wounds
 - o Burns
 - o Eye Injury
 - o Neck and Spine Injury
 - o Heat Exhaustion
- Workers' Compensation
- Safety Rules
 - o General Safety Rules
 - o Fire Safety

SECTION F: Selling & Marketing

- Introduction
- PROSPECT BUSINESS Services
- Generating Business
 - o Potential PROSPECT BUSINESS Customers
 - o Prospect Research
 - o Referrals
- The PROSPECT BUSINESS Advertising Program
 - o Corporate Marketing Fund
 - o Cooperative Advertising
 - o Local Advertising
- The Business Opening
 - o Planning a Business Opening
 - o Business Opening Activities
- Developing a Local Advertising Program
 - o Google Business
 - o Internet
 - o Corporate Website
 - o Word of Mouth
 - o Publicity
- Sample Marketing Pieces
- The PROSPECT BUSINESS Sales Process
 - o Phone Protocol
- Guidelines for Using PROSPECT BUSINESS Marks

- o Sample PROSPECT BUSINESS Marks
- Obtaining Approval for Advertising Concepts and Materials

On Site Analysis and Consulting

Franchise Marketing Systems will visit PROSPECT BUSINESS headquarters and areas of business to observe the operations first-hand and to discuss the preliminary outline.

Franchise Marketing Systems will be at the place of business for at least a One-Day Visit. At client's discretion, Franchise Marketing Systems will be available for a second trip as well. This time spent in the operation will be long enough to fully understand the operation and business model. Subject to PROSPECT BUSINESS approval, Franchise Marketing Systems will determine the manual's style, scope, and format, and will document procedures, collecting any materials that are to be included in the manual. The manuals will cover every aspect of running and operating a location of PROSPECT BUSINESS including establishing the business, OSHA requirements, hiring procedures and other start up processes. The Operations manual will also include photographic representations of the operating unit for PROSPECT BUSINESS. The Photos and Illustrations will coincide with the operational documentation and will aide in describing the business in further detail.

Efficiency Consulting for Restaurant Operations – Franchise Marketing Systems will work with PROSPECT BUSINESS to effectively design, document and implement a business model that is as efficient as possible to replicate PROSPECT BUSINESS System through franchising.

Developments and Discovery – Any Discovery or Improvements that are made to the business model by a franchisee will be the ownership and intellectual property of PROSPECT BUSINESS.

Franchise Operations Manual

Franchise Marketing Systems will create a customized, comprehensive manual of 200-400 pages in length incorporating information essential to the operation of the franchise. Its content will be based on data obtained in meetings with PROSPECT BUSINESS team, the observation of the business, the final franchise documents prepared for the program, and Franchise Marketing Systems' extensive experience.

IV. FRANCHISE MARKETING SERVICES

The Franchise Marketing Plan

Franchise Marketing Systems will develop a comprehensive plan for generating franchise sales leads in the United States. This plan, based on an understanding of the expansion goals for PROSPECT BUSINESS and the profile of the target franchise owner, will recommend specific marketing activities and will include appropriate creative materials—such as direct mail letters and copy and layout for franchise sales ads—that can be utilized in the franchise sales campaign. The Marketing Plan will incorporate specific media suggestions, a budget for the campaign, and a timetable for implementation. It will also contain useful information on topics such as legal constraints on franchise marketing, how to obtain publicity, and whether to conduct seminars and participate in trade shows. Copy for the ad and letter will be developed within the context

of Franchise Marketing Systems' experience, with guidelines established by the Federal Trade Commission, and by various state regulatory agencies whose approval is required before any advertising materials can be used in connection with the offer of a franchise.

Franchise Marketing Plan will include the following elements:

- Media Analysis
- Strategic Partner Implementation
- Branding and Value Proposition
- Unique Sales Proposition for the Franchise
- Sales Presentation for Franchise
- Sales Process for Franchise
- Qualifying the Franchise Buyer

Franchise Brochure

Franchise Marketing Systems will develop copy and layout for a brochure of approximately six to twelve pages for PROSPECT BUSINESS, plus cover, designed to describe the Advertising Service franchise and to build enthusiasm among prospective franchisees. Current marketing materials and documentation will be used to develop this process and sales model. The brochure will describe in detail the distinctiveness of the concept, the benefits of the franchise program, and the market for its products and/or services. Franchise Marketing Systems will provide an electronic copy of the brochure containing the franchise brochure layout.

Franchise Website

Franchise Marketing Systems will be developing and building a franchise portion of the corporate website for PROSPECT BUSINESS. This will be used to market not only the brand, but also the franchise model and concept. Current Site will be adapted with franchise marketing and sales presentation incorporated into site presentation.

Example: <https://bodenvyfranchising.com/>

Franchise Sales Training

Franchise Marketing Systems will provide franchise sales training and structure. The franchise sales training program will typically be provided online through virtual sales training program to all PROSPECT BUSINESS's team members who choose to take part in sales training sessions. Franchise sales training will incorporate the following elements:

1. Franchise Sales Compliance
2. Franchise Sales Process
3. Franchise Candidate Tracking
4. Franchise Lead Generation
5. Franchise Lead Nurturing Process
6. Franchise Closing Process

Franchise Sales Training will include documentation and materials supporting franchise sales execution and to provide necessary information to client to execute franchise sales model.

V. ONGOING SUPPORT

Marketing and Media

Franchise Marketing Systems will leverage existing strategic alliances and relationships in the franchise industry to develop value and enhance the effectiveness of the overall franchise development model.

This would include the following relationships and groups in the franchise market:

- Leadmaster – used to manage sales leads and facilitate franchise sales and recruitment - <http://www.leadmaster.com>
*Included at no additional cost.
- Franchise Expositions – targeted franchise shows and events FMS leverages to market and sell franchises:
*Franchise Marketing Systems exhibits at the following shows:
<https://www.fmsfranchise.com/about-us/events/>
*Included at no additional cost.
- Franchise Lead Generation Platforms – used to generate awareness and lead flow for franchise brands:
*These are all included at no additional cost (3 Year Listings)
 - o Entrepreneur – <https://www.entrepreneur.com/>
 - o Franchise Conduit – www.FranchiseConduit.com
 - o Hire GI (Veteran Franchise Sales Site) – <https://hiregibiz.com/>
 - o The Franchise Courier – www.TheFranchiseCourier.com
 - o Buy A Canadian Franchise - <https://buyacanadianfranchise.com/>
 - o FranchiseConsultants.live - <https://franchiseconsultants.live/>
 - o Strategic Franchise Brokers - <https://www.strategicfranchisebrokers.com/>
 - o Business Reviews For You - <https://www.businessreviewsforyou.com/>
 - o Franchise Business Interviews - <https://www.franchisebusinessinterviews.com/>
 - o Franchise Industry Blog - <https://franchiseindustryblog.com/>

Franchise Coaching and Support

Franchise Marketing Systems will provide ongoing management, consultation and coaching throughout the launch of the franchise system. The Franchise Marketing Systems team will be available for assistance and support needed to implement and execute the franchise model. This will include the following categories:

- Strategic planning for Franchise Growth
- Leadership Decision Making
- When to hire and staff franchise support team members
- Vendor Analysis and Support
- Development and Management of Franchise System
- Franchise Marketing and Advertising Support
- Training and Support related to Training Franchisees
- Technology Support and Advice
- Support with Franchise Compliance needs

- General Support and Management

Agreement Details:

***Third Party Expenses:**

- Attorney Fees (Included)
- Programming for Franchise Website (Included)
- Travel (Included)

The Development program will be four months in total in order to be ready to sell and market and award franchise locations.

1. Proposal Period - The pricing and terms of this Proposal are valid for 90 days from the date on the first page of this Proposal.
2. Term – 1 Month periods until client or Franchise Marketing Systems terminates agreement.
3. Termination – Client may terminate this agreement at any time on a month to month basis given notice to provider.
4. Independent Legal Counsel - Franchise Marketing Systems and its agents cannot and will not act as Client's attorney in any capacity. Client should seek the advice of their own legal counsel with regards to this Proposal and the franchise documents and forms provided by Franchise Marketing Systems that are required for compliance with state and federal law. Upon the request of Client, any necessary documents will be submitted to the Client's attorney which is included in this proposal.
5. Outside Costs – Not Applicable.
6. Billing - All amounts due under this Proposal shall be due on the date stated herein and all additional fees and expenses billed to the Client shall be due on the date billed to the Client. All payments will be deemed late if not paid within 30 days of the due date. Late payments shall bear a late charge of an additional 5% for each successive 30-day period in which the debt is not paid.
7. Copyrights - All of the materials comprising the deliverables shall be characterized as a "work made for hire" as defined in 17 U.S.C. § 101 such that the Client shall be the author. Furthermore, FMS hereby irrevocably assigns to Client any copyright interest in the deliverables it may now or later be deemed to possess.
8. Patents - Any inventions or processes, as defined by 35 U.S.C. §100, developed by Client, Franchise Marketing Systems or its agents, including but not limited to business methods, shall be patentable solely by Client at their discretion.
9. Trade Secrets - Any information that can be classified as a trade secret shall be the exclusive intellectual property of the Client. Franchise Marketing Systems will ensure that the confidentiality of all information prepared for Client in the course of performing this contract is maintained by requiring each of its agents to execute written confidentiality agreements prior to such persons providing any Services for Client.
10. Pre-existing IP Rights – Client will have ownership of all materials, content and deliverables created in the development process.
11. Confidentiality - Each party agrees to treat all trade secrets, technology, information pertaining to business operations and strategies, customers, pricing, marketing, finances, sourcing, personnel or operations of the disclosing party, its affiliates or their suppliers or

customers, in each case whether spoken, printed, electronic or in any other form or medium, collectively the Confidential Information, of the other party as strictly confidential, not to disclose Confidential Information or permit it to be disclosed, in whole or part, to any third party without the prior written consent of the disclosing party in each instance, and not to use any Confidential Information of the other party for any purpose except as contemplated by this Proposal.

12. No Guaranty - Franchise Marketing Systems cannot and does not guaranty that the actual results or the success of any franchise program will be similar to any of the projections or forecasts provided by Franchise Marketing Systems.

13. Breach - Neither party shall be deemed to be in breach of any of their respective obligations hereunder unless and until the other shall have given specific written notice by certified or registered mail, return receipt requested, of the nature of the breach and the receiving party shall have failed to cure such breach within thirty (30) days after receipt of such written notice.

14. Timeliness – Franchise Marketing Systems reserves the right to immediately suspend the term of this Proposal and discontinue any and all services and obligations to Client pursuant to this Proposal if Client fails to: (a) insure that all materials necessary for Franchise Marketing Systems to perform its services are provided within a reasonable time period; (b) pay Franchise Marketing Systems all fees during the term of this Proposal by the due dates as set forth herein.

15. Indemnity - Client agrees to and does hereby indemnify, defend and hold harmless Franchise Marketing Systems and its affiliates, officers, directors, agents, members, successors, assigns and licensees from any and all loss, expense, liability, damage or claim, including reasonable attorneys' fees, arising out of or resulting from Client's breach of any of its representations, warranties or obligations under this Proposal. Client agrees to reimburse Franchise Marketing Systems, on demand, for any payment made by Franchise Marketing Systems at any time after the date hereof with respect to any liability or claim to which the foregoing indemnity applies.

16. Choice of Law - This Proposal shall be governed by and construed in accordance with the Federal Laws of the United States of America and the laws of the State of Georgia.

17. Mediation - In the event a dispute shall arise between the parties to this Proposal, the parties agree to participate, in good faith, in at least 8 hours of Mediation, to take place in the Atlanta metro area, prior to either party filing suit against the other. The parties agree to share equally in the costs of the Mediation. A mediator registered with the Georgia Commission on Dispute Resolution shall administer the Mediation. Either party to the dispute may give written notice to the other party of his or her desire to commence mediation. The mediation session must take place within 30 days of the date that such notice is given.

18. Entire Proposal - This Proposal, together with any other documents incorporated herein by reference and related exhibits and schedules, constitutes the sole and entire agreement of the parties to this Proposal with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

19. Severability - If any term or provision of this Proposal is deemed invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Proposal or invalidate or render unenforceable such term or provision in any other jurisdiction.

20. Liability Cap – The liability of the work and deliverables included proposal for Franchise Marketing Systems is limited to the amount paid to Franchise Marketing Systems.

21. Attorney's Fees – Not Applicable.

22. Notice – All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at any of the mailing addresses, email addresses or fax numbers set forth on the signature page of this Proposal or to such other address that may be designated by the receiving party from time to time by providing notice to the other party. All Notices shall be delivered by personal delivery, nationally recognized courier with all fees pre-paid, certified mail, facsimile or e-mail of a PDF document with confirmation of transmission.

By Signing Below Both Parties Accept the Agreement.

Client:
PROSPECT BUSINESS
, Owner

Vendor:
Franchise Marketing Systems
Christopher James Conner, President

Signature_____ **Signature**_____